



P.O. Box 119  
GJOA HAVEN, NU X0B 1J0  
TEL: (867) 360-6338  
FAX: (867) 360-6369

ᓄᓇᓂᓪ ᐃᓕᓕᓂᓪ ᑲᑎᓕᓂᓪ  
NUNAVUT WATER BOARD  
NUNAVUT IMALIRIYIN KATIMAYINGI

---

NWB File No: NWB1ULU0008/TR/B5

November 1, 2005

David Stevenson  
Project Manager, Ulu  
Wolfden Resources Inc.  
309 Court Street South  
Thunder Bay, ON P7J 1H1

Email: [dave.stevenson@wolfdenresources.com](mailto:dave.stevenson@wolfdenresources.com)

Re: Acknowledgement Annual Report 2004

Dear Mr. Stevenson:

The Nunavut Water Board (NWB) acknowledges receipt on March 24, 2005 of Wolfden Resources Inc.'s (WRI) 2004 Annual Report as required by Part B, Item 5 of the current water licence. Included with the Annual Report were:

- i. Cover letter;
- ii. Spill Contingency Plan;
- iii. Interim Abandonment and Restoration Plan;
- iv. Waste Rock and Ore Storage Plan;
- v. Sewage Treatment and Solid Waste Disposal Facilities Operation and Maintenance Plan;
- vi. Terms of Reference for a Hydrological Assessment of West Lake; and
- vii. a revised SNP Quality Assurance/Quality Control Requirements for Surface Water Samples Plan.

The Board has reviewed your Annual Report and requests clarification and additional information in accordance with Part B, Item 5(q), as follows, to be reported in and along with the 2005 Annual report due no later than March 31, 2006.

- i. Under Part B, Item 5(a); a response indicated that the total amount of water used for industrial and camp purposes withdrawn from West Lake was between 5m<sup>3</sup> and 20m<sup>3</sup> per day. This is adequate for determining compliance with respect to the permitted amount of water under the Licence and measurement under Part C, Item 1 of the SNP, however the Annual Report requires the monthly and annual quantities of water used to be reported. **The NWB requests that the monthly and annual quantities, measured as per the Licence SNP be provided with the 2005 Annual Report;**
- ii. In addition to item (i) above, the water use reported in under Item 5(a) of the Report indicated that the water volume was for both industrial and camp use. **The NWB requests a confirmation that the industrial water use included water required to complete the 18,568 metres of**

**drilling as indicated in the executive summary and that this water was also obtained from West Lake;**

- iii. Part B, Item 5c) of the Annual Report indicated that approximately 2m<sup>3</sup> of gravity thickened sludge was removed from the RBC and deposited on the up-hill side of the ore pad and covered with waste rock. Part D, Item 17 requires that [sludge be disposed of in an above ground sump located at least thirty (30) metres from any water body or as otherwise approved by the Board], (above ground meaning not within the underground workings). Pending the approval of the O&M Plan (item v submitted with the Annual Report) there currently is no Board approval on file for the alternative disposal method used at the Ulu Project. **The NWB requires that sludge disposal, when required, be carried out as per Part D, Item 17 of the Licence.**
- iv. In reviewing the quality of effluent from the Sewage Treatment Facility (RBC), the elevated levels of Total Suspended Solids, Biochemical Oxygen Demand and Total Coliforms raises concerns and is acknowledge by letter of November 22, 2004 from WRI. The letter indicated that an effort would be made to comply with the Licence requirements. The July 2005 SNP report submitted indicated that considerable improvements have been achieved. **The NWB requests that WRI include with the 2005 Annual Report, a summary of any operational changes that may have led to the improvements and any planned changes that may lead to full compliance with effluent quality requirements.**

With respect to the additional items submitted with the Annual Report, it is understood by letter, submitted by WRI, dated August 5, 2005 that the hydrological assessment of West Lake has been carried out as per the terms of reference submitted. The assessment had been carried out due to the short field season and the need to coordinate the work with other studies being undertaken to support the Wolfden Environmental Impact Statement. The terms of reference were reviewed and found to be appropriate for the assessment of West Lake. Approval of the terms will follow under a separate cover.

In response to your letter of September 21, 2005 the remaining five (5) reports that were submitted with the Annual Report have completed their public comment periods and are to receive their final review which will incorporate comments received from interested persons during each of review periods. These approvals will follow under a separate cover as above.

If you would like further clarification on the above or have any questions, please call the undersigned at (867) 360-6338 or email at [licensing@nwb.nunavut.ca](mailto:licensing@nwb.nunavut.ca) or alternatively, David Hohnstein, Technical Advisor Mining at (780) 443-4406 and email [tech2@nwb.nunavut.ca](mailto:tech2@nwb.nunavut.ca).

Sincerely,

***Original signed by:***

Phyllis Beaulieu  
Manager of Licensing

PB/dbh

cc. Distribution List