



Water Resources
Nunavut Regional Office
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May 2, 2014

Phyllis Beaulieu
Manager of Licensing
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU, X0A 1J0

Your file - Votre référence
2BE-KAZ1011
Our file - Notre référence
CIDM# 798212

**Re: 2BE-KAZ1011 – Baker Lake Basin Project - Newmont Mining Corporation –
Cancellation Application**

Dear Ms. Beaulieu:

Aboriginal Affairs and Northern Development Canada (AANDC) Water Resources Division conducted a review of Newmont Mining Corporation's application to cancel their Type 'B' Water Licence 2BE-KAZ1011.

The following advice has been provided pursuant to AANDC's mandated responsibilities for the enforcement of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* (NWNSTRTA) and the *Department of Indian Affairs and Northern Development Act*. In conducting our review, AANDC Water Resources referred to documents on the FTP site relating to 2BE-KAZ1011.

Should you have any questions or comments, please do not hesitate to contact me at (867) 975-4738 or by e-mail at Jean.Allen@aandc-aadnc.gc.ca

Sincerely,

Jean Allen
Water Management Specialist

Cc. Murray Ball, Manager of Water Resources, AANDC
Erik Allain, Manager of Field Operations, AANDC

Technical Review Memorandum

To: Phyllis Beaulieu – Manager of Licensing, Nunavut Water Board

From: Jean Allen – Water Management Specialist, Water Resources, AANDC

Re: 2BE-KAZ1011 – Baker Lake Basin Project - Newmont Mining Corporation – Cancellation Application

A. INTRODUCTION

The Nunavut Water Board (NWB, Board) issued a water licence on July 20, 2006 to Aurora Energy Resources Inc. (acquired by Newmont Mining Corporation (Newmont) in 2011) for the use of water and deposit of waste to conduct an exploration program targeting uranium mineralization located within the Baker Lake Basin. On September 12, 2010, they were issued a renewed water licence (2BE-KAZ1011) for camp operations and activities relating to final closure and restoration of the Bisset Lake Camp and associated activities at the Baker Lake Basin Project.

The Baker Lake Basin Project (the Project) is located within the Kivalliq Region approximately 65 kilometres (km) southeast from the Hamlet of Baker Lake. The Project used Bisset Lake as a source of potable water to supply a maximum of 5 m³/day to a small camp (3-5 people) for 5 days to support the reclamation program. There was no kitchen facility and thus no greywater sump. Sewage was disposed in a latrine sump which was treated with lime, backfilled and leveled to achieve pre-existing natural contours of the land. Combustible solid waste was burned on site while non-combustible solid waste, hazardous waste (fuel, chemicals, etc.), and fuel drums were removed from site and disposed at an approved facility. The core was relocated to a long-term site, 100 m away from Bisset Lake and radiation levels were measured to be below 1.0 microSievert (µSv) at 1 m from the surface and have little or no potential to generate acid.

B. RESULTS OF REVIEW

The AANDC Water Resources Division offers the following comments/ recommendations for the NWB's consideration in regards to Newmont's (the Licensee) cancellation application for water licence 2BE-KAZ1011.

General

1. AANDC could not locate any annual reports for reclamation activities under water licence 2BE-KAZ1011 on the NWB FTP site (2007 and 2008 annual reports were submitted under 2BE-KAZ0609). While the final report describing reclamation activities provides most of the information required in Part B, Item 2, there appears to be some information that remains outstanding (particularly a and d). AANDC recommends that this information be provided.

2. Part I, Item 2 requires the Licensee to submit a final closure restoration report within 90 days of completion of restoration activities. Discovery Mining Services (retained by Newmont) submitted a Final Plan in December 2011. While the 2009 Status Report (Appendix I of the Final Closure and Reclamation Plan) provides some of the required information, AANDC notes that the Final Plan and the 2009 Status Report do not appear to address all requirements under Part I, Item 2 (particularly b, e, and f) and recommends that more information be provided.
3. Water licence 2BE-KAZ1011 allows for the long term storage of drill core so long as radiation levels are less than 1.0 μ Sv measured 1 m from the surface (Part I, Item 12-13). The Final Plan estimates that there are 1300 boxes of core left on site and the 2009 Status Report states that drill core stored at the Bissett Lake Camp area were well under 1.0 μ Sv at 1 m (Aurora's and Pacific's drill cores were measured to be 0.096 μ Sv and 0.14 μ Sv, respectively) which meets the requirements of the water licence (Part I, Item 13). AANDC's comments do not address the safety of storing radioactive core (i.e. safe radiation levels, potential handling of ore by Nunavummiut, signage, etc.) and we defer to other agencies with more expertise in radiation to confirm such.

C. CONCLUSION

The final inspection of the site was completed by an AANDC Resource Management Officer on July 11, 2012. There were no compliance issues noted on site and the AANDC Field Operations Division recommended that this file be approved for closure. AANDC Water Resources Division notes that there may be some administrative deficiencies for the NWB to consider. In light of this, AANDC recommends that this water licence be cancelled.