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`` NUNAVUT WATER BOARD

NUNAVUT IMALIRIYIN KATIMAYIT

OFFICE DES EAUX DU NUNAVUT

File No.: **2BE-QAM1217**

June 1, 2012

Darcy Hirsekorn, P.Geo.
District Geologist – NT, PQ, US
Cameco Corporation,
2121-11th Street West
Saskatoon, SK S7M 1J3

Email: darcy_hirsekorn@cameco.com

RE: NWB Licence No. 2BE-QAM1217, Type "B" Renewal

Dear Mr. Hirsekorn:

Please find attached Licence No. **2BE-QAM1217** issued to Cameco Corporation by the Nunavut Water Board (NWB) 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 (Nunavut Land Claims Agreement or NLCA).* The terms and conditions of the attached Licence related to water use and waste disposal are an integral part of this approval.

If the Licensee contemplates the renewal of this Licence, it is the responsibility of the Licensee to apply to the NWB for its renewal. The past performance of the Licensee, new documentation and information, and issues raised during a public hearing, if the NWB is required to hold one, will be used to determine the terms and conditions of the Licence renewal. Note that if the Licence expires before the NWB issues a new one, then water use and waste disposal must cease, or the Licensee may be in contravention of the *Nunavut Land Claims Agreement* and the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*. However, the expiry or cancellation of a licence does not relieve the holder from any obligations imposed by the licence. The NWB recommends that an application for the renewal of this Licence be filed at least three months prior to the Licence expiry date.

If the Licensee contemplates or requires an amendment to this licence, the NWB may decide, in the public interest, to hold a public hearing. The Licensee should submit applications for amendment as soon as possible to give the NWB sufficient time to go through the amendment process. The process and timing may vary depending on the scope of the amendment, however a minimum of sixty (60) days is required from time of acceptance by the NWB. It is the responsibility of the Licensee to ensure that all application materials have been received and are acknowledged by the Manager of Licensing.

The NWB strongly recommends that the Licensee consult the comments received by interested persons on issues identified. The NWB notes that AANDC encourages that the incineration of combustible materials and camp wastes comply with meeting emission limits established under the Canada-wide Standards (CWS) for Dioxins and Furans and the CWS for Mercury Emissions. This is in line with a condition from the NIRB Decision, File No. 08EN015.

Sincerely,

Thomas Kabloona Nunavut Water Board

Chair

TK/es/pb

Enclosure: Licence No. 2BE-QAM1217

Comments AANDC, EC, DFO

Cc: Kivalliq Distribution List

DECISION

LICENCE NUMBER: 2BE-QAM1217

This is the decision of the Nunavut Water Board (NWB) with respect to an application dated January 12, 2012 for a renewal of a Water Licence made by:

CAMECO CORPORATION

to allow for the use of water and disposal of waste during camp operations and activities related to exploration that includes prospecting, geological mapping, geophysical survey, reverse circulation drilling and diamond drilling at the Turqavik - Aberdeen Project located within the Kivalliq Region, Nunavut generally located at the geographical coordinates as follows:

Latitude: 64°37'43"N Longitude: 97°59'40"W (Existing Qamanaarjuk camp)

Latitude: 64°23'30"N Longitude: 98°27'54"W (Aberdeen camp)

Project Extents

Latitude: 64 °07'33" N Longitude: 99°3'20"W (South Western Limit) Latitude: 64°56'18"N Longitude: 97°28'39"W (North Eastern Limit)

DECISION

After having been satisfied that the application was in conformity with the Keewatin Regional Land Use Plan¹ and subject to a 12.4.4(a) Screening Decision by the Nunavut Impact Review Board² in accordance with Article 12 of the *Nunavut Land Claim Agreement (NLCA)*, the NWB decided that the application could proceed through the regulatory process. In accordance with S.55.1 of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act (Act)* and Article 13 of the *NLCA*, public notice of the application was given and interested persons were invited to make representations to the NWB.

After reviewing the submission of the Applicant and considering the representations made by interested persons, the NWB, having given due regard to the facts and circumstances, the merits of the submissions made to it and to the purpose, scope and intent of the *NLCA* and of the *Act*, waived the requirement to hold a public hearing, and determined that:

Licence No. 2BE-QAM0813 be renewed as Licence No. 2BE-QAM1217 subject to the terms and conditions contained therein. (Motion #: 2012-00-L18)

Signed this $\underline{1}^{st}$ day of $\underline{\text{June 2012}}$ at Gjoa Haven, NU.

