



SCREENING DECISION

April 13, 2005

Mr. Donald Havioyak
President, Kitikmeot Inuit Association
Cambridge Bay, NU

Dear Mr. Havioyak:

**RE: Screening Decision of the Nunavut Impact Review Board (NIRB) on Application:
NIRB: #05EN007 KIA:
Mining Exploration – Wolfden Resources**

Authority:

Section 12.4.4 of the Nunavut Land Claim Agreement states:

Upon receipt of a project proposal, NIRB shall screen the proposal and indicate to the Minister in writing that:

- a) the proposal may be processed without a review under Part 5 or 6; NIRB may recommend specific terms and conditions to be attached to any approval, reflecting the primary objectives set out in Section 12.2.5;
- b) the proposal requires review under Part 5 or 6; NIRB shall identify particular issues or concerns which should be considered in such a review;
- c) the proposal is insufficiently developed to permit proper screening, and should be returned to the proponent for clarification; or
- d) the potential adverse impacts of the proposal are so unacceptable that it should be modified or abandoned.

Primary Objectives:

The primary objectives of the Nunavut Land Claims Agreement are set out in section 12.2.5 of the Land Claims Agreement. This section reads:

In carrying out its functions, the primary objectives of NIRB shall be at all times to protect and promote the existing and future well-being of the residents and communities of the Nunavut Settlement Area, and to protect the ecosystemic integrity of the Nunavut Settlement Area. NIRB shall take into account the well-being of the residents of Canada outside the Nunavut Settlement Area.

The decision of the Board in this case is 12.4.4 (a) **the proposal may be processed without a review under Part 5 or 6; NIRB may recommend specific terms and conditions to be attached to any approval, reflecting the primary objectives set out in Section 12.2.5;**

Reasons for Decision:

NIRB's decision is based on specific considerations that reflect the primary objectives of the Land Claims Agreement. Our considerations in making this decision included:

- the impact of drilling activities on the ecosystem;
- disposal of drill cuttings and waste water;
- impact to water quality, aquatic habitat and wildlife and fish populations from chemicals, drill waste, drill fluids and potential fuel spills;
- storage and disposal of chemicals, fuel, garbage, sewage, and gray water, and impact of these on the ecosystem;
- the impact of noise from drilling activities and their disturbance to wildlife and traditional users of the area;
- the impact of campsite and equipment on terrain;
- clean up/restoration of the camp site and drilling locations upon abandonment.

Terms and Conditions:

That the terms and conditions attached to this screening report will apply.

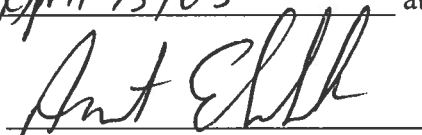
See Attached Terms and conditions

Validity of Land Claims Agreement

Section 2.12.2

Where there is any inconsistency or conflict between any federal, territorial and local government laws, and the Agreement, the Agreement shall prevail to the extent of the inconsistency or conflict.

Dated April 13/05 at Cambridge Bay, NU.


Albert Ehloak, A/Chairperson

ULU – ADVANCED EXPLORATION/UNDERGROUND SAMPLING TERMS AND CONDITIONS

PART A: GENERAL CONDITIONS

1. The Proponent shall ensure that on-site personnel are aware of the Terms and Conditions associated with the Project.
2. The Proponent shall submit to the NIRB, thirty (30) days prior to the commencement of activities, a list of all reports pending approval, and all reports being developed related to this project.
3. Upon completion, the Proponent shall submit to the NIRB all non-confidential information of any Inuit Impact Benefit Agreement negotiated with a Designated Inuit Organization.
4. The Proponent shall submit to the NIRB all plans and reports approved and required by the NWB.
5. The Proponent shall notify the NIRB and all regulators of its intention to begin work a minimum of 10 days before the commencement of on-site activities or as directed by other authorizing agencies.
6. The Proponent shall provide the NIRB with a site map which includes waterbodies, camp, airstrip, quarries, stockpiles, waste rock areas, water management facilities, waste management facilities, roads, portal area, fuel storage, explosives storage, roads etc. The site map shall be updated whenever changes and/or upgrades to the site are made.
7. The Proponent shall provide to the Board no later than March 31st 2006, an annual report which is to contain but not be limited to the following:
 - a. Information related to progress of exploration development;
 - b. Community visits;
 - c. Traditional Knowledge acquired;
 - d. Monitoring results;
 - e. Local hiring;
 - f. Training opportunities;
 - g. Money spent by Proponent in Nunavut;
 - h. Environmental concerns;
 - i. Socio-economic concerns;
 - j. Implementation of mitigation measures;
 - k. Studies undertaken;
 - l. Areas of further research;

