



NIRB File No.: 06EN066

AANDC File No.: N2012C0005

Previous INAC File No.: N2006C0027 & N2008C0020

NWB File No.: 2BE-IZO0712

KIA File No.: KTL306C019

February 23, 2012

Honourable John Duncan
Minister of Aboriginal Affairs and Northern Development
c/o Jeff Mercer, Manager Land Administration
Aboriginal Affairs and Northern Development Canada
Box 100
Iqaluit, NU, X0A 0H0

Via email: Jeff.Mercer@aandc.gc.ca and landsmining@aandc.gc.ca

**Re: Application exempt from Screening pursuant to Section 12.4.3 of the NLCA:
MMG's 'Izok and Hood' project**

Dear Jeff Mercer:

On January 24, 2012 the Nunavut Impact Review Board (NIRB or Board) received an application from Aboriginal Affairs and Northern Development Canada (AANDC) for a new Land Use Permit (No. N2012C0005) associated with Minerals and Metals Group's (MMG) 'Izok and Hood' project. The new Land Use Permit would replace two previously issued Land Use Permits (N2006C0027 and N2008C0020) for this project.

Please be advised that the NIRB received the original project proposal (NIRB File No.: 06EN066) from the Kitikmeot Inuit Association (KIA) on June 23, 2006. The proposal was screened by the Board in accordance with Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA) and on September 19, 2006 the NIRB issued its NLCA 12.4.4(a) screening decision to the President of the KIA indicating that the proposed project could proceed subject to the NIRB's recommended project-specific terms and conditions.

On June 6, 2008 the NIRB received applications from Indian and Northern Affairs Canada (INAC; now AANDC) and a request to screen a renewal to MMG's Surface Lease and an amendment to the surface lease for the airstrip at Ham Lake associated with the Izok and Hood properties (INAC File No.'s 086H10001, 086H10002, 086I02001). After a thorough assessment of the renewal and amendment requests and public comments received, the NIRB determined that the request did not significantly change the general scope of the original project activities

and that it was therefore exempt from the requirement for further screening. The NIRB re-issued the original Screening Decision Report on July 3, 2008 as per Section 12.4.3 of the NLCA.

On November 3, 2009 the NIRB received an extension request from INAC for Land Use Permit N2008C0020 in support of the above mentioned project. After a thorough assessment of the extension request, the NIRB determined that the application was exempt from the requirement for further screening as per Section 12.4.3 of the NLCA, and reissued the original Screening Decision Report on November 18, 2009.

On February 18, 2010 the NIRB received an amendment request from INAC for Land Use Permit N2006C0027 to include the construction of a temporary winter road between the Ham Lake camp and Izok Lake. After a thorough assessment of the amendment request and comments received, the NIRB determined that this request would result in a change to the original scope of the project. Therefore, on March 22, 2010 the NIRB re-issued the original recommended project-specific terms and conditions contained in the September 19, 2006 Screening Decision in addition to new recommended terms and conditions designed to mitigate any potential impacts to the environment (enclosed).

On June 13, 2011 the NIRB received an extension request from AANDC for Land Use Permit N2006C0027 in support of the above mentioned project. After a thorough assessment of the extension request, the NIRB determined that the application was exempt from the requirement for further screening as per Section 12.4.3 of the NLCA, and on June 17, 2011 re-issued the March 22, 2010 Screening Decision Report.

The current AANDC application, the March 22, 2010 NIRB Screening Decision Report (NIRB File No. 06EN066) and related file information are available from the NIRB's ftp site at the following link:

[http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2006/06EN066-MMG\(Wolfden\)-Izok%20and%20Hood%20Project/](http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2006/06EN066-MMG(Wolfden)-Izok%20and%20Hood%20Project/)

PREVIOUSLY-SCREENED PROJECT PROPOSAL

As previously screened by the NIRB (File No. 06EN066), the 'Izok and Hood' project was located within the Kitikmeot region, approximately 260 kilometres southeast of Kugluktuk. The Proponent indicated that it intended to explore for base metals on both the Izok and Hood properties from December 2006 to December 2008.

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

- On-land and on-ice drilling of up to 30,000 metres (m) total between the Izok property and Hood property;
- Use of existing Ham Lake camp, and associated 2,500 m gravel airstrip;
- Establishment of a non-permanent weather haven camp (20-40 persons);
- Fuel and chemical storage at camp consisting of:
 - 385,000 litres (L) of diesel fuel stored in seven fuel tanks,
 - 2,050 L of gasoline stored in ten 205 L drums,

- 5000 pounds (lbs) of propane stored in 100 lb containers,
- 20,500 L of aviation fuel (Jet B) stored in drums at airstrip,
- Petroleum lubricants and drill additives;
- Temporary fuel storage at drill-site locations;
- Research in the areas of wildlife/fish/birds/marine and archaeology;
- Use of water for camp and drilling purposes.

The activities associated with the February 18, 2010 application for an amendment to the Land Use Permit for this file include:

- Winter access trail from Ham Lake camp to Izok Lake;
 - Winter access to include one access trail from the airstrip to Isnogouhd Lake (775 m), ice road over Isnogouhd Lake (5 km) and a second access from Isnogouhd to Izok Lake (450 m);
 - Winter access trail(s) to be prepared with a Bobcat, a front end loader and a grader;
- Winter access trail to be used for crew changes twice daily and drill resupply once daily between March and May; and
- Movement of drummed fuel over trail.

CURRENT APPLICATION:

MMG is applying for a new Land Use Permit (No. N2012C0005) with AANDC, in order to replace its previously issued Land Use Permits (N2006C0027 and N2008C0020) for the “Izok and Hood” project and to continue exploration activities from March 2012 to September 2014. MMG has also applied for renewal of its current water licence (NWB File No. 2BE-IZO0712). Furthermore, MMG is proposing the following additional components and activities associated with the “Izok and Hood” project:

- Establishment of a fuel cache at Hood site to include 150 x 205 Litre (L) drums of diesel fuel (30,750 L total) and 50x 205 L drums of Jet B fuel (total 10,250 L); and,
- Increase amount of Jet B fuel stored in barrels at Ham Lake from 20,500 L to 205,000 L to allow for entire annual supply for project activities (as previously permitted) to be stored on site at one time.

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 amendment and extension does 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 as recommended in the March 22, 2010 Screening Decision Report (enclosed).

If you have any questions or concerns, please contact Sophia Granchinho, Technical Advisor, at (867) 793-4633 or sgranchinho@nirb.ca.

Sincerely,

A handwritten signature in black ink that reads "Ryan Barry". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Ryan Barry
Executive Director

cc: Ted Muraro, MMG
Phyllis Beaulieu, Nunavut Water Board
Stanley Anablak, Kitikmeot Inuit Association
Nicholas Kavanagh, Aboriginal Affairs and Northern Development Canada

Enclosed: NIRB Screening Decision Report, File No.: 06EN066 (March 22, 2010)