From: Melissa Joy

Sent: 4/19/2012 2:58:29 PM To: rlehari@silvermet.ca

CC: BCC:

Subject: RE: Silvermet's Muskox Camp (2BE-MSX) -drill site reclamation

Hi Rein,

The Nunavut Mining Symposium is just wrapping up in Iqaluit; representatives from the NWB are in town here. You should be able to get in touch with them on Monday. I don't know if you will need to submit an application for a "modification" request vs. an "amendment" in this circumstance; you would need to get clarification from the NWB on this.

It should not affect your reclamation activities at this time. However, as per my previous comments on your compliance plan, as we have no physical/photographic record of drill reclamation activities from Silvermet/Aurora you will need to ensure this is documented (as per my previous comments).

You can note your application to the NWB for this issue and move forward with the revisions to your compliance plan. Please keep me informed as to the outcome of communications with the NWB.

Best regards, Melissa

>>> "Rein Lehari" <rlehari@silvermet.ca> 4/19/2012 1:43 PM >>>

Dear Melissa

Thank you for this information. It is clear that our drilling does not fall into one of the three categories. How should we go about seeking an amendment from NWB? Do we make a specified type of application, or what is the best way to proceed?

Best regards

Rein

From: Melissa Joy [mailto:Melissa.Joy@aandc-aadnc.gc.ca]

Sent: April-19-12 10:22 AM

To: Rein Lehari

Cc: Andrew Keim; NU LandsMining; Phyllis Beaulieu

Subject: RE: Silvermet's Muskox Camp (2BE-MSX) -drill site reclamation

Hi Rein,

It is our understanding that unless the following conditions apply, then it is not standard industry practice to permanently cap/seal drill holes:

- 1) artesian conditions
- 2) uranium-based exploration
- 3) underground mine development/considerations

As an Inspector, I do not have the authority to allow/disallow activity contrary to the terms in the water licence (ie. Part I, item 9); however the NWB can make a modification to your water licence that will allow us to move forward on this. We would refer to the NWB on this matter, and we (AANDC) would support the removal/adjustment of this specific term under these circumstances.

Melissa

>>> "Rein Lehari" <rlehari@silvermet.ca> 4/18/2012 10:16 AM >>>

Dear Melissa and Phyllis

Have you had a chance to consider the comment of Aurora Geosciences re the plugging of drill holes? If the holes do need to be plugged, then we would have to go into the field with concrete and place a concrete patch on the ground at each hole.

Rein

From: Rein Lehari [mailto:rlehari@silvermet.ca]

Sent: April-13-12 4:44 PM

To: 'Melissa Joy' Cc: 'Phyllis Beaulieu'

Subject: RE: Silvermet's Muskox Camp (2BE-MSX)

Dear Melissa

I am waiting for confirmation from Kikiak on their timing and will get back to you as soon as I have it.

You pointed me to Part I, Paragraph 9, which indicates that reclamation of drill holes must include removal of any casing materials and the capping of holes with a permanent seal.

There were 26 drill holes. Of these, rods and casings were removed from 23. In the case of 3 holes, some rods were lost or some casing could not be removed.

In all cases, the holes were left unplugged.

Gary Vivian of Aurora Geosciences sent me the following note:

No materials left in hole means that casing and drill rods were all removed. The only time a "plug" is required is when the hole allows ground water to seep out of it and you have to cap the hole with concrete, essentially plugging the hole. No casing or rods were left to stick up above the collar.

Could you help me reconcile these comments.

Best regards

Rein

From: Melissa Joy [mailto:Melissa.Joy@aandc-aadnc.gc.ca]

Sent: April-12-12 5:41 PM

To: Rein Lehari Cc: Phyllis Beaulieu

Subject: Re: Silvermet's Muskox Camp (2BE-MSX)

Dear Rein,

I have had a chance to review your proposed plan and have several comments for incorporation:

-No actual date was set to meet outstanding requirements: Would **July 31/12** be an agreeable date for completion of site cleanups (ie. item #4 of your Plan), outstanding administrative requirements (ie. annual reports) and final reporting of reclamation activities (as per Part B, item 2 iv) of the water licence?

-For item #3, you refer to the "site" -you need to be more specific: which site(s) and gps location(s) were fuel drums removed from?

-For item #5, these items are agreeable, however item (a) also needs to address the water licence under Part D, items 4-6 & 10 (ie. documented authorization from the community of Kugluktuk prior to the backhauling of any waste, etc). Please note that the Kugluktuk municipal waste dump is not considered an "approved site" for the purposes of haz waste disposal. Please ensure you specify between actual disposal locations and staging areas (ie. to await backhaul to an approved site) and provide the records of disposal accordingly.

-For item #7, in terms of drill sites and reclamation, you need to ensure Part F, item 2 and Part I, item 9 are met. As well as coordinates, please provide photographic documentation of the condition these drill sites were left in. If reclamation is required, this info is to be provided as soon as possible to the Inspector, as well as documented in your final report.

-Please ensure there is a listing for all fuel caches and drill laydown areas, complete with coordinates and description of inventory removed as well as photographic documentation of clean up (both before/after where applicable).

Best regards,

Melissa

Melissa Joy, B. Env Sc. Water Resource Officer

Aboriginal Affairs & Northern Development Canada P.O. Box 100, Iqaluit, NU, X0A 0H0

PH: (867) 975-4288

FAX: (867) 979-6445

email: melissa.joy@aandc.gc.ca

This transmission is confidential. Any unauthorized disclosure, distribution, or other use is strictly prohibited. If you have received this message in error, please contact sender immediately and delete this transmission and any attachments.

Dear Melissa

Please find attached a letter proposing our program to complete the reclamation work. I thought it would be easiest to send by email but I can forward an original as well if you prefer. Please let me know when you are in receipt of the letter and whether this satisfies the requirements.

Best regards

Rein

No virus found in this message. Checked by AVG - www.avg.com

Version: 2012.0.1913 / Virus Database: 2411/4932 - Release Date: 04/12/12

No virus found in this message.

Checked by AVG - www.avg.com Version: 2012.0.1913 / Virus Database: 2411/4946 - Release Date: 04/19/12

<<File: TEXT.htm>>