

P.O. Box 119 Gjoa Haven, NU X0B 1J0 Tel: (867) 360-6338 Fax: (867) 360-6369 ຼຼວວ ΔL ← ሲ Ի C b∩ L ት Υ NUNAVUT WATER BOARD NUNAVUT IMALIRIYIN KATIMAYINGI OFFICE DES EAUX DU NUNAVUT

File: 2BE-QAM0813

May 13, 2010

Rebecca Hunter, Project Geologist Cameco Corporation, Exploration Department 2121-11th Street West Saskatoon, SK S7M 1J3

Email: Rebecca_hunter@cameco.com

RE: 2BE-QAM0813, Type "B" - Amendment No.1

Dear Ms. Hunter:

Please find attached, Amendment No.1 to Licence No. 2BE-QAM0813 Type "B" issued to Cameco Corporation by the Nunavut Water Board (NWB) (Motion 2010-04-L02) 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. The NWB notes that, among others, there is a NIRB Decision, File No.08EN015, which includes a condition to comply with emission limits established under the Canada-wide Standards (CWS) for Dioxins and Furans and the CWS for Mercury Emissions during the incineration of combustible materials and camp wastes. Also, the Government of Nunavut, Department of Culture, Language, Elders and Youth identified that the project occurs over a known archaeological site and has terms and conditions to follow. Fisheries and Oceans Canada identified that if the project conforms to the Operational Statement than a DFO review is not required. This information is attached for your consideration.¹

¹ Indian and Northern Affairs Canada (INAC), March 29, 2010; Environment Canada (EC), April 10, 2010; Fisheries and Oceans Canada, April 7, 2010 and Government of Nunavut – Department of Culture, Language, Elders and Youth (GN-CLEY), March 11, 2010

In addition, the 2008 and 2009 Water Inspection Reports conducted by Indian and Northern Affairs Canada (INAC) stated that wastes generated from the project was not properly managed The Licensee is reminded that it shall adhere to all of the provisions in the Licence.

Sincerely,

Thomas Kabloona Nunavut Water Board

Chair

TK/sj

Enclosure: Licence No. 2BE-QAM0813 - <u>Amendment No.1</u>

Comments NIRB Decision

Cc: Distribution – Kivalliq

LICENCE AMENDMENT No. 1

Licensee: Cameco Corporation

Licence No: 2BE-QAM0813 Type "B"

Licence Issued: June 2, 2008 Effective Date: May 13, 2010

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 January 13, 2010, made by Cameco Corporation, the Nunavut Water Board hereby grants the following Licence amendment.

The Licence issued June 2, 2008 with an expiry date of September 30, 2013 September 31, 2013 shall be amended to include the following terms and conditions, with respect to drilling operations, to allow Cameco Corporation to increase the volume of water used from fifty-eight (58) cubic metres per day to one hundred and thirteen (113) cubic metres per day at the Turqavik-Aberdeen Exploration Project in the Kivalliq Region, Nunavut generally located in the geographical coordinates, latitude 64° 37' 43" N and longitude 97° 59' 40" W.

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

Quantity of Water Not to Exceed: **ONE HUNDRED AND THIRTEEN (113) CUBIC METRES PER DAY**

PART C: CONDITIONS APPLYING TO WATER USE

Amend Item 1

1. The Licensee shall obtain all water for camp use from Qamanaarjuk Lake, not exceeding three (3) cubic metres per day. Drill water shall be obtained from sources proximal to the drilling targets as outlined in the Application, not to exceed one hundred and ten (110) cubic metres per day. Total water use, for all purposes shall not exceed one hundred and thirteen (113) cubic metres per day.

PART D: CONDITIONS APPLYING TO WASTE DISPOSAL

Insert Item 11

11. Effluent discharge from the fuel storage facilities at monitoring stations QAM-2 shall not exceed the following Effluent quality limits:

Parameter	Maximum Concentration of any Grab Sample
Benzene(µg/L)	370
Toluene(µg/L)	2
Ethylbenzene (µg/L)	90
Lead(µg/L)	1
Oil and Grease(mg/L)	15 and no visible sheen
Phenols (µg/L)	20

PART H: CONDITIONS APPLYING TO SPILL CONTINGENCY PLANNING

Amend Item 2

- 2. 4. The Licensee shall submit to the Board within thirty (30) days, an addendum to the approved Plan entitled "Cameco Corporation, Hazardous Material Spill Contingency Plan" dated February 28, 2006. The addendum shall include or address the following:
 - a. Regardless of size, all spills of oil, fuel and other deleterious materials into water are to be reported to the 24-hour Spill Line (867) 920-8130;
 - b. Include a copy of the NT-NU Spill Report Form (available on NWB ftp site);
 - c. The INAC Managers of Field Operations to be notified directly in the event of a spill (867-975-4295); and
 - d. A map of appropriate scale detailing the camp, fuel storage and spill kits in relationship to local topography and nearby water bodies.

PART J: CONDITIONS APPLYING TO THE MONITORING PROGRAM

Amend Item 1

1. The Licensee shall measure and record, in cubic metres, the daily quantities of water utilized for the camp at monitoring station QAM-1, drilling and other purposes.

Insert Items 8 and 9

8. The Licensee shall maintain Monitoring Stations at the following locations:

Monitoring Program Station Number	Description	Status
QAM-1	Raw water intake	Active (Volume)
QAM-2	Final Discharge Point of the fuel storage facilities	Active (Quality)

9. The Licensee shall analyze samples, prior to the release of effluent from the fuel storage facilities at QAM-1 for the purpose of demonstrating compliance with the parameters listed under Part D, Item 11.

All remaining terms and conditions of the Licence 2BE-QAM0813 Type 'B" dated June 2, 2008 still apply.

This Licence Amendment issued and recorded at Gjoa Haven, NU on May 13, 2010

Approved by,

Thomas Kabloona Nunavut Water Board

Chair