Thomas Kabloona Nunavut Water Board

Chair

TK/es/pb

¹ NPC Conformity Determination, March 9, 2012

² NIRB Confirmation, March 13, 2012

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PROCEDURAL HISTORY

The Nunavut Water Board (Board or NWB) issued to Cameco Corportation, Water Licence 2BE-QAM0608 on June 1, 2006 with an expiry date of May 31, 2008. A renewal of the licence was issued on June 2, 2008 with Licence 2BE-QAM0813. The NWB noted comments from the Government of Nunavut, Department of Culture and Language, Elders and Youth had identified that the project occurs over a known archaeological site and had issued terms and conditions included with their submission. The licence 2BE-QAM0813 underwent one amendment on May 13, 2010 to increase water use at the Turqavik-Aberdeen Exploration project from fifty eight (58) cubic metres per day to a total of one hundred thirteen (113) cubic metres per day. This increase was requested due to an anticipated increase in drilling activity (from one drill to two) at the Project.

APPLICATION

The Nunavut Water Board received an application for renewal and Amendment of Licence 2BE-QAM0813 on January 12, 2012, seeking a 5 year term. The application consisted of the following documentation:

- Water Licence application cover email;
- Amendment/Renewal Water Licence Application Form, received January 12, 2012;
- Exploration/Remote Camp Supplementary Questionnaire;
- Non-Technical Project Proposal in English and Inuktitut;
- Project Summary;
- Wildlife Monitoring and Mitigation Plan, dated January 2012;
- Abandonment and Restoration Plan, dated January 2012;
- Spill Contingency and Fuel Management Plan, effective January 1, 2012;
- Health and Safety Manual, revised April 2010;
- Uranium Exploration Plan, dated January 9 2012;
- Activities and Site Remediation Report, dated January 18, 2012;
- Application related Maps and Figures; and
- 2011 Annual Report and maps.

Cameco Corporation applied for the construction of a larger exploration camp that would be located on the southeast shore of Aberdeen Lake. The camp would replace an existing camp located on the southwest shore of Qamanaarjuk Lake. The existing camp will be in use until the new camp is in place at which time a decision will be made as to the ultimate fate of the older camp and whether reclamation will be carried out as per the submitted abandonment and reclamation plan.

In addition to the new camp, the Licensee has applied to install and commission bulk (50,000L) double walled fuel tanks for the storage of both diesel fuel (5) and Jet fuel (6) to replace the use of drummed fuel that is currently stored in two caches. The Main cache is located at 64° 27' 24" N, 97° 54' 18" W and Secondary cache is located at 64° 22' 00" N, 98° 25' 26" W. The new fuel tanks are proposed to be located in close proximity to the new camp as illustrated in

Fig. 5a included with the application at approximate coordinates 64° 23' 35" N and 98° 28' 3" W. Secondary containment measures have been outlined for the associated piping and transfer areas.

The amended licence would also allow for the operation of an additional 3 drills to a maximum of 5 drills and increase the water use for drilling from $110\text{m}^3/\text{day}$ to $275\text{m}^3/\text{day}$. Water use for camp purposes would increase from 3 to $5\text{m}^3/\text{day}$ at the new camp on Aberdeen Lake for the Turqavik-Aberdeen Exploration Project.

The Licensee has applied for an additional five (5) year term of the Licence to extend their exploration program into 2017. No comments were received with respect to this request and the NWB has extended the term of the Licence to 2017 with this amendment.



NUNAVUT WATER BOARD WATER LICENCE RENEWAL

Pursuant to the Nunavut Waters and Nunavut Surface Rights Tribunal Act and the Agreement Between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in right of Canada, the Nunavut Water Board, hereinafter referred to as the Board, hereby grants to

CAMECO CORPORATION

(Licensee)

2121 - 11TH ST WEST, SASKATOON, SK, S7M 1J3

(Mailing Address)

hereinafter called the Licensee, the right to alter, divert or otherwise use water or dispose of waste for a period subject to restrictions and conditions contained within this Licence renewal:

Licence Number/Type: 2BE-QAM1217 TYPE "B"

Water Management Area: NUNAVUT 06

Location: TURQAVIK - ABERDEEN PROJECT, KIVALLIQ REGION,

NUNAVUT

Classification: MINING AND MILLING UNDERTAKING

Purpose: DIRECT WATER USE AND DEPOSIT OF WASTE

Quantity of Water use not

to Exceed: TWO HUNDRED AND EIGHTY (280) CUBIC METRES PER

DAY

Date of Licence Issuance: June 1, 2012

Expiry of Licence: May 31, 2017

This Licence renewal and recorded at Gjoa Haven, Nunavut, includes and is subject to the annexed conditions.

