



SCREENING DECISION

March 27, 2006

Mr. Tongola Sandy
President, Kivalliq Inuit Association
Rankin Inlet, NU

Dear Mr. Sandy:

RE: Screening Decision of the Nunavut Impact Review Board (NIRB) on Application:

NIRB: # 06EN008

KIA: #

Exploration Camp on Ferguson Lake – Starfield Resources Inc.

Authority:

Section 12.4.4 of the Nunavut Land Claim Agreement states:

Upon receipt of a project proposal, NIRB shall screen the proposal and indicate to the Minister in writing that:

- a) the proposal may be processed without a review under Part 5 or 6; NIRB may recommend specific terms and conditions to be attached to any approval, reflecting the primary objectives set out in Section 12.2.5;
- b) the proposal requires review under Part 5 or 6; NIRB shall identify particular issues or concerns which should be considered in such a review;
- c) the proposal is insufficiently developed to permit proper screening, and should be returned to the proponent for clarification; or
- d) the potential adverse impacts of the proposal are so unacceptable that it should be modified or abandoned.

Primary Objectives:

The primary objectives of the Nunavut Land Claims Agreement are set out in section 12.2.5 of the Land Claims Agreement. This section reads:

In carrying out its functions, the primary objectives of NIRB shall be at all times to protect and promote the existing and future well-being of the residents and communities of the Nunavut Settlement Area, and to protect the ecosystemic integrity of the Nunavut Settlement Area. NIRB shall take into account the well-being of the residents of Canada outside the Nunavut Settlement Area.

The decision of the Board in this case is 12.4.4 a) **the proposal may be processed without a review under Part 5 or 6; NIRB may recommend specific terms and conditions to be attached to any approval, reflecting the primary objectives set out in Section 12.2.5;**

Reasons for Decision

NIRB's decision is based on specific considerations that reflect the primary objectives of the Land Claims Agreement. Our considerations in making this decision included:

- storage and disposal of chemicals, fuel, garbage, sewage, and gray water, and impact of these on the ecosystem;
- the potential impact on wildlife;
- the impact on terrain;
- the impact on archaeological sites or cultural landmarks in the area; and
- clean up/restoration of the camp site upon abandonment.

Terms and Conditions:

That the terms and conditions attached to this screening report will apply. The approval of this project is based on the information received by NIRB and on NIRB's Public Registry but does not include expansion of the project's scope or activities which may occur in the future.

General

1. The Permittee shall maintain a copy of the Project Terms and Conditions at the sites of operation at all times.
2. The NIRB shall be notified of any changes in operating plans or conditions associated with this project at least thirty (30) days prior to any such change. That the Permittee shall carbon copy local communities including Whale Cove on this correspondence.
3. The Permittee shall file a report with the Board no later than March 31 of the year following the year the work was completed, which shall contain but not be limited to the following information:
 - a. An as-built site plan of the camp site and airstrip showing the locations of all camp components, including fuel and waste storage, incinerator, water intakes, and camp structures.
 - b. A summary of activities undertaken for the year
 - c. A work plan for the following year;
 - d. The results of environmental studies undertaken and plans for future studies;
 - e. Wildlife encounters and actions/mitigation taken;
 - f. A summary of local hires and initiatives;
 - g. A summary of community consultations undertaken and the results;
 - h. A summary of site-visits by inspectors with results and follow-up actions;
 - i. A summary of site-visits with community members (if conducted);

- j. The number of take-offs & landings from an airstrip with approved flight path with date and location;
 - k. The number of helicopter touch-downs on the land with date, location and reason;
 - l. Revisions to the Abandonment and Restoration Plan;
 - m. Progressive reclamation work undertaken; and
 - n. A summary of how it has complied with all Terms and Conditions contained in NIRB's screening decision.
4. The Permittee shall submit to the Board a report, as mentioned above, each year until the complete abandonment and reclamation of the site.

