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DUNAVUT WATER BOARD
NUNAVUT IMALIRIYIN KATIMAYINGI

File No: NWB2REP0305

April 3, 2004

Jeremy Howe
Logistics Co-Ordinator
BHP Billiton World Exploration Inc.
1400-1111 West Georgia Street
Vancouver, BC V6E 4M3
E-mail: jeremy.j.howe@bhpbilliton.com

RE: Amendment 1 to NWB2REP0305

Dear Mr. Howe PB.

Please find attached Amendment 1 to License No. NWB2REP0305 issued to BHP Billiton World Exploration Inc. by the Nunavut Water Board (Motion #: 2003-52) 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.

Sincerely,

Philippe di Pizzo Executive Director

Enclosure: Licence No. NWB2REP0305-Amendment 1

cc: Elizabeth Sherlock, DIAND Iqaluit

Constantine Bodykevich, DIAND Inspector Tongola Sandy, Kivalliq Inuit Association

Josee Gallipeau, Nunavut Wildlife Management Board

Colette Meloche, Environment Canada

Joel Holder, Department of Sustainable Development Stephanie Critch, Department of Fisheries and Oceans

### LICENCE AMENDMENT No. 1

Licensee: License No: BHP Billiton World Exploration Inc.

License No:

NWB2REP0305 Type "B"

License Issued: Effective Date:

April 2, 2004

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, the Nunavut Water Board hereby grants the following license amendment.

The License issued May 21, 2003 shall be amended to include the following terms and conditions to allow BHP Billiton World Exploration Inc. to undertake camp operation activities on the Qilalugaq site, at 66°38'57" N; 88°22'3"W;

#### PART A: SCOPE, DEFINITIONS & ENFORCEMENT

#### Insert Item 1

"Emergency Response Plan" means the approved "Spill and General Contingency Plan" (2002) developed to deal with unforeseen events during camp operation and drilling activities;

"Greywater" means all liquid wastes from showers, baths, sinks, kitchens and domestic washing facilities, but does not include toilet wastes;

"Sewage" means all toilet wastes and greywater;

"Sewage Treatment Facilities" comprises the designed to contain and treat sewage as described in the Application for Water Licence filed by the Applicant on December 16, 2003;

"Toilet Wastes" means all human excreta and associated products, but does not include greywater;

#### PART B: GENEREAL CONDITIONS

Amend Item 1(i) A summary report of water use and waste disposal activities, including a summary of the monitoring results as required by Part D, Item 5.

#### PART C: CONDITIONS FOR THE USE AND PROTECTION OF WATER

Amend Item 1

The Licensee shall obtain water for drilling operations using the Water Supply Facilities, up to a maximum of 25 cubic metres *per* day. The Licensee shall obtain water for camp operations from the un-named water supply lake adjacent to the camp, to a maximum of 10 cubic metres *per* day.

#### PART D: CONDITIONS APPLYING TO WASTE DISPOSAL

Insert Item 3 The Licensee shall dispose of all sewage and greywater to the RBC ROTODISC Treatment Plant described in the application for amendment, unless otherwise approved by the Board.

Insert Item 4 The Licensee shall discharge treated effluent to the broad, flat area southwest of the camp facilities described in the application for amendment, unless otherwise approved by the Board.

Insert Item 5
Once monthly during open water season, the Licensee shall sample and analyse flow at the point of discharge from the RBC ROTODISC and at a location where treated effluent may enter the downstream water body identified in the application for the following parameters: BOD, TSS, pH, Faecal Coliform and Oil/Grease (visual). The results shall be submitted to the NWB for review thirty (30) days following the sampling date.

Insert Item 6 The Licensee shall discharge waste in such a manner to minimize surface erosion.

Insert Item 7 Sludge generated by the ROTODISC RBC shall be periodically collected and transported to an approved disposal facility for proper disposal, unless otherwise approved by the Board.

Insert Item 8 If the Licensee contemplates the disposal and treatment of sludge on land, it shall submit to the Board for approval at least four (4) months prior to the disposal of Sludge a proposal which shall address, but not be limited to:

- Location of disposal area;
- ii. Quantities and composition of sludge;
- iii. Mitigation measures to control run-off and restrict access;
- iv. A program for water quality monitoring;
- v. An implementation schedule;
- vi. An executive summary of the proposal in English and Inuktitut.

- Insert Item 9 The Licensee shall implement the proposal specified in this Part as and when approved by the Board.
- Insert Item 10. If the Board does not approve the proposal referred to in this Part, the Licensee shall revise this proposal and resubmit it to the Board for approval within two (2) months of receiving notification of the Board's decision.

# PART F: CONDITIONS APPLYING TO SPILL PREVENTION AND CONTINGENCY PLANNING

- Amend Item 1 The Licensee shall revise the approved Emergency Response Plan to reflect the following:
  - The addition of Environment Canada personnel in Iqaluit at 867-975-4639 to the spill response contact list for Nunavut;
  - The notification of the DIAND Water Resources Inspector in Nunavut at (867) 975-4298 following the occurrence of any spill of chemicals, petroleum products or waste associated with the project;
  - iii. The location (including GPS and map sheets coordinates) of all fuel storage areas associated with the undertaking;
  - The provision of a diagram indicating the camp layout, including the location of spill response kits and additional spill response resources; and
  - The inclusion of spill response training requirements (including training exercises) for both BHP Billiton personnel and site contractors.
- Amend Item 2 The information required in Part F, Item 1 shall be submitted as an addendum to the approved Plan within thirty (30) days of issuance of this amendment.

## PART H: CONDITIONS FOR CAMPS AND ACCESS INFRASTRUCTURES

Insert Item 1 The Licensee shall not erect camps or store material on the surface of frozen streams or lakes except what is for immediate use. Camps shall be located such as to minimize impacts on surface drainage.

moore from 2	surface drainage and the Licensee shall immediately undertake any corrective measures in the event of any impacts on surface drainage.
Insert Item 3	Winter lake and stream crossings, including ice bridges, shall be constructed entirely of water, ice or snow; stream crossings shall be removed or notched prior to spring break-up.

All activities shall be conducted in such a way as to minimize impacts on

Insert Item 2

Insert Item 4 With respect to access road and pad construction or other earthworks, the deposition of debris or sediment into any water body is prohibited. These materials shall be disposed of above the high water mark in such a fashion that they do not enter the water.

All terms and conditions of the License NWB2REP0305 dated May 12th, 2003 still apply.

This License Amendment issued and recorded at Gjoa Haven on April 2nd, 2004.

Approved by,

Philippe di Pizzo

Executive Director