Thomas Kabloona,

Nunavut Water Board

Chair

PART A: SCOPE, DEFINITIONS AND ENFORCEMENT

1. **Scope**

This Licence allows for the use of water and the disposal of waste for a Mining and Milling undertaking classified as per Schedule II of the *Regulations* at the Turqavik - Aberdeen Project, located approximately 100km West of Baker Lake within the Kivalliq Region, Nunavut.

- a. This Licence is issued subject to the conditions contained herein with respect to the taking of water and the depositing of waste of any type in any waters or in any place under any conditions where such waste or any other waste that results from the deposits of such waste may enter any waters. Whenever new Regulations are made or existing *Regulations* are amended by the Governor in Council under the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*, or other statutes imposing more stringent conditions relating to the quantity or type of waste that may be so deposited or under which any such waste may be so deposited, this Licence shall be deemed, upon promulgation of such Regulations, to be subject to such requirements; and
- b. Compliance with the terms and conditions of this Licence does not absolve the Licensee from responsibility for compliance with the requirements of all applicable Federal, Territorial and Municipal legislation.

2. **Definitions**

"Act" means the Nunavut Waters and Nunavut Surface Rights Tribunal Act;

"<u>Addendum</u>" means the supplemental text that is added to a full plan or report usually included at the end of the document and is not intended to require a full resubmission of the revised report.

"Amendment" means a change to original terms and conditions of this Licence requiring correction, addition or deletion of specific terms and conditions of the Licence; modifications inconsistent with the terms of the set terms and conditions of the Licence;

"Appurtenant Undertaking" means an undertaking in relation to which a use of water or a deposit of waste is permitted by a licence issued by the Board;

"Board" means the Nunavut Water Board established under the Nunavut Land Claims Agreement and the Nunavut Waters and Nunavut Surface Rights Tribunal Act;

"Bulk Fuel Storage Facility" means the fuel storage facility as described in the Application and supporting documents submitted January 12, 2012;

- "Effluent" means treated or untreated liquid waste material that is discharged into the environment from a structure such as a settling pond, landfarm or a treatment plant;
- "Engineer" means a professional engineer registered to practice in Nunavut in accordance with the *Consolidation of Engineers and Geoscientists Act S. Nu* 2008, c.2 and the *Engineering and Geoscience Professions Act S.N.W.T.* 2006, c.16 Amended by S.N.W.T. 2009, c.12;
- "Greywater" means all liquid wastes from showers, baths, sinks, kitchens and domestic washing facilities, but does not include toilet wastes;
- "Inspector" means an Inspector designated by the Minister under Section 85 (1) of the *Act*:
- "Licensee" means the holder of this Licence;
- "Modification" means an alteration to a physical work that introduces a new structure or eliminates an existing structure and does not alter the purpose or function of the work, but does not include an expansion;
- "Nunavut Land Claims Agreement (NLCA)" means the "Agreement Between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in right of Canada", including its preamble and schedules, and any amendments to that agreement made pursuant to it;
- "Regulations" means the *Northwest Territories Water Regulations sor/93-303 8th June, 1993*, omitting Section 5, Water Use or Waste Deposit Without a Licence;
- "Sewage" means all toilet wastes and greywater;
- "Spill Contingency Plan" means a Plan developed to deal with unforeseen petroleum and hazardous materials events that may occur during the operations conducted under the Licence;
- "Sump" means an excavation in impermeable soil for the purpose of catching or storing water or waste;
- "<u>Toilet Wastes</u>" means all human excreta and associated products, but does not include greywater;
- "Waste" means, as defined in S.4 of the *Act*, any substance that, by itself or in combination with other substances found in water, would have the effect of altering the quality of any water to which the substance is added to an extent that is detrimental to its use by people or by any animal, fish or plant, or any water that would have that effect because of the quantity or concentration of the substances contained in it or because it has been treated or changed, by heat or other means.

