

P.O. Box 119 Gjoa Haven, NU X0B 1J0 Tel: (867) 360-6338 Fax: (867) 360-6369 ຼຼວ© ΔL ← ሊትና ቴ∩ Lት Υ NUNAVUT WATER BOARD NUNAVUT IMALIRIYIN KATIMAYINGI OFFICE DES EAUX DU NUNAVUT

File: 2BE-NUE0810/Amendment No.1

June 11, 2009

Kristl Hoksbergen, Geologist Cameco Corporation 2121 11lth St. West Saskatoon, SK S7M 1J3

E-mail: kristl_hoksbergen@cameco.com

RE: 2BE-NUE0810 Type "B" – Amendment No.1

Dear Kristl Hoksbergen:

Please find attached, Amendment No.1 to Licence No. 2BE-NUE0810 Type "B" issued to Cameco Corporation by the Nunavut Water Board (NWB) (Motion 2009-05-L05) pursuant to its authority under Article 13 of the Agreement between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in Right of Canada and the Nunavut Waters and Nunavut Surface Rights Tribunal Act. The terms and conditions of the original Licence related to water use and waste disposal remain an integral part of this approval.

The NWB strongly recommends that the Licensee consult the comments received by interested persons on issues identified. Among others, the Government of Nunavut – Department of Culture, Language, Elders and Youth have included comments pertaining to an assessment of archaeological resources. This information is attached for your consideration.¹

Sincerely,

Thomas Kabloona

Nunavut Water Board, Chair

TK/dc

Enclosure: Licence No. <u>2BE-NUE0810 - Amendment No.1</u>

Comments: INAC, EC, GN-CLEY, GN-DoE

Cc: Distribution – Kivalliq

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¹ Government of Nunavut – Department of Environment (GN-DOE), May 5, 2009; Environment Canada (EC), May 6, 2009; Government of Nunavut – Department of Culture, Language, Elders and Youth (GN-CLEY), April 15, 2009; and Indian and Northern Affairs Canada (INAC), April 9, 2009

LICENCE AMENDMENT No. 1

Licensee: Cameco Corp.

Licence No: 2BE-NUE0810 Type "B"

Licence Issued: May 28, 2008 Effective Date: June 11, 2009

Pursuant to its authority under Article 13 of the Agreement between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in Right of Canada and the Nunavut Waters and the Nunavut Surface Rights Tribunal Act, with respect to the application for amendment dated March 10, 2009, made by Cameco Corp., the Nunavut Water Board hereby grants the following Licence amendment.

The Licence issued May 28, 2008 with an expiry date of June 30, 2010 shall be amended to include the following terms and conditions, with respect to use of water and deposit of waste during camp and drilling operations, to allow Cameco Corp. the use of a temporary camp at latitude 60° 06' 41"N and longitude 99° 59' 12"W for the Nueltin Lake Project in the Kivalliq Region, Nunavut.

The Licensee has submitted an addendum to the approved Spill Contingency Plan (SCP) as part of the Amendment application, under Part H, Item 3. The addendum addresses changes from the inclusion of a temporary camp into the scope of the Licence and has been accepted.

Also, comments received by INAC and EC strongly recommend that secondary containment be included for all fuel stored on site. The Licensee is encouraged to implement these recommendations and to manage fuel as per the INAC Best Practices Discussion Paper "Draft Recommended Best Management Practices for the Storage and Handling of Petroleum and Allied Petroleum Products on Federal Crown Lands in Nunavut"

The Licensee has submitted an addendum to the approved Abandonment and Restoration (A&R) Plan as part of the Amendment application. The A&R Plan includes a grey water sump that "will be located at **minimum 20m** from the high-water line of the nearest water body". This is in contravention of Part D, Item 6 of the Licence. This should not be the practice and an addendum is required to be submitted within thirty (30) days of issuance of this amendment, to reflect the minimum thirty metre requirement of the Water Licence.

The Licence, (Page 2), shall be amended to indicate the following:

Quantity of Water Not to Exceed: **SIXTY FIVE (65) CUBIC METRES PER DAY**

PART C: CONDITIONS APPLYING TO WATER USE

Amend Item 1

The Licensee shall obtain all water for domestic camp use from the unnamed lake proximal to the camp, not exceeding ten (10) cubic metres per day. Drill water shall be obtained from local water sources(s), proximal to the drilling targets, not to exceed fifty five (55) cubic metres per day. Total water use, for all purposes shall not exceed sixty five (65) cubic metres per day.

PART D: CONDITIONS APPLYING TO WASTE DISPOSAL

Insert Item 8

The Licensee is authorized to dispose of sewage by the following methods; backhauling to Nueltin Lake Lodge for proper disposal, containing all toilet wastes in latrine pits, or the use of incineration, chemical, portable or composting toilets. Latrine pits shall be located at a distance of at least thirty (30) metres above the ordinary high water mark of any water body, treated with lime and covered with native material to achieve the pre-existing natural contours of the land prior to abandonment.

PART E: CONDITIONS FOR CAMPS, ACCESS INFRASTRUCTURES AND OPERATIONS

Amend Item 1

The Licensee shall not erect camps or store material on the surface of frozen streams or lakes including immediate banks except what is for immediate use. Camps shall be located such as to minimize impacts on surface drainage.

PART J: CONDITIONS APPLYING TO THE MONITORING PROGRAM

Amend Item 1 The Licensee shall measure and record, in cubic metres, the daily quantities of water utilized for camp, drilling and other purposes.

All remaining terms and conditions of the Licence 2BE-NUE0810 Type 'B" dated May 28, 2008 still apply.

This Licence Amendment issued and recorded at Gjoa Haven, NU on June 11 2009.

Approved by,

Thomas Kabloona Nunavut Water Board,

Chair