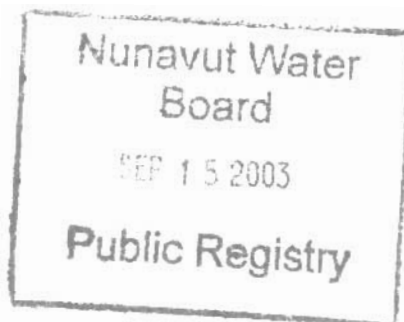


September 2, 2003

Phyllis Beaulieu
A/Licensing Administrator
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU X0B 1J0



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Re: Dismal lakes, Kugluktuk Area Project – Coronation Minerals Inc.

NIRB: #03EN111

DLAND: #N2003C0031

NWB: #NWB2KUG

Enclosed is the completed NIRB Screening Decision Report for the application for a land use permit and water licence for mineral exploration at Dismal Lake Area.


NIRB has screened this application for ecosystemic and socio-economic impacts of the proposal.

NTRB's indication to the Minister is:

The decision of the Board in this case is 12.4.4(a) the proposal may be processed without a review under Part 5 or 6; NIRB may recommend specific terms and conditions to be attached to any approval, reflecting the primary objectives set out in Section 12.2.5;

Please contact Stephanie Briscoe, Executive Director at (867) 983-2593 if you have any questions about the Screening Report.

Yours truly,


Jorgen Komak

Jorgen Komak
Environmental Technologist
Nunavut Impact Review Board
P.O. Box 2379
Cambridge Bay, NU X0B 0C0
Tel: (867) 983-2593 Fax: (867) 983-2574

030915NWR2KUG NIRB Screening - ILAE

The decision of the Board in this case is 12.4.4 (a) **the proposal may be processed without a review under Part 5 or 6; NIRB may recommend specific terms and conditions to be attached to any approval, reflecting the primary objectives set out in Section 12.2.5;**

Reasons for Decision:

NIRB's decision is based on specific considerations that reflect the primary objectives of the Land Claims Agreement. Our considerations in making this decision included:

- storage and disposal of chemicals, fuel, garbage, sewage, and gray water, and impact of these on the ecosystem;
- the impact of noise from helicopter and exploration activities and their disturbance to wildlife and traditional users of area;
- the impact of exploration activities on archaeological sites or cultural landmarks in the area;
- traditional harvest area;
- traditionally sensitive area; and
- clean up/restoration of drill sites upon abandonment.

Terms and Conditions:

That the terms and conditions attached to this screening report will apply.

Drill Sites

1. The Permittee shall obtain all the necessary permits required before commencing with any part of the exploration project.
2. The Permittee shall not conduct any land based drilling or locate a sump within thirty (30) metres of the normal high water mark of a water body.
3. The Permittee shall not use drilling muds or additives in connection with drill holes unless they are recirculated or contained such that they do not enter the water, or are certified to be non-toxic.
4. The Permittee shall ensure that any drill cuttings and waste water that cannot be re-circulated be disposed of in a properly constructed sump or an appropriate natural depression that does not drain into a waterbody.
5. The Permittee shall ensure that drilling wastes do not enter any water body. The use of biodegradable, salt free drill additives is encouraged over non-biodegradable types.
6. The Permittee shall ensure that the sump/depression capacity is sufficient to accommodate the volume of wastewater and any fines that are produced so that there will be no additional impacts.
7. The Permittee shall ensure that disturbance of vegetation from deposit of drill fluids/cuttings is restricted to the area of the sump and the ground prepared for revegetation upon abandonment.
8. The Permittee shall backfill and recontour all sumps to match the natural environment prior to the expiry date of the license (this includes natural depressions that are used to contain drilling wastes).

9. The Permittee shall, where flowing water from bore holes is encountered, plug, the bore hole in such a manner as to permanently prevent any further outflow of water. The occurrence shall be reported to the Nunavut Water Board and Land Use Inspector within 48 hours.

Fuel Storage

10. The Permittee shall ensure that fuel storage containers are not located within thirty (30) metres of the ordinary high water mark of any body of water.
11. The Permittee shall ensure that any chemicals, fuels or wastes associated with the project do not spread to the surrounding lands or enter into any water body.
12. The Permittee shall take all reasonable precautions to prevent the possibility of migration of spilled petroleum fuel or chemicals over the ground surface.
13. The Permittee shall have an approved emergency response and spill contingency plans in place prior to the commencement of the operation.
14. The Permittee shall immediately report all spills of petroleum and hazardous chemicals to the twenty-four (24) hour spill report line at (867) 920-8130.

Water

15. The Permittee shall ensure that all water intake hoses are equipped with a screen with an appropriate mesh size to ensure that there is no entrapment of fish.

Waste Disposal

16. The Permittee shall not discharge or deposit any refuse substances or other waste materials in any body of water, or on the banks thereof, which will impair the quality of the waters of the natural environment.
17. The Permittee shall ensure that all wastes generated through the course of the operation are backhauled and disposed of in an approved dumpsite.

Wildlife

18. The Permittee shall ensure that there is no damage to wildlife habitat in conducting this operation.
19. The Permittee shall not hunt or fish, unless the appropriate permits and licenses are acquired from a GN Renewable Resources Officer.
20. The Permittee shall ensure compliance with Section 36 of the *Fisheries Act*, which requires that no person shall deposit or permit the deposit of a deleterious substance on any type in water frequented by fish or in any place under any conditions where the deleterious substance may enter such a water body.

Environmental

21. The Permittee shall ensure that the land use area is kept clean and tidy at all times.

22. The Permittee shall prepare the site in such a manner as to prevent rutting of the ground surface.

23. The Permittee shall be required to undertake any corrective measures in the event of any damage to the land or water as a result of the Permittee's operation.

Archaeological Sites

24. The Permittee shall follow all terms and conditions for the protection and restoration of archaeological resources as outlined by the Department of Culture, Language, Elders and Youths (CLEY) in attached letter.

Consultation

25. The Permittee shall communicate fully and directly the intentions with this exploratory process with the local Community Council and with the Kugluktuk Angoniatit Association (HTA), as there are several cabins in this area, it is a traditionally sensitive area and receives significant active use by traditional harvesters of Kugluktuk.

26. The Permittee shall provide a season end follow-up report or meeting advising of project success and problems. The consultation could include an initial analysis of what they intend to do and for how long this year and how they intend to involve local resources and expertise.

Reclamation

27. The Permittee shall complete all clean-up and restoration of the lands used prior to the expiry date of the permit.

Other Recommendations

1. NIRB would like to encourage the proponent to hire local people and services, to the extent possible.
2. Any amendment requests deemed by NIRB to be outside the original scope of the project will be considered a new project.

Validity of Land Claims Agreement

Section 2.12.3

Where there is any inconsistency or conflict between any federal, territorial and local government laws, and the Agreement, the Agreement shall prevail to the extent of the inconsistency or conflict.

Dated Aug 29/03 at Arviat, NU


Elizabeth Copland, Chairperson

U3EN111