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Your file - Votre référence
2BE-REP0305

Our file - Notre référence
IQA-N 7255-7-N2005C0012 UNC /
#80412

May 23, 2006

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Via Email

Re: 2BE-REP0305 - BHP Billiton Diamonds Inc. - Qilalugaq Project - 2005 Annual Report

On behalf of Indian and Northern Affairs Canada (INAC) I have reviewed the above-mentioned application. The following specialist advice has been provided pursuant to INAC's mandated responsibilities for the enforcement of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* (NW&NSRT), *Arctic Waters Pollution Prevention Act* (AWPPA), and the *Department of Indian Affairs and Northern Development Act* (DIAND Act).

Project Summary

BHP Billiton Diamonds Inc. has submitted an Annual Report of water use and waste disposal associated with its Qilalugaq Project in 2005. This is a mining exploration project situated in the 'Repulse Bay exploration property' which has a field camp (coordinate of 67°29'N, 93°09'W). Although the proponent renewed its water licence in 2005, it has decided to abandon this project.

The Qilalugaq Project licence allows for the consumption of 60 m³ of freshwater per day for drilling operations and 10 m³ per day for domestic uses. Freshwater consumption in 2005 did not surpass the licence limit. Combustible wastes were incinerated and/or placed in 45 gallon steel drums and delivered to Churchill, MB for proper treatment. Sewage sludge was brought to the Hamlet of Repulse Bay for disposal in the community's sewage treatment system.

The Annual Report provides the information as required in the project's licence. No revisions were made to the Spill Contingency and Abandonment and Reclamation Plans.

INAC Comments

Indian and Northern Affairs Canada is satisfied with the contents of this Annual Report and looks forward to hearing about upcoming project reclamation activities.

If there are any changes to the proposed project, INAC should be notified, as further review may be necessary. Please do not hesitate to contact me if you have any questions or comments with regards to the foregoing by telephone (867) 975-4555 or by email via abernethyd@inac-ainc.gc.ca.

Sincerely,

original signed by

David W. Abernethy
Water Resources Coordinator

cc. Jim Rogers - Manager of Water Resources, Indian and Northern Affairs Canada, Iqaluit