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Nunavut Regional Office P.O. Box 100 Iqaluit, NU, X0A 0H0

Your file - Votre référence 2BE-RBP Our file - Notre référence 9545-2 / CIDMS# 139073

April 19th, 2007

Phyllis Beaulieu Licensing Administrator Nunavut Water Board P.O. Box 119 Gjoa Haven, NU, X0A 1J0

Re: Amendment Application- Roche Bay Project-Roche Bay plc and Advanced Exploration Inc. - 2BE-RBP

The Nunavut Region of Indian and Northern Affairs Canada (INAC) has reviewed the amendment application submitted by Roche Bay plc and Advanced Exploration Inc. In reviewing this file, all documents posted on the Nunavut Water Board (NWB) ftp site associated with this application have been considered.

CAMPS / WASTE WATER DISPOSAL

Sections of the Exploration / Remote Camp Supplementary Questionnaire 32 - 35, Waste Treatment and Disposal, speak to sewage, greywater, solid waste, bulky items/scrap metal and non-combustible waste. Several sections mention the intent to use Hall Beach municipal infrastructure (landfill). Though the additional volume of waste from the proposed camp into the municipal waste stream is minimal, INAC has noted that the amendment application does not included an agreement with the municipality for waste disposal. Thus, INAC requests that authorization for waste disposal be granted from the Hamlet of Hall beach and that such information is provided to the Nunavut Water Board.

With respect to greywater, the proponent states greywater will run into a pond. INAC recommends that greywater not be discharged into a pond, rather the proponent should discharge greywater into a sump. All sumps, whether for the disposal of gray water or drilling wastes, shall be positioned at least 30 m from the high water mark of nearby water bodies. Furthermore, all sumps shall be backfilled and contoured to match the surrounding landscape prior to the end of the project's field program.

There is no mention of combustion for solid waste (i.e. food and paper waste). Conventionally, these items are disposed of using an incinerator. Should the proponent employ an incinerator INAC recommends that the ashes of burned combustible wastes be raked to remove non-combustible items (e.g., iron nails and tinfoil). Raked ashes should either be buried on-site or delivered to an approved



waste disposal facility. The above recommendations should also apply to the incineration of wastes in propane toilets.

DRILLING OPERATIONS

For drilling operations on ice, the proponent should ensure that all drill cuttings are placed in drill holes, sumps, or removed from the project area for appropriate treatment. All sumps shall be backfilled and contoured to prevent precipitation runoff collection prior to the end of the project's field season. Section 20 of the Exploration / Remote Camp Supplementary Questionnaire states "After drilling is complete the water will be settled of all total suspended solids and then released." The proponent should explain how diamond drill return-water will be managed in a manner that will not pose a negative impact on the quality of nearby freshwater sources. Furthermore, the proponent should consider that all sumps, whether for the disposal of gray water or drilling wastes, shall be positioned at least 30 m from the high water mark of nearby water bodies. Furthermore, all sumps shall be backfilled and contoured to match the surrounding landscape prior to the end of the project's field program.

SPILL CONTINGENCY / HAZARDOUS MATERIALS

Section 23 of the Exploration / Remote Camp Supplementary Questionnaire references the "Oil and Hazardous Material Spill Contingency Plan". It is unclear where this plan is located. INAC would like to opportunity to review the plan before the licence amendment is granted. Furthermore, INAC requests more information pertaining to fuel and hazardous material storage and use. For instance, all fuel caches shall be located above the high water mark of any water body. Further, it is recommended that some form of secondary containment, such as self-supporting insta-berms, be used when storing barrelled fuel on-site. Also, spill trays should be used when conducting fuel transfers to minimize the possibility of polluting freshwater with spilled hydrocarbons. The proponent shall ensure that all hazardous materials, including waste oil, receive proper treatment and disposal at an approved facility.

Additionally, the proponent should make reference to the Nunavut Spill Report Line and provide a copy of the Nunavut Spill Report Form in the project's Spill Contingency Plan. This form can be retrieved from the Nunavut Water Board public registry at http://nunavutwaterboard.org. Please note that the 24-hour Spill Report Line telephone number is (867) 920-8130 and facsimile number is (867) 873-6924. Peter Kusugak, Manger of Field Operations, (867) 975-4295, should be included as an initial contact for INAC.

Should you have any questions or comments, please do not hesitate to contact me at (867) 975-4548 or by email at BathoryS@ainc-ianc.gc.ca.

Sincerely,

Original Signed By

Stephen Bathory Regional Coordinator