



## 2BM-ULU1520 - Modification Part D - Conditions Applying to Waste Disposal

**Dave Baines** <dave.baines@nwb-oen.ca>

To: Karyn Lewis <k.lewis@mandalayresources.com>

Cc: "licensing@nwb-oen.ca" <licensing@nwb-oen.ca>

Karyn,

Could you please send me a sketch map (or detailed map) of the relative location of possible release points for this water and the nearest waterbodies? Could you please clarify if the ~28,000 m3 be released over a few days or over a few months)?

Thanks,

Dave

Dave Baines MSc EP  
Technical Advisor  
Nunavut Water Board  
867-360-6338 x29



Dave Baines-  $\mathbb{C}\Delta^e \subset \Delta^{a_4}$

[illegible]

Piluagñactuliginicmun Ikayugt

NUNAVUT WATER BOARD - OFFICE DES EAUX DU NUNAVUT

ᓄᓇᑭᓪ ᐃᓕᓕᓴᓪ ᑲᑎᓴᓴᓪ - NUNAVUT IMALIRIYIN KATIMAYINGI

[www.nwb-oen.ca](http://www.nwb-oen.ca)

P.O. Box 119  
Gjoa Haven, NU X0B 1J0

C.P. 119  
Gjoa Haven, NU X0B 1J0

በገናኙል ልዩ  
ጥያቄዎችዎ ለጋራ X013 110

Titigaqavua 119  
Uqhuqtuuq, NU, X0B 1J0

Tel / Téléphone / yʔs]b / Hivayauta: (867) 360-6338 | Fax / Télécopieur / hvJ4f5 / Fax-kut: (867) 360-6369  
Toll Free / Sans / 4P5bʋfC5b / Akiittuq: 1-855-521-3745

WARNING - This communication, including any attachments contains confidential information intended only for the addressee(s) noted above. Any unauthorized distribution, copying, or disclosure is strictly prohibited. If you have received this by mistake, please notify the sender immediately and delete this message without printing or copying it. Thank you.

AVIS DE CONFIDENTIALITÉ - Ce message, et toute(s) pièce(s) jointe(s) est confidentiel et est à l'usage exclusif du(du) destinataire(s) ci-dessus. Toute autre personne est par la présente avisée qu'il lui est strictement interdit de le diffuser, le distribuer ou le reproduire. Si le destinataire ne peut être joint ou vous est inconnu, veuillez informer l'expéditeur par courrier électronique immédiatement et détruire ce message et toute copie de celui-ci. Merci pour votre collaboration.



On Mon, Jun 11, 2018 at 8:32 AM, Karyn Lewis <k.lewis@mandalayresources.com> wrote:

Dave Baines  
Technical Advisor  
Nunavut Water Board  
P.O Box 119  
Gjoa Haven, NU X0B 1J0

Via Email: [dave.baines@nwb-oen.ca](mailto:dave.baines@nwb-oen.ca)

**Re: Request to Discharge Suitable Minewater and Portal Water to Surface Under Bonito Capital Corporation's Type 'B' Water Licence 2BM**

Bonito Capital Corporation (BCC) is pleased to submit this request to discharge suitable minewater and portal water to surface as per Part D Item 5 c Licence 2BM-ULU1520 (Licence), which is valid until May 20, 2020.

As you are aware, the Ulu Gold Project has remained in care and maintenance since 2006 and will remain in care and maintenance while BCC's parer the economic feasibility and next steps for the property. In the interim, BCC has made the decision to complete certain progressive reclamation act these activities has been detailed in the previously submitted *Application to Amend Bonito Capital Corporation's Type 'B' Water Licence 2BM-ULU152 Project Progressive Reclamation Workplan*.

The current 2BM-ULU1520 license states the following under PART D: CONDITIONS APPLYING TO WASTE DISPOSAL:

5. All Minewater and Water from the portal entrance, should it be encountered, shall be directed to the Retention Pond or **as otherwise ap**

### Minewater From Mine Workings

As part of the *Progressive Reclamation Workplan* scope, water will need to be removed from the mine workings prior to placement of material underground workings are completely full of water and will be dewatered to the 95 Level to facilitate waste placement; approximately 28,000 m3 c

sump's capacity will be exceeded and its outfall to East Lake will be decommissioned, the plan is to discharge minewater that meets License effluent upstream of East Lake, in a manner that will prevent erosion.