- m. Occupational Health and Safety report (accidents & incidents);
 - n. Quantity of ore removed from underground;
 - o. Quantity of drilling;
 - p. Quantity of ore and waste rock stockpiled;
 - q. Waste management including volumes and types of waste disposed;
 - r. Any spills reported;
 - s. Activities undertaken related to progressive reclamation;
 - t. Summary of updates to the Abandonment and Reclamation Plan.
8. The Proponent shall submit to the Board an updated annual report as mentioned in Part A, Item 7, every year following 2006 until Abandonment and Reclamation and post-closure monitoring has been completed. The report shall be submitted no later than March 31st of each year.

PART B: CONDITIONS APPLYING TO DRILLING

1. The Proponent shall not construct an adit or drill site within thirty (30) metres of the normal high water mark of a water body unless approval in writing is obtained from the engineer and the NWB.
2. If undertaken, the Proponent shall conduct lake-based winter drilling in accordance with the GNWT Interim Guidelines for On-Ice drilling.
3. The Proponent shall not use drilling muds or additives in connection with holes drilled through the lake ice unless they are re-circulated or contained such that they do not enter the water, or are certified to be non-toxic.
4. The Proponent shall remove all drill cuttings from the ice. Drill cuttings should be deposited into an approved sump site.
5. The Proponent shall ensure that any return water released to the lake must be non-toxic and will not result in an increase in total suspended solids in the immediate receiving waters of the lake above Canadian Council of Ministers for the Environment Guidelines for the Protection of Freshwater Aquatic Life (i.e. 10mg/L for lakes with background level under 100mg/L, or 10% for those above 100mg/L).
6. The Proponent shall ensure that any return water and sludge that cannot be re-circulated be disposed of in a properly constructed sump or an appropriate natural depression or method approved by the NWB.
7. The Proponent shall treat wastewater by pH adjustment, TSS removal, aeration, and/or other methods as directed by the NWB prior to their release.

8. The Proponent shall ensure that the sump/depression capacity be sufficient to accommodate the volume of waste water and any fines that are produced so that there will be no additional impacts.
9. The Proponent shall be aware that CaCl is listed as a toxic substance under the Canadian Environmental Protection Act. The Proponent shall ensure that all sumps containing CaCl are properly constructed and located in an area to ensure that the contents do not enter water.
10. The Proponent shall plug all drill holes as the land use operation progresses.
11. The Proponent shall plug and permanently seal all drill holes where artesian flow is encountered. The occurrence shall be reported to the NWB and Land Use Inspector within 48 hours.
12. The Proponent shall ensure that disturbance of vegetation from deposit of drill fluids/cuttings is restricted to the area of the sump and the ground prepared for revegetation upon abandonment.

PART C: CONDITIONS APPLYING TO UNDERGROUND WORKINGS

1. The Proponent shall notify the NIRB and NWB of all details related to the portal pump and methods for dealing with groundwater when encountered.
2. The Proponent shall submit to the Board, prior to the commencement of underground activities, an updated and approved Occupational Health and Safety Plan developed in accordance with the GNWT Mine Health and Safety Act.
3. The Proponent shall submit to the Board, prior to commencement of underground activities, an approved Emergency Response/Mine Rescue Plan.
4. The Proponent shall ensure that all underground workers are properly trained with respect to Part C, Items 2 and 3.
5. The Proponent shall ensure that all vehicles operating underground are properly serviced and inspected on a regular basis. A record shall be kept and made available to an inspector upon request.

PART D: CONDITIONS APPLYING TO WATER

1. The Proponent shall comply with, and fulfill, all terms and conditions as stated in NWB Licence: NWB1ULU0008 or any licence issued thereafter.

