



Fisheries and Oceans
Canada

Pêches et Océans
Canada

Eastern Arctic Area
P.O. Box 358
Iqaluit, NU X0A 0H0

Secteur de l'Arctique de l'est
Boîte postale 358
Iqaluit, NU X0A 0H0

November 10, 2005

Your file Votre référence
NWB2LAU

Our file Notre référence
NU-05-0004

Ms. Susie Ikkutisluk
Manager of Licensing
Nunavut Water Board
P.O. Box 119
Gjoa Haven NU X0B 1J0

Via electronic mail to:
licensingtrainee@nwb.nunavut.ca

Dear Ms. Ikkutisluk:

Subject: Proposed works or undertakings will not likely result in negative effects to fish and fish habitat if additional protection measures are implemented.

Fisheries and Oceans Canada (DFO) received a referral from you on January 17, 2005, concerning multi-year diamond exploration and associated activities in the Laughland Lake area in the Kitikmeot Region by Kennecott Canada Exploration Inc. (the "Proponent") To expedite future correspondence or inquiries, please refer to the following referral title and file number when you contact us:

Habitat File No.: **NU-05-0004**
Referral Title: **Exploration, Laughland Lake Project, Kitikmeot Region**

It is our understanding that the proposal consists of:

- *Mineral exploration program between April 2005 and April 2007 between Latitude 66 and 66.17' N and Longitude 92.36' and 94.28' W involving: soil sampling of tills, beaches and eskers, airborne and ground geophysical surveys, exploratory drilling and establishment of a base camp east of Bunting Lake.*

as outlined in the following plans:

- *Applications and associated documents submitted to the Nunavut Impact Review Board, Nunavut Water Board and Kitikmeot Inuit Association by Kennecott Canada Exploration Inc. in January and March, 2005.*

If the above plans have changed since the time of submission, the advice in this letter may no longer apply and the Proponent should consult with us to determine if further review is needed.

We have concluded that the proposed works and undertakings are adequate to protect fish and fish habitat provided that the work is carried out as described in the proponent's plans and the following additional measures are implemented:

- If artesian flow is encountered, drill holes should be plugged and permanently sealed upon completion of the project.

- All disturbed areas should be stabilized and reclaimed to pre-construction conditions upon completion of work. Work associated debris should be removed immediately after completion of construction.
- Suitable erosion and sediment suppression measures should be implemented on disturbed areas before, during and after construction until vegetation or other appropriate measures are established in order to prevent sediment from entering any waterbody.

By implementing these additional measures and those already outlined in the Proponent's plans, it is our opinion that the proposed works and undertakings will not likely result in the harmful alteration, disruption or destruction (HADD) of fish habitat, which is prohibited unless authorized by DFO. These are recommendations to ensure that the proposed works will likely not result in a HADD of fish habitat. Therefore a subsection 35(2) Authorization is not necessary.

The Proponent could contravene subsection 35(1) of the *Fisheries Act* if a HADD of fish habitat results from any change in your proposed plan or from failure to properly implement these additional measures. Subsection 35(1) states, "*no person shall carry on any work or undertaking that results in the harmful alteration, disruption or destruction of fish habitat.*"

This letter of advice does not permit the deposit of a deleterious substance into waters frequented by fish which is prohibited under Subsection 36(3) of the *Fisheries Act*. As a result, the following additional mitigation measures should be implemented:

- Appropriate measures, including an emergency contingency plan for inadvertent spills, should be applied to ensure that deleterious substances such as drill cuttings, petroleum products, sediment, debris, etc. do not enter any waterbody. The use of biodegradable, salt free drill additives is encouraged over non-biodegradable types.
- The cleaning, fuelling and servicing of equipment should be conducted away from any waterbody. Equipment operating near any watercourse should be free of external grease, oil, mud, or fluid leaks.
- All spills of oil, fuel, or other deleterious substances should be reported immediately to the 24-Hour Spill Line at (867) 920-8130.

The extraction of water via intake from any fish-bearing water body is prohibited under Section 30 of the *Fisheries Act* unless the intake is screened to prevent fish entrainment. As a result, the following additional mitigation measure should be implemented:

- The *Freshwater Intake End-of-Pipe Fish Screen Guideline* (DFO, 1995) which is available upon request or at the following internet address: www.dfo-mpo.gc.ca/Library/223669.pdf should be followed. Small lakes and streams should not be used for water withdrawal.

If works and or undertakings require water in sufficient volume that the source water body may be drawn down, details should be submitted (volume required, size of waterbody, fish species etc.) to DFO for review.

This letter of advice does not release the Proponent from the responsibility to obtain any other federal (for example, the *Navigable Waters Protection Act*), territorial or municipal approvals.

We request that we be notified us at least 10 working days before the start of work and that a copy of this letter be kept on site while work is in progress. If the Proponent has any questions concerning the above, or if my understanding of the proposal is either incorrect, incomplete, or if there are changes to the proposed works or undertakings, they should contact me directly by telephone at (867) 979-8016 or by fax at (867) 979-8039.

Yours sincerely,

Original Signed By:

Rob Smith
Habitat Biologist
Fisheries and Oceans Canada – Eastern Arctic Area

cc: Susan Ball - Kennecott Canada Exploration Inc. (susan.ball@kennecott.com)
Jorgen Komak - Nunavut Impact Review Board (jkomak@nirb.nunavut.ca)
Keith Pelley - Fisheries and Oceans Canada – Conservation and Protection