

NIRB File No.: 06EN066 INAC File No: N2006C0027 NWB File No.: 2BE-IZO0606

March 1, 2010

Ron Fenlon MMG Project Manager – Izok Lake Project MMG | Minerals and Metals Group 200-1159 Alloy Drive Thunder Bay, Ontario P7B 6M8

Via email: ron.fenlon@mmgroupltd.com

Re: <u>Application Acknowledgement for MMG's amendment request with Indian and Northern Affairs Canada for the "Izok and Hood" project</u>

Dear Ron Fenlon:

On February 18, 2010 the Nunavut Impact Review Board (NIRB or Board) received an application from Indian and Northern Affairs Canada (INAC) for an amendment to MMG Minerals and Metals Group's (MMG, formerly Zinifex Canada Inc.) "Izok and Hood" project.

Please be advised that the original project proposal (NIRB File No.: 06EN066) was received by the NIRB from the Kitikmeot Inuit Association (KIA) on June 23, 2006. The proposal was screened in accordance with Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA) and on September 19, 2006 the NIRB issued a 12.4.4(a) screening decision indicating the proposed project could proceed subject to the NIRB's recommended project-specific terms and conditions.

## **Project History**

Original project components/activities which have been previously screened include the following:

- On-land and on-ice drilling up to 30,000 metres (m) between the Izok property and Hood property
- Use of existing Ham Lake camp, which has an existing 2,500 m gravel airstrip.
- Establishment of a non-permanent weatherhaven camp (20-40 persons).
- Fuel and chemical storage at camp consisting of:
  - o 385,000 litres of diesel fuel stored in 7 fuel tanks

- o 2,050 litres of gasoline stored in 205 litre drums
- o 5000 pounds (lbs) of propane stored in one hundred lb containers
- o 20,500 litres of aviation fuel (Jet B) stored at airstrip
- o Petroleum lubricants
- o Drill additives
- Temporary fuel and storage at drill-site locations
- Research in the areas of wildlife/fish/birds/marine and archaeology
- Use of water for camp and drilling purposes

On June 6, 2008 the NIRB received an application from INAC requesting screening of MMG's Surface Lease renewals and an amendment (increase in surface lease for the airstrip at Ham Lake) for their Hood and Izok properties (INAC File No.'s 086H10001, 086H10002, 086I02001). After review of the request and the comments received, the NIRB determined that the renewals and the amendment to the Surface Leases did not significantly change the general scope of the original project activities and the NIRB re-issued the recommended project-specific terms and conditions contained in the September 19, 2006 Screening Decision Report (attached).

On November 3, 2009 the NIRB received an application from INAC for an extension to MMG's land use permit (N2008C0020) for their "Izok and Hood" project. After review of the proposed project, the NIRB determined that the extension request did not significantly change the general scope of the original project activities and the NIRB re-issued the recommended project-specific terms and conditions contained in the September 19, 2006 Screening Decision Report.

## **Current Application**

MMG is proposing to amend their land use permit to include the following additional components/activities:

- Winter access trail from Ham Lake camp to Izok Lake;
  - Winter access to include one access trail from the airstrip to Isnogouhd Lake (775 m in length), ice road over Isnogouhd Lake (5 kilometres) and a second access from Isnogouhd to Izok Lake (450 m in length)
  - o Winter access to be prepared with a Bobcat, a front end loader and a grader
- Winter access to be used for crew changes twice daily and drill resupply once daily;
- Movement of drummed fuel over trail; and
- Winter access trail only to be used between March and May.

The INAC application and the original NIRB screening file, 06EN066 are available from the NIRB's ftp site at the following link:

http://ftp.nirb.ca/SCREENINGS/ACTIVE%20SCREENINGS/06EN066-Izok and Hood Project (Wolfden)/1-SCREENING/

Please note that Section 12.4.3 of the NLCA states that:

"Any application for a component or activity of a project proposal that has been permitted to proceed in accordance with these provisions shall be exempt from the requirement for screening by NIRB unless:

- (a) such component or activity was not part of the original project proposal; or
- (b) its inclusion would significantly modify the project."

The NIRB is of the opinion that the request for the amendment is not likely to *significantly* change the general scope of the original project activities. Therefore the NIRB is *proposing* to re-issue the same terms and conditions as those in the attached September 19, 2006 Screening Decision, along with any new terms and conditions the NIRB considers appropriate. The NIRB is copying interested Parties and municipalities potentially affected by this project and we invite interested persons to comment directly to the NIRB by **March 11, 2010**.

The NIRB would like Parties to provide comments regarding:

- whether the proposed component or activity was a part of the original proposal;
- whether its inclusion would significantly modify the project;
- any additional mitigation measures that are appropriate; and
- any other matter of importance to the Party related to the project proposal.

Please send your comments directly to the NIRB at info@nirb.ca or via fax to (867) 983-2594.

If you have any questions or concerns, please do not hesitate to contact the NIRB's Technical Advisor Sophia Granchinho at <a href="mailto:sgranchinho@nirb.ca">sgranchinho@nirb.ca</a> or 867-983-4607.

Sincerely,

Sophia Granchinho

Nunavut Impact Review Board

cc: Distribution List

Brian O'Mara, Indian and Northern Affairs Canada Stanley Anablak, Kitikmeot Inuit Association Phyllis Beaulieu, Nunavut Water Board

Enclosures (3): English Comment Form

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NIRB Screening Decision Report, File No.: 06EN066 (September 19, 2006)