2. The Proponent shall fully consider DFO's *Freshwater Intake End-of-Pipe Fish Screen Guideline* (1995) and ensure that the following is implemented:

- a) that no fish can pass through the intake screen;
- b) that the rate of water withdrawal should be such that fish do not become impinged on the intake screen;
- c) that the intake screen is regularly inspected and maintained in a good state of repair and is not removable except for renewal or repair;
- d) That during renewal or repair of the intake screen the intake is closed in order to prevent the passage of fish into the intake.

3. The Proponent shall not use streams as a source of water.

PART E: CONDITIONS APPLYING TO FUEL AND CHEMICAL STORAGE

1. The Proponent shall fully consider the legislation and guidelines for fuel transfer and Storage Tank Systems for Petroleum Products and Allied Petroleum Products Regulations under the Canadian Environmental Protection Act as well as the CCME guidance document entitled: "*Environmental Code of Practice for Above Ground and Underground Storage Tank Systems Containing Petroleum Product and Allied Petroleum Products* (2003)". The Proponent shall also consider the National Fire Code.
2. The Proponent shall ensure that fuel storage containers are not located within thirty-one (31) metres of the ordinary high water mark of any body of water unless authorized by the authorizing agency.
3. The Proponent shall take all reasonable precautions to prevent the possibility of migration of spilled petroleum fuel or chemicals over the ground surface.
4. The Proponent shall ensure that any chemicals, fuels or wastes associated with the project do not enter into any water body.
5. The Proponent shall have one extra fuel storage container on site equal to, or greater than, the size of the largest fuel container.
6. The Proponent shall construct an impermeable dyke around each stationary fuel container or group of stationary fuel containers where one container has the capacity exceeding 4,000 litres.
7. The Proponent shall examine all fuel and chemical storage containers for leaks at a minimum of once every day. A record of examinations and follow-up measures required shall be kept and provided to an inspector upon request.
8. The Proponent shall repair all leaks immediately.

9. The Proponent shall report ALL spills immediately to the 24-Hour Spill Line at 867-920-8130.
10. The Proponent shall ensure that the Spill Plan is up to date reflecting the changes in operation in accordance with advanced exploration activities. A copy of the Updated Spill Plan shall be submitted to the NIRB and NWB prior to commencing operations.
11. The Proponent shall handle, store, dispose and keep records of all hazardous and toxic chemicals in accordance with the Canadian Environmental Protection Act.

PART F: CONDITIONS APPLYING TO WASTE

1. The Proponent shall not deposit any fuel, drill cuttings, chemicals, or sediments into any water body.
2. The proponent shall dispose of drill cuttings in a sump such that they do not enter any water body.
3. The Proponent shall take all possible precautions to mitigate Acid Rock Drainage (ARD) and metal leaching.
4. All runoff from waste areas, stockpiles, and all facilities/structures shall meet the standards imposed by the NWB.
5. The Proponent shall remove all Hazardous Waste from the site to a proper disposal facility.
6. The Proponent shall consider the Government of Nunavut Environmental Guideline on the *General Management of Hazardous Waste*.
7. The Proponent shall consider the Government of Nunavut Environmental Guideline for the *Management of Waste Batteries*.
8. The Proponent shall submit to the Board, within sixty (60) days of commencing underground activities, a report detailing (types, quantities, location) any waste that was previously placed underground.
9. The Proponent shall examine all waste containment facilities including but not limited to retention ponds, on a daily basis. A record of examinations and follow-up measures required shall be kept a provided to an inspector upon request.
10. The Proponent shall provide details on the approved landfill site where solid waste will be dumped.

11. The Proponent shall maintain a clean site at all times. Kitchen and other food wastes shall be incinerated immediately to prevent buildup and attraction of wildlife.