Water

5. The Permittee shall fully consider DFO's Freshwater Intake End-of-Pipe Fish Screen Guideline (1995) and ensure that the following is implemented:
- a) that no fish can pass through the intake screen;
 - b) that the rate of water withdrawal should be such that fish do not become impinged on the intake screen;
 - c) that the intake screen is regularly inspected and maintained in a good state of repair and is not removable except for renewal or repair;
 - d) That during renewal or repair of the intake screen the intake is closed in order to prevent the passage of fish into the intake.
- (Guidelines are available at www.dfo-mpo.gc.ca/Library/223669.pdf)
6. The Permittee shall only use water from sources approved by the Nunavut Water Board.

Fuel and Chemical Storage

7. The Permittee shall have an Emergency Response & Spill Contingency Plan approved by the Nunavut Water Board prior to commencing on-site activities. The approved plan shall be submitted to NIRB.
8. The Permittee shall locate fuel caches and other hazardous materials in such a manner as to prevent their release into the environment.
9. The Permittee shall ensure that fuel storage containers are not located within thirty (30) metres of the ordinary high water mark of any body of water. Further, secondary containment such as self supporting insta-berms shall be used when storing barrel fuel on location, rather than relying on natural depressions.
10. Fuel storage containers in excess of 4,000 litres capacity shall either be double-walled, self bermed construction, or dyked with adequate storage capacity. An impermeable liner shall be used to ensure that no fuel escapes. The Permittee shall take all reasonable precautions to prevent the possibility of migration of spilled petroleum fuel or chemicals over the ground surface.

11. The Permittee shall examine all fuel and chemical storage containers daily for leaks. All leaks should be repaired immediately.
12. The Permittee shall seal all container outlets except the outlet currently in use.
13. The Permittee shall mark all fuel containers with the Permittee's name.
14. The Permittee shall dispose of all combustible waste petroleum products by incineration and removal from the site.
15. The Permittee shall ensure that all activities, including maintenance procedures and refueling, are controlled to prevent the entry of petroleum products or other deleterious substances into the water or onto the land.
16. The Permittee shall ensure that all on site personnel are properly trained in fuel and hazardous waste handling procedures as well as spill response procedures.
17. The Permittee shall immediately report **all** spills of petroleum and hazardous chemicals to the twenty-four (24) hour spill report line at (867) 920-8130. Spills shall also be reported to Environment Canada at (867) 920-5131.
18. The Permittee shall include Environment Canada's Environmental Enforcement Officer in its spill contingency plan. This person can be reached at the office at 867-957-4644 or by cell at 867-975-1925 or by secure fax at 867-975-1925.
19. The Permittee shall maintain a supply of spill kits, shovels, barrels, sorbents, and pumps on-site.
20. The Permittee shall use drip pans when refueling equipment.
21. Chemicals containing salts, which may attract wildlife to the site, should be stored so that they are inaccessible to wildlife.

Wildlife

22. The Permittee shall ensure that there is no damage to wildlife habitat in conducting this operation.
23. The Permittee shall not feed wildlife.
24. The Permittee shall follow procedures outlined in the "Safety in Bear Country Manual", and should contact the Regional/Area Biologist or the Wildlife manager for information and advice on measures which should be taken to minimize the possibility of conflicts/interactions with bears.

25. The Permittee shall abide by the terms of DIAND's Caribou Protection Measures contained in Appendix H of the Nunavut Planning Commission's Conformity Determination for this project.
26. The Permittee shall not locate any operation so as to block or cause substantial diversion to migration of caribou.
27. The Permittee shall not construct any camp, cache any fuel or conduct blasting within 10 km, or conduct any diamond drilling operation within 5 km, of any "designated caribou crossing". The regional biologist should be contacted for known crossings.
28. From May 15 to July 15, the Permittee shall cease activities that interfere with migration or calving, such as flights below 300m and airborne geophysics surveys, movement of equipment, drilling activities and ATV or snowmobile use until the caribou and their calves have vacated the area. All personnel should remain quietly in camp when caribou are in the area.
29. The Permittee shall ensure that during the presence of caribou and muskox within sight and sound of a camp that all personnel will remain quietly in camp.
30. The Permittee shall not conduct any activity associated with the land use operation if critical periods of wildlife cycles are observed (eg. caribou migration, calving, fish spawning or raptor nesting).
31. That the Permittee shall ensure that there is no hunting by employees of the company or any contractors hired.
32. The Permittee shall ensure that there is no fishing by employees of the company or any contractors hired unless proper permits are obtained.
33. The Permittee shall ensure that aircraft pilots adhere to flight altitudes of greater than 300 m above ground level so not to disturb wildlife.
34. The Permittee shall contact the Kivalliq Regional Biologist to identify areas which should be avoided. Raptor nesting sites and concentrations of nesting or molting waterfowl should be avoided by aircraft at all times.
35. The Permittee shall ensure that there is minimal disturbance to any nesting birds and wildlife in the area. Harassment of wildlife is prohibited. This includes persistently worrying or chasing animals, or disturbing large groups of animals.