3. **Enforcement**

- a. Failure to comply with this Licence will be a violation of the *Act*, subjecting the Licensee to the enforcement measures and the penalties provided for in the *Act*;
- b. All inspection and enforcement services regarding this Licence will be provided by Inspectors appointed under the *Act*; and
- c. For the purpose of enforcing this Licence and with respect to the use of water and deposit or discharge of waste by the Licensee, Inspectors appointed under the *Act*, hold all powers, privileges and protections that are conferred upon them by the *Act* or by other applicable law.

PART B: GENERAL CONDITIONS

- 1. The water use fees, payable to the Receiver General for Canada, shall be sent to the Board annually for the right to the use of water in accordance with Section 9 of the *Regulations*.
- 2. The Licensee shall file an Annual Report on the Appurtenant Undertaking with the Board no later than March 31st of the year following the calendar year being reported, containing the following information:
 - a. A summary report of water use and waste disposal activities;
 - b. A list of unauthorized discharges and a summary of follow-up actions taken;
 - c. Any revisions to the Spill Contingency Plan and Abandonment and Restoration Plan, as required by Part B, Item 7, submitted in the form of an Addendum;
 - d. A description of all progressive and or final reclamation work undertaken, including photographic records of site conditions before, during and after completion of operations;
 - e. Report all artesian flow occurrences as required under Part F, Item 4;
 - f. A summary of all information requested and results of the Monitoring Program; and
 - g. Any other details on water use or waste disposal requested by the Board by November 1 of the year being reported.
- 3. The Licensee shall notify the NWB of any changes in operating plans or conditions associated with this project at least thirty (30) days prior to any such change.
- 4. The Licensee shall install flow meters or other such devices, or implement suitable methods required for the measuring of water volumes as required under Part J, Item 1.
- 5. The Licensee shall, for all Plans submitted under this Licence, include a proposed timetable for implementation. Plans submitted cannot be undertaken without

subsequent written Board approval and direction. The Board may alter or modify a Plan if necessary to achieve the legislative objectives and will notify the Licensee in writing of acceptance, rejection or alteration of the Plan.

- 6. The Licensee shall, for all Plans submitted under this Licence, implement the Plan as approved by the Board in writing.
- 7. The Licensee shall review the Plans referred to in this Licence, as required by changes in operation and/or technology, and modify the Plan accordingly. Revisions to the Plans are to be submitted in the form of an Addendum to be included with the Annual Report.
- Every Plan to be carried out pursuant to the terms and conditions of this Licence shall 8. become a part of this Licence, and any additional terms and conditions imposed upon approval of a Plan by the Board become part of this Licence. All terms and conditions of the Licence should be contemplated in the development of a Plan where appropriate.
- 9. The Licensee shall ensure a copy of this Licence is maintained at the site of operations at all times. Any communication with respect to this Licence shall be made in writing to the attention of:

(a) **Manager of Licensing:**

Nunavut Water Board

P.O. Box 119

Gjoa Haven, NU X0B 1J0

Telephone: (867) 360-6338

Fax: (867) 360-6369

Email: licensing@nunavutwaterboard.org

(b) Inspector Contact:

Manager of Field Operations, INAC Nunavut District, Nunavut Region P.O. Box 100

Iqaluit, NU X0A 0H0

Telephone: (867) 975-4295

Fax: (867) 979-6445

- 10. The Licensee shall submit one paper copy and one electronic copy of all reports, studies, and plans to the Board. Reports or studies submitted to the Board by the Licensee shall include a detailed executive summary in Inuktitut.
- 11. The Licensee shall ensure that any document(s) or correspondence submitted by the Licensee to the NWB is received and acknowledged by the Manager of Licensing.
- 12. This Licence is assignable as provided for in Section 44 of the *Act*.