The water level in the underground workings and the chemical characteristics of the minewater is currently being determined through the historic vent effluent discharge quality limits outlined in License Part D, Item 6 (pasted below), prior to dewatering the underground workings the water will be ag various depths within the vent raise and sent to a laboratory for analysis.

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

6. All Effluent discharged from the Retention Pond and Settling/Neutralization Ponds and runoff from the Waste Rock storage areas and or ULU-6, ULU-7 and ULU-8 shall not exceed the following Effluent quality limits:

Parameter	Maximum Average Concentration	Maximum Concentration of any Grab Sample
Total Arsenic (mg/L)	0.5	1.0
Total Copper (mg/L)	0.3	0.6
Total Lead (mg/L)	0.2	0.4
Total Nickel (mg/L)	0.5	1.0
Total Zinc (mg/L)	0.5	1.0
TSS (mg/L)	25.0	50.0
pH	6.0 to 9.5	
Oil and Grease	No Visible Sheen	

Laboratory samples will be analyzed for compliance with the above noted effluent quality limits and a site relationship will be determined between tur initial minewater samples meet effluent quality limits the underground dewatering will commence, and flow will be directed to a suitable overland samples of minewater exceed discharge criteria, the Nunavut Water Board will be notified and the minewater will be directed to a temporary storage water can be released. The exact minewater treatment will depend on the nature of the exceedance.

As minewater dewatering continues, daily field analyses for effluent discharge pH, electrical conductivity, turbidity, and total arsenic criterion will be samples will be collected and submitted to a laboratory for License effluent quality limit confirmation testing. If field-measured parameters change suite of laboratory samples will be collected immediately and submitted to the laboratory for analysis. If field or laboratory results indicate exceedan be halted, and minewater will be directed to a temporary storage area that will be used for treatment until the water can be released. The exact mine the exceedance.

#### Portal Water

Access into the portal is currently blocked by a temporary bulkhead preceded by a portal depression where seasonal water accumulates. The ponded and the analyses confirmed that the water quality was below the Licence effluent quality discharge limits. A table comparing water quality results to t below.

**Table 1 – Portal Ponded Water Chemistry (June 2017)**

Parameter	Portal Depression Sample-1	Depression Sample-2	Retention Pond Sample-1	Retention Pond Sample-2	Max. A Concen
Total Arsenic (mg/L)	0.00113	0.00117	0.00246	0.00245	0.
Total Copper (mg/L)	0.00198	0.00202	0.0047	0.0044	0.
Total Lead (mg/L)	0.00016	0.000156	0.000104	0.000077	0.
Total Nickel (mg/L)	0.00514	0.00474	0.00073	0.00064	0.
Total Zinc (mg/L)	0.0768	0.0767	<0.006	<0.0030	0.
TSS (mg/L)	<3.0	<3.0	<3.0	<3.0	2
pH	6.93	6.94	7.49	7.61	6.0 to
Oil and Grease	No Sheen	No Sheen	No Sheen	No Sheen	No Visibl

\* as stipulated by Ulu Water License No. 2BM-ULU1520

As soon as feasible in 2018, seasonal portal water accumulation will be sampled to ensure that it continues to meet License effluent quality limits. If sc discharge location as the suitable minewater upstream of East Lake, and if not, it will be treated similar to the minewater effluent.

BCC is planning to undertake the minewater and portal water sampling as mentioned above as early as feasible, weather dependent, in 2018. If labora limits BCC is requesting to proceed with discharge to surface followed by daily field screening and weekly laboratory effluent quality confirmation sa the conditions in the current Licence.

As per item 10 in PART J: CONDITIONS APPLYING TO THE MONITORING PROGRAM, A Monthly Monitoring Program Summary Report shall be subm within thirty (30) days following the month being reported. The summary report will include the minewater and portal water pre-discharge and discha

BCC looks forward to proceeding with Ulu Project progressive reclamation activities under their Type B water licence and participating fully in the NWB

Thank you,

Karyn Lewis  
Project Manager,  
Lupin Mines Incorporated/Bonito Capital Corp.

**PLEASE NOTE NEW ADDRESS**

**Mandalay Resources Corporation**

Suite 330, 76 Richmond Street East, Toronto, ON, M5C 1P1

Tel: 778-386-7340

6/11/2018

Nunavut Water Board Mail - 2BM-ULU1520 - Modification Part D - Conditions Applying to Waste Disposal

Email: [klewis@mandalayresources.com](mailto:klewis@mandalayresources.com)