PART G: CONDITIONS APPLYING TO THE BIOLOGICAL ENVIRONMENT

1. The Proponent shall revise, and submit to the NIRB within six (6) months commencing on-site activities, the “environmental assessment documentation submitted by Echo Bay in January 1997”. The revisions shall consider on-site activities, changes to the Project undertaken since 1996 and new information acquired including scientific advances.
2. The Proponent shall ensure that there is no damage to wildlife habitat in conducting this land use operation.
3. The Proponent shall immediately report any bear interactions to the nearest Wildlife Officer.
4. The Proponent shall suspend operations within the area(s) occupied by caribou or muskox cows and calves between May 15 and July 15.
5. The Proponent shall cease all activities that may interfere with caribou migration, such as airborne geophysics surveys or movement of equipment, until the migrating caribou have passed.
6. The Proponent shall not, between May 15 and September 01, construct any camp, cache any fuel or conduct any blasting within 10 km of any caribou crossing area.
7. The Proponent shall not locate any operation so as to block or cause substantial diversion to migration of caribou.
8. The Proponent shall ensure that aircraft pilots adhere to recommended flight altitudes of greater than 300 m above ground level as to not disturb wildlife. In the event that caribou or muskox cows and calves are present all overflights by aircraft should be suspended.
9. The Proponent shall ensure that raptor nesting sites, molting waterfowl, and concentrations of caribou are avoided by aircraft at all times.
10. The Proponent shall make all efforts to minimize harassment to wildlife and avoid sensitive areas or during a critical time period (i.e. nesting, migrating, denning, and staging times).
11. The Proponent shall avoid known environmentally sensitive areas (denning, nesting etc.) by a minimum of 250 metres.

12. The Proponent shall not detonate explosives within fifteen (15) metres of any body of water which is not completely frozen to the bottom.
13. The proponent is hereby notified that the harmful alteration, disruption or destruction of fish habitat is prohibited under the *Fisheries Act*. No construction or disturbance of any stream/lake bed or banks of any definable watercourse are permitted unless authorized by DFO.
14. The Proponent shall not obstruct the movement of fish while conducting the land use operation.
15. The Proponent shall ensure that there is no hunting by employees of the company or any contractors hired.
16. The Proponent shall ensure that no fishing is undertaken by employees of the company or any contractors hired unless proper authorizations have been obtained.
17. The Proponent shall implement best-measures to minimize noise.
18. The Proponent shall give wildlife the “right of way” on roadways.
19. The Proponent shall immediately remove any carcass along the roadway to prevent attraction by scavengers.

PART H: CONDITIONS APPLYING TO THE PHYSICAL ENVIRONMENT

1. The Proponent shall implement erosion control measures prior to the commencement of activities in order to prevent sediment entry into water. The erosion control measures shall be maintained throughout operation and incorporated where necessary into the Abandonment and Reclamation Plan.
2. The Proponent shall ensure that the land use area is kept clean and tidy at all times.
3. The Proponent shall prepare the site in such a manner as to prevent damage to the ground surface.
4. The Proponent shall not use any equipment except of the type, size and number that is listed in the accepted application.
5. The Proponent shall not move any equipment or vehicles unless the ground surface is in a state capable of fully supporting the equipment or vehicles without rutting or gouging.
6. The Proponent shall suspend overland travel of equipment or vehicles if rutting occurs.

7. If quarried material is required, the Proponent should consider DIAND's *Environmental Guideline on Pits and Quarries*. All quarried material used in construction must be clean, non-acid generating, and free of contaminants.
8. The Proponent shall implement dust suppression measures considering the Government of Nunavut *Environmental Guideline for Dust Suppression*.

PART I: CONDITIONS APPLYING TO THE SOCIO-ECONOMIC ENVIRONMENT

1. The Proponent shall maintain a drug and alcohol free work site at all times.
2. The Proponent shall provide cultural training to all non-local workers within thirty (30) days of commencing on-site activities. The Proponent shall submit a training report to the NIRB within sixty (60) days of commencing on-site activities.
3. The Proponent shall employ best practices to protect people from activity noise including vehicles and aircraft.
4. The Proponent shall deliver safety and emergency training programs for all on-site personnel.
5. The Proponent shall maintain open communication with affected communities.

PART J: CONDITIONS APPLYING TO FACILITIES

1. The Proponent shall not erect camps or store material on the surface ice of lakes or streams.
2. The Proponent shall ensure that no material is left on the ice so as to prevent material from entering water during break-up.
3. The Proponent shall locate all camps and new facilities on gravel, sand or other durable land.
4. The Proponent shall use any existing campsite to the greatest extent possible.
5. The Proponent shall insulate the ground surface beneath all structures and facilities.
6. The Proponent shall contact the Workers Compensation Board regarding safety standards for on-site laboratories prior to setting up the assay lab.