PART C: CONDITIONS APPLYING TO WATER USE

- 1. The Licensee shall obtain all water for domestic camp use from Aberdeen Lake or Qamanaarjuk Lake. The total water use for camp purposes shall not exceed five (5) cubic metres per day. Drill water shall be obtained from local water source(s), proximal to the drilling targets as outlined in the application and shall not exceed two hundred and seventy-five (275) cubic metres per day. The volume of water for the purposes of this Licence shall not exceed two hundred and eighty (280) cubic metres per day.
- 2. Streams cannot be used as a water source unless authorized and approved by the Board in writing.
- 3. If the Licensee requires water in sufficient volume that the source water body may be drawn down the Licensee shall, at least thirty (30) days prior to commencement of use of water, submit to the Board for approval in writing, the following: volume required, hydrological overview of the water body, details of impacts, and proposed mitigation measures.
- 4. The Licensee shall equip all water intake hoses with a screen of an appropriate mesh size to ensure that fish are not entrained and shall withdraw water at a rate such that fish do not become impinged on the screen.
- 5. The Licensee shall not remove any material from below the ordinary high water mark of any water body unless authorized.
- 6. The Licensee shall not cause erosion to the banks of any body of water and shall provide necessary controls to prevent such erosion.
- 7. Sediment and erosion control measures shall be implemented prior to and maintained during the undertaking to prevent entry of sediment into water.

PART D: CONDITIONS APPLYING TO WASTE DISPOSAL

- 1. The Licensee shall locate areas designated for waste disposal at a minimum distance of thirty one (31) metres from the ordinary high water mark of any water body such that the quality, quantity or flow of water is not impaired, unless otherwise approved by the Board in writing.
- 2. The Licensee shall not practice on-site land filling of domestic waste, unless otherwise approved by the Board in writing.
- 3. The Licensee is authorized to dispose of all acceptable food waste, paper waste and untreated wood products in an incinerator.
- 4. The Licensee shall not open burn plastics, wood treated with preservatives, electric

- wire, Styrofoam, asbestos or painted wood to prevent the deposition of waste materials of incomplete combustion and/or leachate from contaminated ash residual, from impacting any surrounding waters, unless otherwise approved by the Board in writing.
- 5. The Licensee shall provide to the Board, documented authorization from the community of Baker Lake prior to the backhauling and disposal of any waste.
- 6. The Licensee shall backhaul and dispose of all hazardous wastes, waste oil and non-combustible waste generated through the course of the operation at a licensed waste disposal site.
- 7. The Licensee shall maintain records of all waste backhauled and records of confirmation of proper disposal of backhauled waste. These records shall be made available to an Inspector upon request.
- 8. The Licensee shall contain all greywater in a sump located at a distance of at least thirty one (31) metres above the ordinary high water mark of any water body, at a site where direct flow into a water body is not possible and no additional impacts are created, unless otherwise approved by the Board in writing.
- 9. The Licensee shall contain all toilet wastes in latrine pits or use incineration, chemical, portable or composting toilets. Latrine pits shall be located at a distance of at least thirty one (31) 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.
- 10. Effluent discharge from the fuel storage facilities at monitoring stations QAM-2a and 2b, 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 E: CONDITIONS FOR CAMPS, ACCESS INFRASTRUCTURES AND OPERATIONS

- 1. The Licensee shall not erect camps or store material on the surface of frozen streams or lakes including the immediate banks except what is for immediate use. Camps shall be located such as to minimize impacts on surface drainage.
- 2. All activities shall be conducted in such a way as to minimize impacts on surface drainage and the Licensee shall immediately undertake any corrective measures in the event of any impacts on surface drainage.
- 3. Winter lake and stream crossings, including ice bridges, shall be constructed entirely of water, ice or snow. The Licensee should minimize disturbance by locating ice bridges in an area that requires the minimum approach grading and the shortest crossing route. Stream crossings shall be removed or the ice notched prior to spring break-up.
- 4. With respect to access road, pad construction or other earthworks, the deposition of debris or sediment into or onto any water body is prohibited. These materials shall be disposed a distance of at least thirty one (31) metres from the ordinary high water mark in such a fashion that they do not enter the water.

