Richard Dwyer

From: Phyllis Beaulieu

Sent: Wednesday, April 27, 2011 11:39 AM

To: Richard Dwyer

Subject: FW: DFO comments to NIRB Part 4 screening of Mallery Lake Project

Attachments: 110303-11EN001-EC Comments-IA1E.pdf

Follow Up Flag: Follow up Flag Status: Flagged

For your file and action, looks like this one is for 2BE-MAL1116

From: Kofi Boa-Antwi [mailto:kboa-antwi@nirb.ca]

Sent: Friday, April 15, 2011 1:33 PM

To: 'Kivi, Lyndon'

Cc: Ryan Barry; paula.smith@ec.gc.ca; licensing@nunavutwaterboard.org; landsmining@inac-ainc.gc.ca

Subject: RE: DFO comments to NIRB Part 4 screening of Mallery Lake Project

Dear Lyndon Kivi,

In the past years, the NIRB has been making recommendations to proponents for exploration projects based on Environment Canada's (EC) standard comments for such projects:

The proponent should be aware that the *Canadian Environmental Protection Act* lists calcium chloride (CaCl) as a toxic substance. The proponent shall therefore ensure that if CaCl is used as a drill additive, all sumps containing CaCl are properly constructed and located in such a manner as to ensure that the contents will not enter any water body.

More recently (e.g. NIRB File: 11EN001) EC have changed to recommending this:

Environment Canada assessed inorganic chloride salts and concluded that these salts in high concentrations are harmful to the environment. As a result the Proponent should ensure that when using calcium chloride (CaCl₂) for drilling purposes that the return water is contained in a properly constructed sump and located in such a manner as to ensure that the contents do not migrate out of the sump. Please note that the proponent should not rely on permafrost integrity to contain and isolate drilling wastes.

If Fisheries and Oceans Canada (DFO) is advising a proponent that they can act outside of DFO's Operational Statement, then we would prefer this to be a formal comment submission to the NIRB. We also need clarification on this issue from DFO and EC for our standard terms and conditions.

Best regards,

Kofi

Kofi Boa-Antwi, M.Sc. Assistant Technical Advisor Nunavut Impact Review Board

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Website: www.nirb.ca

From: Kivi, Lyndon [mailto:Lyndon.Kivi@dfo-mpo.gc.ca]

Sent: April-14-11 11:36 AM

To: Graham Gill

Cc: Jeff Mercer; Richard Dwyer; Kofi Boa-Antwi

Subject: RE: DFO comments to NIRB Part 4 screening of Mallery Lake Project

Hi Graham,

Sorry for the slow response, I'm trying to determine why that condition of no use of saltwater for drilling in permafrost is in the operational statement. I was in Iqaluit last week at the Nunavut Mining Symposium and talked to some people from the industry about the use of salt for drilling in permafrost and -as you mention below- I understand that it is essential to prevent freezing of water down the hole.

Calcium chloride is non-toxic and I see no issues with using it for your core drilling operations along with standard best management practices for disposal of drill cuttings etc. So please proceed with your drilling operations and exploration work once you have all of your permits.

I'll continue to look into the salt issue and let you know what comes of it. I appreciate your feedback because we will make changes to the Operational Statement to address issues such as this one as they come up.

It is not mandatory that you send in the Operational Statement Notification Form, we like to get them so we can monitor some of projects where they are used to see if they are being interpreted properly and if not, as mentioned, we can make changes to the Operational Statement.

Lyndon

Lyndon Kivi Area Habitat Biologist Eastern Arctic Area Fisheries and Oceans Canada Government of Canada

807-468-6441 (ext) 29 <u>Fax</u>: 807-468-6973 1100 3rd Ave. S. P. O. Box 649 Kenora, ON P9N 3X6 lyndon.kivi@dfo-mpo.gc.ca

From: Graham Gill [mailto:G.Gill@diamondsnorth.com]

Sent: Monday, April 04, 2011 9:10 PM

To: Kivi, Lyndon

Cc: Jeff Mercer; Richard Dwyer; Kofi Boa-Antwi

Subject: RE: DFO comments to NIRB Part 4 screening of Mallery Lake Project

Hi Lyndon;

Thank you for the response regarding our application to conduct exploration work on our Mallery Lake project located west of Baker Lake in Nunavut.

I have reviewed the Mineral Exploration Activities, Operational Statement and am requesting some clarification to the statement outlined on page 2 that states "no drilling with saltwater in permafrost conditions will occur".

As you may know the use of calcium chloride (salt) has been used exclusively in drilling operations in cold climates (especially in areas of permafrost) to reduce the freezing point of water used in drilling operations both currently and in the past and is a standard practice in all drilling operations in the north. As mentioned, the use of calcium chloride reduces the freezing point of the water used in drilling operations and virtually reduces the probability of drill rods being frozen in the ground which would result in the loss of the drill hole and possibly many (100's) of metres of drill steel left in the ground with no possible way to retrieve said material. All other portions of the Operational Statement will be abided to as done in the past. The main issue is the use of salt.

In all previous water licence and land use applications the use of calcium chloride has never been an issue and the DFO Notification Form is also something I have never encountered before.

I am requesting clarification to the use of salt while drilling in permafrost conditions and whether the Notification Form is part of the NIRB/NWB requirements to obtaining a Land Use Permit and Water Licence within Nunavut.

Any response to these questions from all parties concerned (INAC, NWB, NIRB) would be most welcome.

Thanks.

Graham Gill
Consulting Geologist
URANIUM NORTH RESOURCES CORP.

From: Kivi, Lyndon [mailto:Lyndon.Kivi@dfo-mpo.gc.ca]

Sent: March-22-11 8:56 AM

To: Graham Gill

Subject: DFO comments to NIRB Part 4 screening of Mallery Lake Project

Hello Graham,

Attached are the DFO comments to NIRB for the Part 4 Screening of Uranium North Resources Corp's Mallery Lake Project.

Lyndon

<< NU-11-0004 DFO comments to NIRB Mallery LK Project Uranium North.pdf>>

Lyndon Kivi Area Habitat Biologist

Eastern Arctic Area Fisheries and Oceans Canada Government of Canada

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