PART K: CONDITIONS APPLYING TO ARCHEOLOGICAL SITES

1. The Proponent shall follow all terms and conditions for the protection and restoration of archaeological resources as outlined by the Prince of Wales Northern Heritage Centre (PWNHC).
2. The Proponent shall not conduct any land use operation within thirty metres of a known or suspected archaeological site or burial ground. An archaeological site is defined as a site or work within the Nunavut Settlement Area of archaeological, ethnographical or historical importance, interest or significance or a place where an archaeological specimen is found, and includes explorers' cairns.
3. The Proponent shall not operate any vehicle over a known or suspected archaeological site
4. The Proponent shall not remove or displace any object or artifact of archaeological or historical significance.
5. The Proponent shall contact the Arctic Archaeologist at the (PWNHC) (867-873-7551) should an archaeological or historical site be disturbed by any land use activity or support activity. The Proponent shall proceed on the stipulation/advice of the Archaeology Programme.
6. The Proponent shall immediately cease any activity which disturbs an archaeological or historical site, encountered during the course of a land use operation, until permitted to proceed with the authorization of the Archaeology Programme, PWNHC.
7. The Proponent shall follow the advisement of the Archaeology Programme, PWNHC in restoring disturbed archaeological sites to an acceptable condition. The Proponent shall assume the costs for this procedure.
8. The Proponent shall provide information to the PWNHC about each archaeological or historical site encountered during any activity.
9. The Proponent shall ensure that all members of the land use operation are aware of these concerns regarding archaeological and historical resources.

1. *APPLY CLEY'S TERMS & CONDITIONS REGARDING ARCHEOLOGICAL SITES.*

PART L: CONDITIONS APPLYING TO ABANDONMENT AND RECLAMATION

1. The Proponent shall stabilize and revegetate as required, all disturbed areas and restore the site to a pre-disturbance state in a progressive manner.

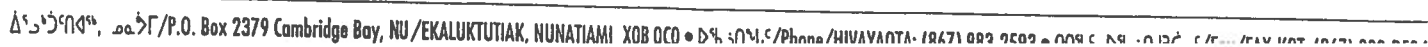
2. The Proponent shall remove all fuel, buildings and equipment upon abandonment.
3. The Proponent shall remove all scrap metal, discarded machinery and parts, barrels and kegs upon abandonment.
4. The Proponent shall undertake ongoing restoration for any land area or facility which is no longer required for the Proponent's operation.
5. The Proponent shall backfill and contour the sumps at the end of each field season.

PART M: CONDITIONS APPLYING TO MONITORING

1. The Proponent shall monitor air quality in the underground ramps and keep records which are to be made available to an inspector upon request.
2. The Proponent shall monitor subsidence in the underground workings and keep records which are to be made available to an inspector upon request.
3. The Proponent shall monitor wildlife encounters and sightings and keep a record which is to be made available to an inspector upon request. At a minimum, the record shall contain information related to Part G, Items 3, 4, 5, and 6.
4. The Proponent shall monitor drawdown in West Lake due to water extraction.

OTHER RECOMMENDATIONS

1. The NIRB advises the proponent to submit all outstanding plans and reports to the Nunavut Water Board (NWB) and requests that a copy of those reports be sent to the NIRB's Monitoring Officer in the Cambridge Bay Office.
2. The NIRB advises the proponent to consult with local communities regarding its activities in the region and to keep communities informed on the project. The Proponent shall provide the NIRB with a meeting record and/or meeting minutes within thirty (30) days following the meeting.
3. Any amendment request deemed by the NIRB to be outside the original scope of the project shall be considered a new project.
4. The proponent shall notify and update the NIRB, NWB, DFO, KIA, and GN-DOE of any changes to plans or operating conditions associated with the Project.
5. For drilling practices, the use of biodegradable salt-free drill additives is encouraged over non-biodegradable types.



Confirmation Report – Memory Send

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