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FAXED
6/6/02

via fax 819-953-4941

Dear Minister:

RE: Hope Bay Joint Venture Doris Hinge Gold Mine (Project)

The Nunavut Impact Review Board (NIRB) has completed its screening of the above mentioned project pursuant to the Nunavut Land Claims Act (NLCA). Several potential licencing issues, such as land use permits, fisheries authorizations, water licencing, seize over Board with jurisdiction. NIRB's decision, which we now forward to you, is Section 12.4.4(b): the proposal requires a public review under Part 5 or 6 of Article 12 of the NLCA. We propose to jointly conduct a hearing with the NWB.

I would first like to (a) summarize the project, (b) explain why we have decided to send the project to review, and then (c) identify some of our issues and concerns.

A. Project Summary

In addition to the 1800 metre airstrip for 737 jet and Hercules aircraft, there will be a fuel tank farm, barge landing, all weather road, and other key items summarized as follows:

- This Project is located on Inuit Owned Land approximately 5 km south of Roberts Bay and can extract approximately 450,000 tonnes of ore and produce approximately 255,000 ounces of gold over a period of roughly 30 months.
- The Project is proposed to begin with initial equipment and a camp arriving by sea-lift in the fall of 2003. Site work and surface mining would begin in February 2004. Surface mining will produce a stockpile of 90,000 tonnes of ore over a 4-month period.

- Underground mining equipment will be shipped to the site in September 2004. Construction of the portal and ramp to mine the underground ore of the Doris Hinge deposit will commence as soon as possible, and then, approximately 350,000 tonnes of ore will be extracted from underground between the fall of 2004 and the fall of 2006. Milling and processing ore is supposed to be completed in December 2006.
- An initial workforce of 47 will complete camp construction, surface mining and site development work from February to August 2004. Milling and processing will need an on site workforce of 42 from October 2004 to December 2006.
- Approximately 34 ha of land will be disturbed during the course of developing and operating the Project. Water for processing the ore will be recycled from Tail Lake. Roughly 10% of the total ore will be treated with cyanide of gold extraction. All tailings that have been treated with cyanide will undergo cyanide destruction before discharge to Tail Lake. All hazardous waste is promised to be disposed of appropriately. Hunting by workers is prohibited and recreational angling is discouraged.
- On the conclusion of the Project, the underground mine will be sealed, the mill and processing plant removed, and the tailings pond allowed to return to its normal flow. The camp, airstrip and road to the beach will remain to support mineral exploration that is required to develop the full potential of the Hope Bay belt.

B. Rationale for Hearing

First, the proponent has always sought a public review, for example, in its March 20, 2002 letter to the Nunavut Water Board; and April 16, 2002 letter to NIRB. Second, NIRB feels that some of the project effects are uncertain, as are potential impacts on wildlife. Third, there will no doubt be public concern if only because of cumulative impacts of mines or potential for new mines in the general areas of Doris Lake.

More recently, following a review of Hope Bay's Preliminary Project Description, several government departments and other parties believed a public review is appropriate. The parties supporting this decision are:

NTI (April 12, 2002 letter to Briscoe);

G.N. - C.G & T (April 15, 2002 letter to Briscoe);
K.I.A. (April 23, 2002 letter to Briscoe);
G.N. - DSD (April 30, 2002 letter to Briscoe);
All federal authorities¹ (May 10, 2002 letter to Briscoe)

C. Issues of Concern to NIRB

First, we ask that the proponent submit a more detailed project proposal including water/waste management, facility layout, waste rock management, etc. This revised proposal can be in the form of a draft Environmental Impact State (EIS) and, assuming your decision is to send this to a Part 5 review, the EIS should follow the outline exactly as per Section 12.5.2 of the NLCA and be 150 pp. or less in length, not including attachments.

In preparing for the EIS, the proponent can contact our office for EIS Guidelines. There are, however, several issues that need to be more fully addressed:

- baseline inventories of wildlife, fish, and their habitat;
- No Net Loss Fish habitat compensation plan
- **Water quality.** "the ore is characterized as ... having an uncertain acid generation potential..."
- **Project operations and wildlife.** "The Project area includes the mainland winter range of the Victoria Island caribou herd, the summer range of the mainland Bathurst herd, and perhaps, margins of the annual range of the Queen Maude Gulf herd ..."
- A project that is likely to affect *three* caribou herds should be fully described and will raise significant public concern.


¹ Health Canada, Environment Canada, Transport Canada, Natural Resources Canada, Fisheries & Oceans Canada, and INAC.

- **Water source and distribution.** "Water for all camp and fire protection purposes will be drawn from Doris Lake" Potentially affected fish populations will need to be characterized and adequate measures taken to protect fish resources.
- **Tailings Management:** It is unclear whether all of Tail Lake or the lake south of the narrows will be removed from production. It is also unclear whether the tailings dam will be breached at closure.
- **Birds:** The conservation status of and especially the peregrine falcons "may be at risk." This definition means, "the species may be at risk of extinction or extirpation, and are therefore a candidate for detailed risk assessment."
- **Social and Economic Environment:** More detailed information will be required. For example; Heritage Resources, Traditional Knowledge, Spill Contingency Plan.
- **Noise:** Noise abatement should consider the potential negative effects on wildlife behaviour in addition to humans.
- **Residual and cumulative environmental effects:** This needs to be addressed in more detail, especially if there is further development in the Hope Bay belt area.

If you have any questions, please call me.

Yours truly,



 Elizabeth Copland
Chairperson

cc: IPGs, Proponent, full Distribution List