



All **terms and conditions of this Licence remain in effect**. Sections 85 to 94 of the *Act* provide the provisions for the enforcement of this Licence. The Minister of Aboriginal Affairs and Northern Development Canada (AANDC) has the power to designate inspectors and/or analysts to identify or determine inspection and compliance related issues. The NWB recommends that TMAC Resources Inc. contact the Inspector for AANDC in Iqaluit to obtain a copy of any enforcement documents related to this licence.

The Board would like to take the opportunity to highlight the following matters that will require immediate action by TMAC Resources Inc.

#### *Enforcement*

Aboriginal Affairs and Northern Development Canada (AANDC) carried out two inspections at the Hope Bay Belt, pertaining to the Windy Water Licence on July 2012 and October 3, 2012 with respect to compliance monitoring and enforcement. Within the October 3, 2012 inspection report, it was noted that several non-compliance issues remain at the Windy Camp/Patch Lake Camp that will require attention. In addition, the Inspector indicated that:

On-going work to rehabilitate the Windy camp site is expected to be undertaken in accordance with the submitted plans and will be inspected again in 2013 as new activities and further work is completed.

The Board further advises TMAC Resources Inc. that action is required to rectify non-compliance as identified within the Inspection Report.

#### *Annual Report (Part B, Item 2)*

The Nunavut Water Board (“NWB” or “Board”) completed a technical review of the 2012 Annual Report for the above mentioned project. The annual report was distributed for information and no comments were received regarding the report at the time of this review. The review found that the report is complete and consistent with the reporting requirements of licence 2BE-HOP1222.

#### *Spill Contingency Plan (Part H)*

The Board acknowledges that a revised Spill Contingency Plan (SCP) was submitted by the previous Licensee in October 2012 which addressed changes in operation to reflect the status of the entire Hope Bay Belt project as it influences the activities, environmental and safety issues of the Windy Camp and the Hope Bay Regional Exploration Project. A Plan entitled “*Hope Bay Mining Ltd. Spill Contingency Plan HB-ER-ENV-MP-001 (REV 5)*” dated October 2012, was submitted that meets the SCP requirements for the Water Licenses 2AM-DOH0713, 2BB-BOS1217, and 2BE-HOP1222.

**The Licensee shall submit to the Board for review within sixty (60) days following issuance of this assignment, an updated Spill Contingency Plan that addresses the change in Licence holder and comments received during the review.**

#### *Abandonment and Restoration Plan (Part I, Item 1)*

An Abandonment and Restoration Plan (A&R Plan) submitted by the previous Licensee under Part I, Item 1 has not to date been approved by the Board. A revised plan was provided to the Board on

June 28, 2012, and distributed for comments on August 1, 2012, with an initial comment period ending September 1, 2012, subsequently extended to October 1, 2012 by way of a request from Environment Canada. In addition, HBML submitted the *December 31, 2012 Hope Bay Project Closure and Reclamation Cost Estimate – Update*, which proposed security in the amount of \$5,641,000. HBML responded to comments received<sup>2</sup> on February 14, 2013. The NWB also received comments on the June 2012 A&R Plan, from the Kitikmeot Inuit Association which expressed the requirement for TMAC to update the Plan to include the responsibilities of the Licensee with respect to a Memorandum of Understanding with the KIA and the development of a “Long Term Monitoring Plan” to be included within the A&R Plan.

The Board has therefore deferred approval of the Plan entitled “Hope Bay Project Windy Camp and Patch Lake Facility Final Closure Plan” dated June 2012, that was submitted by HBML. **TMAC Resources Inc. shall submit to the Board for approval within sixty (60) days following issuance of this assignment**, an updated Abandonment and Restoration Plan that addresses the change in the Licence holder, requirements of the KIA and comments received during the review of the Plan. TMAC Resources Inc., in review and revision of the Plan, shall review/revise and confirm the included Windy Camp and Patch Lake Facility Closure Cost Estimate provided by HBML, for the purposes of the Board assessing the security requirements under the *Act*.

*Landfarm Closure Report (Part I, Item 4)*

The Licensee was required under Part I, Item 4 to submit to the Board for review, a final closure report for the landfarm at the Windy site. The NWB received from HBML, the “Windy Camp Landfarm Closure Report” on August 10, 2012.

*Other Matters*

TMAC Resources Inc. is reminded that the Nunavut Impact Review Board (NIRB) Screening Decision for File No. 01WR097, dated November 4, 2001, still applies to the Project and can be obtained at the NIRB’s ftp site located at <ftp://ftp.nirb.ca/>.

If you have questions regarding the assignment of the Licence or this correspondence, please contact Damien Cote, Executive Director at [Damien.cote@nunavutwaterboard.org](mailto:Damien.cote@nunavutwaterboard.org) or Ph. (867)-360-6338.

Sincerely,



Thomas Kabloona  
Nunavut Water Board Chair

TK/es/pb

Cc: Distribution List – Kitikmeot

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<sup>2</sup> AANDC, October 01, 2012; EC, October 01, 2012, KIA, October 05, 2012.