

Mrs. Phyllis Beaulieu Manager of Licensing Nunavut Water Board P.O. Box 119 Gioa Haven, NU <u>NWB File:</u> NWB1ULU0008

<u>via Email to:</u> licensing@nwb.nunavut.ca

Dear Mrs. Beaulieu:

X0E 1J0

RE: ULU ADVANCED EXPLORATION PROJECT – APPLICATION FOR AMENDMENT OF WATER LICENES NWB1ULU008

The Department of Environment (DOE) has reviewed the proposal for an amendment of the Ulu Advanced Exploration Project water license; specifically a deferment of the condition that requires them to collect runoff from the ore and waste rock piles in retention and settling/Neutralization ponds. DOE has the following comments.

We note that of the two previous water samples taken from the ore stock pile, one (August 2005) produced results for TSS that exceeded the water license criteria and copper, iron and cadmium levels that exceeded CCME. Water quality from the draining from the waste rock pile is as yet unknown.

We believe that the purpose of the water license condition that instructs collection of mine site water is to provide proactive precautionary measure to prevent pollution of the environment. Specifically, it facilitates the settling of problematic suspended solids and the retention of water prior to confirmation of its quality and ultimate release to the environment. The reactive water management mechanism proposed by Wolfden Resources Inc. has a minimum 2 weeks lag between any possible surface water contamination and the laboratory results, followed by a period of development and approval of any adaptive management response.

Therefore, it is DOE's preference that the adaptive management measures proposed by Wolfden if water quality problems occur, i.e. berming or ditching and collection of runoff from the mine site areas in sumps or settling ponds, prior to testing; be implemented before the proposed operations begin. Alternatively, a more detailed pre-approved plan of contingency measures be supplied to the board to reduce response time should water quality problems occur.

We thank NWB for the opportunity to comment on the application.

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Sincerely,

Original signed by

Mike Atkinson

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