<u>PART F:</u> <u>CONDITIONS APPLYING TO DRILLING OPERATIONS</u>

- 1. The Licensee has submitted to the Board for review, along with the Application information, a Uranium Exploration Plan that addresses environmental and water related issues with respect to uranium exploration, drilling, extraction, storage and remediation. The Board's review has found the Plan acceptable for carrying out the undertaking.
- 2. The Licensee shall, at least ten (10) days prior to the commencement of diamond drilling, submit to the Inspector and the NWB, the proposed waste disposal (sumps) sites for drilling prior to the commencement of diamond drilling, on a 1:50,000 scale map with the coordinates and map datum.
- 3. The Licensee shall not conduct any land based drilling within thirty one (31) metres of the ordinary high water mark of any water body, unless otherwise approved by the Board in writing.
- 4. The Licensee shall dispose of all drill waste, including water, chips, muds and salts (CaCl₂) in any quantity or concentration, from land-based drilling, in a properly constructed sump or an appropriate natural depression located at a distance of at least thirty one (31) metres from the ordinary high water mark of any adjacent water body, where direct flow into a water body is not possible and no additional impacts are created.
- 5. Drill mud solids or cuttings with a uranium concentration greater than 0.05 percent are

- to be collected and then disposed of down the drill hole and the hole sealed as per Part I, Item 14.
- 6. If artesian flow is encountered, drill holes shall be immediately sealed and permanently capped to prevent induced contamination of groundwater or salinization of surface waters. The Licensee shall report all artesian flow occurrences within the Annual Report, including the location (GPS coordinates) and dates.
- 7. On-ice drilling is not authorized under this Licence.

PART G: CONDITIONS APPLYING TO MODIFICATIONS

- 1. The Licensee may, without written consent from the Board, carry out Modifications to the Water Supply Facilities and Waste Disposal Facilities provided that such Modifications are consistent with the terms of this Licence and the following requirements are met:
 - a. the Licensee has notified the Board in writing of such proposed Modifications at least sixty (60) days prior to beginning the Modifications;
 - b. such Modifications do not place the Licensee in contravention of the Licence or the *Act*;
 - c. such Modifications are consistent with the NIRB Screening Decision;
 - d. the Board has not, during the sixty (60) days following notification of the proposed Modifications, informed the Licensee that review of the proposal will require more than sixty (60) days; and
 - e. the Board has not rejected the proposed Modifications.
- 2. Modifications for which all of the conditions referred to in Part G, Item 1 have not been met can be carried out only with written approval from the Board.
- 3. The Licensee shall provide as-built plans and drawings of the Modifications referred to in this Licence within ninety (90) days of completion of the Modification. These plans and drawings shall be stamped by an Engineer.

PART H: CONDITIONS APPLYING TO SPILL CONTINGENCY PLANNING

- 1. The Board has approved the Plan entitled "Cameco Corporation Spill Contingency and Fuel Management Plan" dated January 1, 2012 that was submitted as additional information with the Application.
- 2. The Licensee shall submit, as required under Part B, Item 7, an Addendum to the Plan referred to in Part H, Item 1, in the format set out by the Consolidation of Spill Contingency Planning and Reporting Regulations R-068-93 addressing the following issues and any other changes determined through the course of the review:

- a. Remove Mr. Peter Kusugak's name from contact list on pg 16 and leave as contact the Manager of Field Opertaions. The correct contact number for AANDC's Water Resources Inspectors is 867 975 4289; and
- b. In addition to reporting to the NWT/NU Spill Report Line, all spills should be reported to the Manager of Field Operations/AANDC, by phone at 867 975 4295 and by fax at 867.975 6445.
- 3. The Licensee shall prevent any chemicals, petroleum products or wastes associated with the project from entering water. All sumps and fuel caches shall be located at a distance of at least thirty one (31) metres from the ordinary high water mark of any adjacent water body and inspected on a regular basis.
- 4. The Licensee shall ensure that any equipment maintenance and servicing be conducted only in designated areas and shall implement special procedures (such as the use of drip pans) to manage motor fluids and other waste and contain potential spills.
- 5. If during the term of this Licence, an unauthorized discharge of waste occurs, or if such a discharge is foreseeable, the Licensee shall:
 - a. Employ the approved Spill Contingency Plan;
 - b. Report the spill immediately to the 24-Hour Spill Line at (867) 920-8130 and to the Inspector at (867) 975-4295; and
 - c. For each spill occurrence, submit to the Inspector, no later than thirty (30) days after initially reporting the event, a detailed report that will include the amount and type of spilled product, the GPS location of the spill, and the measures taken to contain and clean up the spill site.

PART I: CONDITIONS APPLYING TO ABANDONMENT AND RESTORATION OR TEMPORARY CLOSING

- 1. The Board has approved the Plan entitled "Cameco Corporation Abandonment and Restoration Plan for the Turqavik Aberdeen Projects, Nunavut" dated January 9, 2012 that was submitted as additional information with the Application
- 2. The Licensee shall complete all restoration work prior to the expiry of this Licence.
- 3. The Licensee shall carry out progressive reclamation of any components of the project no longer required for the Licensee's operations.
- 4. The Licensee shall backfill and restore all sumps to the pre-existing natural contours of the land.