Migratory Birds

36. Pursuant to the Migratory Bird Convention Act Regulations the Permittee shall ensure that no one disturbs or destroys the nests or eggs of migratory birds. If active nests are

encountered are encountered, the Permittee shall avoid these areas until nesting is complete and the young have left the vicinity of the nest.

37. The Permittee shall ensure that aircraft maintain a flight altitude of at least 610m during horizontal (point to point) flight to avoid disturbing nesting birds and a vertical distance of 1000m and a minimum horizontal distance of 1500m from any observed concentrations (groups/flocks) of birds in order to reduce disturbance to resting, feeding, or moulting birds.
38. The Permittee shall not deposit or permit to be deposited, oil, oil wastes, or any other substance harmful to migratory birds in any water or any area frequented by migratory birds in accordance with Section 35 of the Migratory Birds Regulations

Fish

39. The harmful alteration, disruption or destruction of fish habitat is prohibited under Section 35 of the Fisheries Act. No construction or disturbance of any stream/lake bed or banks of any definable watercourse, is permitted unless authorized by DFO.
40. The Permittee shall not detonate explosives within fifteen (15) metres of any body of water which is not completely frozen to the bottom.

Species at Risk Act (SARA)

41. The Permittee shall not cause disturbance to the following species of Special Concern under Schedule 3 of the Species at Risk Act: Peregrine falcon (subspecies tundrius), Short eared owl, Grizzly bear (pending), and Wolverine (pending).
42. The Permittee shall develop a monitoring plan for species of special concern as required by the Species at Risk Act (SARA) Section 79 (2). The Permittee shall develop this monitoring plan in consultation with the Government of Nunavut and Environment Canada. This plan will be submitted to Environment Canada, the Government of Nunavut and NIRB prior to commencing on site activities.

Waste Disposal

43. The Permittee shall not discharge or deposit any refuse substances, fuel, chemicals, sediments or other waste materials in any body of water, or on the banks thereof, which will impair the quality of the waters of the natural environment. According to the Fisheries Act, Section 36(3), the deposition of deleterious substances of any type in water frequented by fish or any place under any conditions where the deleterious substance or any other deleterious substance that results from the deposit of the deleterious substance, may enter any such water, is prohibited.
44. The Permittee shall not locate any sumps or areas designated for waste disposal within thirty (30) metres of the ordinary high water mark of any body of water. Sumps and areas

designated for waste disposal shall be sufficiently bermed or otherwise contained to ensure that substances do not enter a waterway unless otherwise authorized.

45. The Permittee shall backfill and recontour all sumps to match the natural environment prior to the expiry date of the license.
46. The Permittee shall use an approved incinerator for the disposal of combustible camp wastes. Non-combustible wastes shall be disposed of properly at an approved facility.
47. The Permittee shall incinerate all combustible and food wastes daily.
48. The Permittee shall keep all ash in a covered metal container until it is disposed of at an approved facility.
49. The Permittee shall keep all non-combustible garbage and debris in a covered metal container until disposed of at an approved facility.
50. The Permittee shall deposit all scrap metal, discarded machinery and parts, barrels and kegs, at an approved disposal site.
51. The Permittee shall ensure that any hazardous materials, including waste fuel and oil, receive proper treatment and are backhauled for disposal at an approved facility.

