



NIRB File No.: 02MC117
NWB File No.: 1AR-NAN0914

May 28, 2014

Thomas Kabloona, Chairperson
Nunavut Water Board
c/o Phyllis Beaulieu, Manager of Licensing
Nunavut Water Board
Gjoa Haven, NU

Sent via email: phyllis.beaulieu@nwb-oen.ca

Re: Application Exempt from the Requirement for Screening pursuant to Section 12.4.3 of the NLCA: CanZinco Mines Ltd. “Closure and Reclamation (A&R) Plan for Nanisivik Mine” project, Qikiqtani (North Baffin) Region

Dear Phyllis Beaulieu:

On January 29, 2014 the Nunavut Impact Review Board (NIRB or Board) received an application from the Nunavut Water Board (NWB) for an amendment and renewal to the water licence (No. 1AR-NAN0914) for CanZinco Mines Ltd.’s (CanZinco) “Closure and Reclamation (A&R) Plan for Nanisivik Mine” project proposal. On May 2, 2014 the NIRB received a positive conformity determination (North Baffin Regional Land Use Plan) from the Nunavut Planning Commission for this file.

Please be advised that the NIRB received the original project proposal (NIRB File No.: 02MC117) from the NWB on January 8, 2002. The proposal was screened by the Board in accordance with Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA) and on October 7, 2002 the NIRB issued the enclosed NLCA 12.4.4(a) screening decision to the Chairperson of the Nunavut Water Board which indicated that the proposed project could proceed subject to the NIRB’s recommended project-specific terms and conditions.

On April 30, 2008 the NIRB received an application from the NWB for a renewal to the water licence (No. 1AR-NAN0208) associated with the above mentioned project. After a thorough assessment of the renewal request, the NIRB determined that the application was exempt from the requirement for further screening pursuant to Section 12.4.3 of the NLCA, and reissued the enclosed screening decision report on September 3, 2008.

The current NWB application, the original NIRB Screening Decision Report (File No. 02MC117) and related file information are available from the NIRB’s online public registry at the following location:

PREVIOUSLY-SCREENED PROJECT PROPOSAL:

As previously screened by the NIRB (File No. 02MC117), the “Closure and Reclamation (A&R) Plan for Nanisivik Mine” project was located within the Qikiqtani region, approximately 25 kilometres (km) east of Arctic Bay. The Proponent indicated that it intended to complete closure and remediation of the previous Nanisivik mine site.

The activities and components associated with the previously screened proposal included:

- Conduct active reclamation activities for the Nanisivik Mine, to be completed in two years following mine closure, with specific reclamation measures implemented starting October 2002;
- Active reclamation activities included:
 - Maintain at least 1 metre water cover over subaqueous tailings.
 - Place a cover of 1.00 metres of shale (thermal insulation) plus 0.25 metres of sand and gravel (armour cap) over exposed tailings.
 - Construct an engineered outflow spillway from the covered tailings area.
 - Relocate mineralized waste rock to the underground mine or to open pits where backfilling is required.
 - Contour and backfill open pits as required to achieve positive surface drainage.
 - Cover residual mineralized material in rock piles or open pits with 1.25 metres of inert material.
 - Dismantle industrial and residential buildings and salvage components of economic value for shipment off site.
 - Disposal of non-hazardous demolition debris and residual scrap materials in the underground mine or in open pits where backfilling is required.
 - Reclaim the landfill with contouring to ensure positive surface drainage and place a 1.25 metre thick cover of inert material.
 - Remediate contaminated soils by covering in-place or by excavation and disposal in either the underground mine or in open pits that require backfilling.
 - Install additional thermistors to monitor ground temperatures in reclaimed areas.
- Monitor the mine site while reclamation activities are underway and for a period of five years following completion of reclamation work, including water quality, ground temperatures, general reclamation inspections and geotechnical inspections. Results of the monitoring programs to be reported to the Nunavut Water Board and any maintenance work that may be required will be completed.

The activities and components associated with the previous April 30, 2008 NWB water licence renewal (NWB No. 1AR-NAN0208; renewed licence No. 1AR-NAN0914) included:

- Conduct post-closure monitoring of the site with the objective to determine if the reclamation measures were successful and that site stability had been achieved.
- Continue reclamation of contaminated soils on site.

CURRENT APPLICATION:

CanZinco is currently proposing to amend and renew its NWB water licence (No. 1AR-NAN0914) for an additional 5 years to continue final remediation efforts and post-closure monitoring of the Nanisivik mine site. In addition, CanZinco is proposing the following additional components and activities:

- Reduce the geotechnical and water quality monitoring programs where expected values have been achieved,
- Transfer of soils with residual petroleum hydrocarbon concentrations requiring ongoing treatment to the Upper Treatment Area already used for landfarming.
- Extend the timeline anticipated for completion of soil remediation for an additional 2 years, to the end of the 2016 field season.

Please note that Section 12.4.3 of the NLCA states that:

“Any application for a component or activity of a project proposal that has been permitted to proceed in accordance with these provisions shall be exempt from the requirement for screening by NIRB unless:

(a) such component or activity was not part of the original project proposal; or

(b) its inclusion would significantly modify the project.”

After completing a review of the information provided in support of the current application, the NIRB is of the understanding that the proposed amended activities and water licence renewal do not change the general scope of the original project activities, and the exceptions noted in NLCA 12.4.3(a) and (b) do not apply. Therefore, this application is exempt from the requirement for screening pursuant to Section 12.4.3 of the NLCA and the activities therein remain subject to the terms and conditions recommended in the original October 7, 2002 Screening Decision Report (enclosed).

If you have any questions or require additional clarification, please contact Tara Arko, Technical Advisor, at (867) 983-4611 or tarko@nirb.ca.

Sincerely,



Ryan Barry
Executive Director
Nunavut Impact Review Board

cc: Johan Skoglund, CanZinco Ltd.
The Honourable Bernard Valcourt, PC, MP
Bernie MacIsaac, Qikiqtani Inuit Association

Enclosure: NIRB Screening Decision Report, File No.: 02MC117 (October 7, 2002)