



INDUSTRIAL WATER LICENCE INSPECTION REPORT

Date: 23 April 2014	Licensee Rep. (Name/Title): Katsky Venter
Licensee: TMAC Resources	Licence No.: 2AM-DOH1323 Licence No.: 2BE-HOP1222

Site was attended by Inspectors Eva Paul, Justin Hack, and Atuat Shouldice. There are presently about 14 personnel on site, with drill crews arriving at the end of April. Rescan personnel are on-site conducting AEMP sampling. Geotech personnel are preparing equipment and drill sites for upcoming drill program, which will include on-ice drilling. TMAC is planning a 6-drill program. As discussed during the July 2013 inspection and confirmed recently by AANDC, all water pumped from a source is to be accounted for in water usage reporting.

WATER SUPPLY

Operator: Nuna Logistics

Source(s): Doris Lake, Windy Lake	Quantity used: 56 m ² (March figure)
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Indicate: **A** - Acceptable **U** - Unacceptable **NA** - Not Applicable **NI** - Not Inspected

Intake Facilities: A	Storage Structure: A	Treatment Systems: NI	Chemical Storage: NI
Flow Meas. Device: A	Conveyance Lines: NI	Pumping Stations: NI	Screen : NI

Comments: Camp water is being pumped from Windy Lake and trucked to Doris Camp. The ice at Windy Lake where the pump truck parks was found to be free of evidence of spills or stains.

WASTE DISPOSAL

SEWAGE: Sewage Treatment System (Prim./Sec/Ter.): Membrane Biological Reactor WWTP

- | | |
|---|--|
| <input type="checkbox"/> Natural Water Body | <input type="checkbox"/> Wetlands Treatment |
| <input checked="" type="checkbox"/> Continuous Discharge (land or water) | <input type="checkbox"/> Seasonal Discharge |
| <input checked="" type="checkbox"/> Incineration | <input type="checkbox"/> Pit-privy/outhouse |

Indicate: **A** - Acceptable **U** - Unacceptable **NA** - Not Applicable **NI** - Not Inspected

Dams, Dykes: NA	Dyke Inspection: NA	Seepages: NA
Freeboard: NA	Erosion: NA	Decant Structure: A
Discharge Quality: NI	Discharge Meas. Device: A	Effluent Discharge Rate: A
Spills: A	O&M Plan: NI	

Comments: Waste volume is small at this point due to small number of personnel. Discharge not sampled at this time. WWTP facility is generally clean.

SOLID WASTE:

- | | |
|--|---|
| <input type="checkbox"/> Landfill | <input type="checkbox"/> Burn & Landfill |
| <input checked="" type="checkbox"/> Open Burn | <input checked="" type="checkbox"/> Incinerate |
| <input type="checkbox"/> Backhaul | <input type="checkbox"/> Other: _____ |

Indicate: **A** - Acceptable **U** - Unacceptable **NA** - Not Applicable **NI** - Not Inspected

Waste Management Area: A	Waste Segregation Practices: A	Incinerator Efficiency: A
Signage: A	Records: A	

Comments: While KBL generally manages waste at Hope Bay, the small number of personnel over winter



did not warrant it. Non-burnable waste has been accumulated in sea-cans rather than disposed of off-site. Non-hazardous waste is not currently being backhauled, in anticipation of receiving approval from KIA for a landfill in the future. There are currently over 90 sea-cans of waste. Other sites do not stockpile waste in this manner.

The waste segregation practices on-site are excellent. All waste bins are clearly labelled throughout the site. It was noted that the waste management area is not lined, however; all hazardous waste at the waste management area is to be kept in secondary containment. This includes barrels of contaminated rags and soil, mega bags of oil filters, etc.

In Nuna's absence, open burning has not occurred. The materials have been stockpiled in the burn pan, and in the old burn pan. Some plastics and non-burnable items were noted in the burn pan; this will have to be sorted prior to lighting.

FUEL and HAZARDOUS MATERIALS MANAGEMENT

HAZARDOUS MATERIALS:

Owner/Operator: Licensee

- Fuel**
- Drill additives/Salts**
- Other:** _____

- Lubricants**
- Hazardous Waste**
-

Indicate: **A** - Acceptable **U** - Unacceptable **NA** - Not Applicable **NI** - Not Inspected

Berms & Liners: U	Water within Berms: U (snow)	Evidence of Leaks: A
Drainage Pipes: A	Pipeline Condition: U	Condition of Tanks: A
Pump Station: A	Spills: A	Contingency Plan: A

Comments: Only one partial barrel of fuel was noted on-site outside of containment, behind the incinerator building (N68°10'27" W106°37'6"). Numerous small tanks were found around site with insufficient secondary containment. While tanks were found within containment, hoses, filters, and valves (the likely points of failure) were frequently not (for example, the black tank outside the incinerator building). Also, most small berms were found to be packed with snow, compromising the capacity of the berm in the event of a leak. Small kegs of 'Klondike' solvent were noted in a sea-can outside of Geotech's shop without containment.

Hazardous waste is currently stored at Robert's Bay in the berm of the decommissioned 5M L tank.

SITE CONDITIONS

Indicate: **A** - Acceptable **U** - Unacceptable **NA** - Not Applicable **NI** - Not Inspected

Ore & Waste Rock Stockpiles: A	Mine Water Discharge: NA	Geotechnical Inspection: NI
Erosion: A	Seepages: NI	Construction: NI
Restoration Activities: NI	A&R Plan: NI	

Comments: The site is has been in care and maintenance for the last year, with minimal staff on-site throughout the winter. The site remains clean and well organized.

SURVEILLANCE NETWORK PROGRAM (SNP)

Indicate: **A** - Acceptable **U** - Unacceptable **NA** - Not Applicable **NI** - Not Inspected

Samples Collected:	Owner / Operator: Yes	AANDC: Yes
Signs Posted:	SNP: A	Warning: A
Records & Reporting: A		



Comments: Samples were taken at on Doris Lake for two purposes. As replicate of the AEMP: Samples were taken at 1m and 11.5 m and will be analysed for the same parameters as the AEMP. As pre-drill conditions: several on-ice holes will be drilled on Doris Lake during this season's drill program.

Signage around site is thorough and visible.

NON-COMPLIANCE OF ACT OR LICENCE:

2AM-DOH1323:

Part I item 3: The Licensee shall provide adequate secondary containment.

Action Required:

1. The Licensee will demonstrate to the Inspector the methods that will be employed to minimize water drawn for drilling, and the anticipated usage rates, prior to the commencement of drilling.
2. The Licensee will provide written clarification from the Board as to whether drilling is authorized under the Type A licence.
3. All fuel berms are to be maintained snow-free so as not to compromise the berm's capacity to contain a leak.
4. Fuel lines, nozzles, and valves are to be kept within secondary containment or over drip trays. *
All fuelling activities are to occur over drip trays, including mobile/remote refuelling.
5. All hazardous waste at the waste management area is to be kept in secondary containment.
6. The Licensee will provide to the inspector prior to freshet the draft plan for management of the cuttings sump at Patch Lake and the mitigation measures to be implemented to prevent further salt deposition to the lake. Measures are to be implemented this season.

Katsky Venter
Licensee Representative's Name

Eva Paul
Inspector's Name

[Signature]
Licensee Representative's Signature

[Signature]
Inspector's Signature

24 April 2014
Date

24 April 2014
Date

* This includes fuel and hydraulic lines on the drill setups. [Signature]