Physical Environmental

52. The Permittee shall ensure that the land use area is kept clean and tidy at all times.
53. The Permittee shall prepare the site in such a manner as to prevent rutting of the ground surface.
54. The Permittee shall not do anything that will cause erosion of the banks of any body of water on or adjacent to the land and shall provide necessary controls to prevent such erosion.
55. The Permittee shall be required to undertake corrective measures in the event of any damage to the land or water as a result of the Permittee's operation.
56. The Permittee shall not remove any material from below the ordinary high water mark of any waterbody.
57. The Permittee shall adopt such measures as required to control erosion by surface disturbance. Sediment and erosion control measures should be implemented prior to, and maintained during the work to prevent sediment entry into the water during a spring thaw.
58. The Permittee shall not move any equipment or vehicles unless the ground surface is in a state capable of fully supporting the equipment or vehicles without rutting or gouging.

59. The Permittee shall suspend overland travel of equipment or vehicles if rutting occurs.

Camp, Structures & Storage Facilities

60. The Permittee shall not erect structures or store material on the surface ice of lakes or streams.
61. The Permittee shall locate all structures and storage facilities on gravel, sand or other durable land.
62. The Permittee shall keep the camp clean and tidy at all times so as not to attract carnivores.
63. The Permittee shall contact the Government of Nunavut Department of Health and Social Services regarding guidelines for complying with Camp Sanitation Regulations.

Archaeological Sites

64. The Permittee shall not disturb any archaeological or palaeontological site. The attached letter from Government of Nunavut Department of Culture, Language, Elders and Youths (CLEY) lists known archaeology sites to be avoided.
65. The Permittee shall immediately contact the Government of Nunavut Department of Culture, Language, Elders and Youths (CLEY) if any archaeological or palaeontological site is encountered or disturbed. The Permittee shall follow all terms and conditions for the protection and restoration of archaeological and palaeontological resources as outlined by CLEY in the attached letter.

Reclamation

66. The Permittee shall have an Abandonment and Restoration Plan approved by the Nunavut Water Board prior to commencing on-site activities. The approved plan shall be submitted to NIRB.
67. The Permittee shall ensure all buildings and supplies at the former Ferguson Lake Lodge are removed and restoration activities are documented and submitted to the Land Use Regulator and to NIRB.
68. The Permittee shall use vegetative species native to the project area if scarred ground surfaces are reseeded. Care must be taken to not introduce vegetation species that are uncharacteristic of the project area.
69. The Permittee shall advise NIRB and the Land Use Regulator in writing at least 15 days prior to the completion of activities.

70. The Permittee shall remove all scrap metal, discarded machinery and parts, barrels and kegs, buildings and building material upon abandonment.
71. The Permittee shall remove empty barrels from its exploration sites as soon as possible in a progressive manner and shall ensure that all barrels are removed from the land by the end of each field season. Empty barrels shall be disposed of at an approved facility.
72. The Permittee shall complete all clean-up and restoration of the lands used prior to the expiry date of the permit.
73. The Permittee shall undertake ongoing restoration for any land or improvements which are no longer required for the Permittee's operation on the land.
74. The Permittee shall plug or cap all bore holes and cut off any drill casings that remain above ground to ground level upon abandonment of the operation.

Other Recommendations

1. NIRB would like to encourage the proponent to hire local people and services, to the extent possible.
2. NIRB strongly advises proponents to consult with local residents including Whale Cove regarding their activities in the region, and do community consultation on the project to keep the communities informed.
3. NIRB would like to encourage the proponent to continue baseline monitoring.
4. The Permittee is encouraged to work with the Beverly and Qamanirjuaq Caribou Management Board to monitor the herds and schedule work activities so as not to disturb the herds.
5. Any amendment requests deemed by NIRB to be outside the original scope of the project will be considered a new project.

Validity of Land Claims Agreement

Section 2.12.2

Where there is any inconsistency or conflict between any federal, territorial and local government laws, and the Agreement, the Agreement shall prevail to the extent of the inconsistency or conflict.

Dated _____ at Rankin Inlet, NU.

Elizabeth Copland, A/Chairperson