

Megan Porter <megan.porter@nwb-oen.ca>

## [Licensing] RE: 2BM-ULU0914 - Follow-up on July 12 Inspection and monthly monitoring reports.

Eva Paul <Eva.Paul@aandc-aadnc.gc.ca>

Fri, Jan 16, 2015 at 2:26 PM

To: George Friesen <gfriesen@elginmining.com>, Patrick Downey <pdowney@elginmining.com>

Cc: Erik Allain <Erik.Allain@aandc-aadnc.gc.ca>, Jean Allen <Jean.Allen@aandc-aadnc.gc.ca>, Karyn Lewis <klewis@elginmining.com>, PhyllisBeaulieu <phyllis.beaulieu@nwb-oen.ca>

Hi Patrick,

I've done a fair bit of digging this week, and located your July 31 e-mail (I had forwarded it to my personal account as I was traveling and having problems with my work e-mail. Consequently it did not get saved to the Ulu file. So that explains that. I'm compiling everything I have to produce a complete picture, however have a few quick questions regarding this summer's activities:

- 1. Was a notification sent under Part H item 1? I was very surprised to find out in the fall that the site had been active (having no record of notification), and particularly that BCC had authorized WPC Resources to use Ulu's camp.
- 2. The August Monthly Monitoring report indicates that DMS and WPC Resources were on-site. 6,900L water was used, and Pacto toilets instead of the RBC unit. This is good. Please provide comment on how domestic waste was treated volumes? incinerator? backhauled? etc.
- 3. The September Monthly Monitoring report is very similar. The dates were changed but the same activities are listed (except the geotech inspection). Can you be more specific as to what activities were conducted in August vs. September? As per August, please provide comment on domestic waste. Also, please clarify the volume of water was it really 8,200L for the 5 days in September or was that a cumulative total from August?

Please provide clarification on these next week.

Thanks,

Eva Paul

Water Resources Officer | Agent des ressources en eau

Aboriginal Affairs and Northern Development Canada | Affaires autochtones et Développement du Nord Canada Nunavut Regional Office | Bureau régional du Nunavut Building 969, PO Box 2200 | Édifice 969, CP 2200

Iqaluit, NU X0A 0H0

Phone | Tél. : 867-975-4548 Cell | Mobile: 867-222-6490 Fax | Téléc. : 867-979-6445 Eva.Paul@aandc-aadnc.gc.ca

>>> Eva Paul 1/12/2015 11:18 AM >>>

Hi Patrick,

Sorry, I was out-of-country for awhile and am still catching up on the backlog. Both e-mails were received, and I will be taking a look at Ulu this week.

Regards,

Eva

>>> Patrick Downey <pdowney@elginmining.com> 12/15/2014 4:41 PM >>>

Hi Eva

Could you please confirm receipt of the email I sent below.

Kind Regards

Patrick

From: Patrick Downey

Sent: Tuesday, December 09, 2014 11:31 AM

To: Eva Paul

**Cc:** Erik Allain; George Friesen; Karyn Lewis; Phyllis Beaulieu **Subject:** RE: 2BM-ULU0914 - Follow-up on July 12 Inspection

## Eva

I did respond to your email in detail on July 30th - see below -so not sure why you did not get this. As you are aware I also sent a separate response to your report on July 29th with a copy of a report detailing work completed at Ulu in 2013.

Since I didn't get a response to either of the above i had assumed that we had answered your concerns and I was not sure what you wanted further.

I believe that my responses of July 29th and 30th answered the items in your report. Furthermore as a follow up since then we were able to get one last flight in before the snow flew at Ulu (Which was early this year) and we did some further work as follows:

All the fuel is in now within the containment area. All the wood scraps/rubbish that was on the runway has been removed. All barrels have been moved to the containment area.

A total of 59 empty barrels were backhauled to Yellowknife. Kevin at Discovery will have the manifests if you need these.

The eleven barrels that were in the waste dump were moved to the containment area.

A number of oil spills were cleared up. The material is now held in six barrels that have been put into the containment area. We had planned some more work on this area but with the early snow we got what we could get done.

The ten barrels in the photos that were along the road by the airport have been moved to the containment area.

Since I had not gotten a response to my July 29th and 30th emails we were going to include the above within our annual report.

I hope this helps. Let me know if you need anything further. I also hope that you see that we did respond to your inquiries asap per the email chain below.

On another note I hope you have a great festive season and all the best for 2015.

Kind Regards

patrick

From: Patrick Downey

Sent: Thursday, July 31, 2014 11:39 AM

**To:** Eva Paul; George Friesen **Subject:** RE: Photos of Ulu

## Dear Eva

I spoke with George and Discovery Mining Services(DMS), who did the work at Ulu for Elgin in late 2013 and I also looked at the report from you in 2013 to determine what was requested and

what we accomplished.

Based on this there are certain items and issues in the 2014 report that were not identified in 2013 and which we therefore did not instruct DMS to carry out and there are other items that we did not complete.