- 5. The Licensee shall remove from the site, all infrastructure and site materials, including all fuel caches, drums, barrels, buildings and contents, docks, water pumps and lines, material and equipment prior to the expiry of this Licence.
- 6. All roads and airstrip, if any, shall be re-graded to match natural contour to reduce erosion.
- 7. The Licensee shall remove any culverts and restore the drainage to match the natural channel. Measures shall be implemented to minimize erosion and sedimentation.
- 8. In order to promote growth of vegetation and the needed microclimate for seed deposition, all disturbed surfaces shall be prepared by ripping, grading, or scarifying the surface to conform to the natural topography.
- 9. Areas that have been contaminated by hydrocarbons from normal fuel transfer procedures shall be reclaimed to meet objectives as outlined in the Government of Nunavut's Environmental Guideline for Site Remediation, 2010. The use of reclaimed soils for the purpose of back fill or general site grading may be carried out only upon consultation and approval by the Government of Nunavut, Department of Environment and an Inspector.
- 10. The Licensee shall restore all drill holes and disturbed areas to natural conditions immediately upon completion of the drilling. The restoration of drill holes must include the removal of any drill casing materials and if having encountered artesian flow, the capping of holes with a permanent seal.
- 11. The Licensee may store drill cores produced by the appurtenant undertaking in an appropriate manner and location at least thirty one (31) metres above the ordinary high water mark of any adjacent water body, where any direct flow into a water body is not possible and no additional impacts are created.
- 12. For the long term storage of drill core, radiation levels must be reduced to less than 1.0 μSv measured at 1 metre from the surface and in no instance is the level allowed to exceed 2.5 μSv .
- 13. Any drill hole that encounters mineralization with a uranium content greater than 1.0 percent over a length >1.0 metre, and with a meter-percent concentration >5.0, will be sealed by grouting over the entire length of the mineralization zone and not less than 10 meters above or below each mineralization zone.
- 14. Drill holes that have met the trigger outlined in Part I, Item 13 are to be sealed by cementing (grouting) the upper 30 metres of bedrock or the entire depth of the hole, whichever is less or as otherwise approved by the Board in writing.
- 15. If the radiation levels for the stored core exceed the levels identified in Part I, Item 13, the Licensee shall submit to the INAC Water Resources Inspector, a detailed report of

- the test results and the proposed long term core handling and mitigation measures for long term storage or removal.
- 16. The Licensee shall contour and stabilize all disturbed areas to a pre-disturbed state upon completion of work.

PART J: CONDITIONS APPLYING TO THE MONITORING PROGRAM

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

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

- 2. The Licensee shall measure and record, in cubic metres, the daily quantities of water utilized for the camp at monitoring station QAM-1camp, drilling and other purposes.
- 3. The Licensee shall analyze samples, prior to the release of effluent from the fuel storage facilities at QAM-2a and 2b for the purpose of demonstrating compliance with the parameters listed under Part D, Item 11
- 4. The Licensee shall provide the GPS co-ordinates (in degrees, minutes and seconds of latitude and longitude) of all locations where sources of water are utilized for all purposes.
- 5. The Licensee shall determine the GPS co-ordinates (in degrees, minutes and seconds of latitude and longitude) of all locations where wastes associated with camp operations and drilling operations are deposited.
- 6. Where uranium mineralization has been encountered, under Part F, Item 3 and Part I, Items 13 and 14, the Licensee shall monitor the drill sumps and core storage areas to provide the necessary data needed in order to assess and ensure that the mitigation measures required for restoration under the Abandonment and Restoration Plan have been completed.
- 7. All sampling, sample preservation and analyses shall be conducted in accordance with methods prescribed in the current edition of *Standard Methods for the Examination of Water and Wastewater*, or by such other methods approved by the Board in writing.

- 8. All analyses shall be performed in a laboratory accredited according to ISO/IEC Standard 17025. The accreditation shall be current and in good standing.
- 9. The Licensee shall include in the Annual Report required under Part B, Item 2 all data, monitoring results and information required by this Part.