Our assessment is as follows;

Actions required in 2013 –

- 1) All fuel to be stored in secondary containment, and covered to prevent water accumulation in the containment during periods of inactivity **done**
- 2) Hazardous waste to be backhauled –not enough room on plane for all the waste. The area where the hazardous waste referred to in your 2014 trip report at the Mine Waste Pad was not photographed or discussed in the 2013 report and DMS therefore did not work here as we now assume they were referring only to the hazardous waste photographed and discussed in the 2013 report by the rock pile area and DMS did move those to the lined berm so we believe there is hazardous waste at the Mine Waste Pad and the Waste Piles east of the helipad, so we plan to deal with those items this year. The barrels you refer to that are at the airstrip I believe are all empty and the leak/spill were addressed by DMS. If there are any barrels with fuel they will be moved to the fuel storage area. The barrels at the barrel storage area beside the tank farm were deemed ok but your 2014 report indicate that there was leaks, which we will follow up on. Your report states we are not cleaning up our spills, which we will also follow up on as that was also supposed to have been completed , however our understanding is that the 2013 report only the identified the spill at airstrip and this was addressed last year.
- 3) (See note last year from George below).
- **4)** Sewage at the airstrip to be backhauled in 2013, and as much hazardous waste as possible removed from site **sewage was backhauled and other hazardous waste was moved to the lined berm**
- 5) MMG berm is to be repaired or replaced, or MMG fuel removed from site **MMG removed** their fuel
- 6) Spill at the airstrip to be cleaned up see below in George 's progress report to you it states that DMS scooped it up and put it in barrels at the airstrip partial drums were put in a covered berm and all the empties are together these are still there ready to be backhauled once we have a plane going in, as the site is too remote from the airstrip.
- 7) Items 1-5 to be done by Sept 30, 2013 **done**
- 8) Monitoring We have requested for less monitoring in our water license renewal and included in our updated care and maintenance plan.
- 9) Timeline to address progressive reclamation of drill sites to be prepared. we believe that this work was commenced.

You note in the 2014 report that we stated in our annual report that drums and waste were addressed but then you found numerous areas with leaks and not contained. You have also stated the waste

was not removed as stated in our annual report. Our annual report did NOT state anything was removed other than the barrels of sewage. You have also stated that we did not provide numbers in the annual report in respect to the amount of waste backhauled. But as requested by you in our email dated September 30, 2013 – we emailed the Discovery report (that I resent you yesterday) and it states 4 barrels of sewage, George also provided a progress report in the same email. Perhaps we should have provided more detail in the annual report- please advise.

I hope this helps and we will be following up on other items/issues mentioned in the 2014 report.

Here is a portion what our annual report says:

A crew of 3 people were on site to carry out care and maintenance activities and address issues raised on the July 5, 2013 Inspector's report. Activities included:

- · Clean up of the drums at the airstrip and placement in a covered berm.
- · Clean up of the drums in the berm refuelling area.
- · Clean up of the drums in the tank farm area.
- · Relocate drums that were by the rock pile back within the tank farm area.
- · Backhaul drums for disposal off site with KBL (waste management company)

Here is George's progress report dated September 30, 2013 (I believe you also received the Discovery report):

"Hi Eva,

I just wanted to update you on the progress we made at the Ulu site. A crew of 3 persons of Discovery Mining Services went in to site on September 12<sup>th</sup> and 13<sup>th</sup> to deal with the deficiencies that you had listed in your report from your inspection on July 5<sup>th</sup>, 2013. With some effort, they also managed to rescue the pickup truck. DMS report is attached.

The action items, 1 to 5, have been addressed as follows.

1. All fuel is to be stored in secondary containment, and covered to prevent water accumulation in the containment during periods of inactivity.

All fuel is now stored in the secondary containment facilities.

**2.** Hazardous waste is to be backhauled.

All the barrels on the rock pad were moved to the hazardous storage area. We also spoke with George and DMS and neither were aware about all the contaminated soils that are piled up on the rock pad. Had we known we would have organised to do something with them in 2013. We will most definitely organize something this year, and also test these barrels as we truly don't know what they contain. Once we have results Once we get results we will determine what permission is required to dispose of the potential contaminated soils.

3. Sewage at the airstrip is to be backhauled in 2013, and as much hazardous waste as possible removed from site.

## Sewage at the airstrip was backhauled from site and delivered to KBL in Yellowknife for disposal.

4. MMG berm is to be repaired or replaced, or MMG fuel removed from site.

MMG has removed their berm, all the fuel, and empty barrels from site.

5. Spill at the airstrip is to be cleaned up as per Spill Contingency Plan.

The contaminated gravel was shoveled up into a barrel and placed in the hazardous storage area. "

From: Eva Paul [mailto:evarochelle28@gmail.com]

**Sent:** Tuesday, July 29, 2014 1:43 PM **To:** Patrick Downey; George Friesen

Subject: Photos of Ulu

Hi Patrick,

As indicated, I'm sending you photos of the Ulu site; see attached. I will also forward to the NWB to accompany the inspection report.

Regards,

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Eva

From: Eva Paul [Eva.Paul@aandc-aadnc.gc.ca]
Sent: Tuesday, December 09, 2014 8:02 AM

To: Patrick Downey

**Cc:** Erik Allain; George Friesen; Karyn Lewis; Phyllis Beaulieu **Subject:** 2BM-ULU0914 - Follow-up on July 12 Inspection

Hi Patrick,

On July 12 2014 I conducted a compliance inspection at Ulu, and the report was given on July 15 to George during the Lupin Inspection. The report was subsequently e-mailed to you on July 26. I have not received any follow-up to that report. A report was required of Bonito, demonstrating that the work be completed to bring the licence into compliance, by October 31 2014. Please confirm whether the work was completed and submit the outstanding information by December 31, 2014.

Regards,

Eva Paul

Water Resources Officer | Agent des ressources en eau

Aboriginal Affairs and Northern Development Canada | Affaires autochtones et Développement du Nord Canada

Nunavut Regional Office | Bureau régional du Nunavut Building 969, PO Box 2200 | Édifice 969, CP 2200

Iqaluit, NU X0A 0H0

Phone | Tél. : 867-975-4548 Cell | Mobile: 867-222-6490 Fax | Téléc. : 867-979-6445 Eva.Paul@aandc-aadnc.gc.ca