

October 16, 2009

VIA EMAIL

Chuck Hubert
Environmental Assessment Officer
Mackenzie Valley Environmental Impact Review Board
200 Scotia Centre
Box 938, 5102-50th Ave
Yellowknife, NT X1A 2N7

**Re: Draft Terms of Reference for the Environmental Assessment of Fortune Minerals Ltd.'s
NICO Cobalt-Gold-Copper-Bismuth Project (NICO Project)(EA 0809-004)**

Dear Mr. Hubert,

The Government of the Northwest Territories (GNWT) is pleased to provide comments (below) on the draft Terms of Reference for the Fortune Minerals Ltd. NICO Project Environmental Assessment.

If you have any questions or concerns please contact me at (867) 920-6593 or loretta_ransom@gov.nt.ca.

Sincerely,



Loretta Ransom
Environmental Assessment Analyst
Environmental Assessment and Monitoring

GNWT Comments on MVEIRB Draft Terms of Reference (TOR) for Fortune Minerals Ltd.'s NICO Project (EA 0809-004)

Page #	TOR Section Reference	Comments/Changes
2, 3, 4, 5, 32, 33, 35	2.1 Scope of Development; Support/Ancillary Facilities and Activities; 2.2.1 Geographic Scope; J2.1.e Distribution of Beneficial and Adverse Socio-economic Impacts; J3.5 Social Impacts; K1 Cumulative Impacts	<p>All references to the “potential GNWT road” should be removed or changed to “potential realignment of the winter road through the Tlicho area”. The GNWT does not have the authority to construct a “GNWT road” through these lands beyond the existing winter road without the express consent or acceptance of the Tlicho Government, nor even to plan one. Currently GNWT Department of Transportation (DOT) is in discussions with the Tlicho Government about a realignment of the winter road, but the Tlicho Government has yet to give consent for that plan.</p> <p>To use the term “potential GNWT road” prior to Tlicho Government consent/acceptance, or formalized DOT plans creates a threshold for speculation about impacts to “potential GNWT roads” to be ‘reasonably’ included to any project’s EA scoping in the NWT. While GNWT understands the purpose of the Scoping exercise, it should be limited to those potential projects for which substantiation exists.</p>
11, 20	Section 3.2.5 (Appendix B) Development Description-Waste Management	The Draft Terms of Reference refers to specific details regarding hazardous materials management; however, details on the management of <u>all</u> wastes generated from the NICO project and operations, including storage, disposal plans, contingencies, treatment, and testing should be developed.
11, 20	Section 3.2.5 (Appendix B)- Development Description- Waste Management- Incineration	<p>Develop an incineration management plan in consultation with ENR and EC that is consistent with Environment Canada’s Technical Document for Batch Waste Incineration (www.ec.gc.ca/drgd-wrmd/default.asp?lang=En&n=82401EC7-1). The management plan should include an annual report to provide details on, but not limited to, the following:</p> <ul style="list-style-type: none"> • Incineration technology selected; • Waste audit -- amount and types of waste incinerated; • Operational and maintenance records; • Operator training; • Emission measurements; and <p>Incineration ash disposal.</p>
11, 20	Section 3.2.5 (Appendix B)- Development Description- Landfarm	Include information on the proposed Landfarm for contaminated soils including; details on design considerations, siting, monitoring and decommissioning (refer to <i>Environment Canada’s Federal Guidelines for Landfarming Petroleum Hydrocarbon Contaminated Soils</i>

		(December 2005). The proponent should also provide information on the level of soil treatment; refer to <i>GNWT's Guidelines for Contaminated Site Remediation (2003)</i> and <i>CCME Canada Wide Standards for Petroleum Hydrocarbons in Soil (2001)</i> .
11, 20	Section 3.2.5 (Appendix B)- Development Description – Landfill	Provide more specific information on the siting, design, and operations and management, including monitoring, of the proposed Landfill.
15	Section 3.3.8 Air Quality	
15	3.3.8, bullet 1	<ul style="list-style-type: none"> Describe and quantify existing conditions with respect to air quality and meteorological conditions.
15	3.3.8, bullet 2	<ul style="list-style-type: none"> Predict the emissions and potential impacts using an established air quality model, from all stages of the NICO project and the components of its operations. The model shall predict both dispersion and deposition potential.
15	3.3.8, add bullets	<ul style="list-style-type: none"> Provide projected and cumulative greenhouse gas emissions from all stages of the NICO project and components of its operation. Describe the monitoring and mitigation methods that will be employed to inventory and reduce the emissions of Greenhouse Gases throughout the NICO project, including annual reporting measures.
18	Appendix A, 2)	Ambient air quality and background noise levels (...). Ambient air quality shall be measured from a representative location on the lease site for an appropriate duration to represent the range of standard meteorological conditions at the site, prior to other site activities taking place or in a location to ensure that their effects are not captured.
18	Appendix A, 3)	Climactic conditions, including temperature and precipitation and wind patterns .
29	Appendix H, 1 a)	The General climatology with preliminary measurements from a meteorological station (typical temperatures, precipitation, air flows, etc.), terrain type and topography; and
29	Appendix H, 2 c)	Predict local and regional dispersion of the project emissions and resulting ambient concentrations and deposition of pollutants using an established air quality model ;
29	Appendix H, 2 e)	Discuss potential sources and quantities of contaminants from the handling and transport of ore and concentrate, and their expected deposition range ;
29	Appendix H, 2 f)	Discuss and quantify any potential links between predicted air quality impacts and other valued components such as water quality, fish, wildlife and human health;
29	Appendix H, 3 c)	Describe and quantify any offsets proposed to mitigate Greenhouse Gas carbon emissions;
29	Appendix H, 3 b)	Describe specific mitigation and adaptive management strategies, and monitoring methods , to minimize contamination by fugitive dust from the handling and

		transport of raw ore and concentrate, <i>and the processing operations;</i>
29	Appendix H, 3 d)	<p>DELETE present statement. Replace with: <i>Develop an incineration management plan in consultation with ENR and EC that is consistent with Environment Canada's Technical Document for Batch Waste Incineration (www.ec.gc.ca/drgd-wrmd/default.asp?lang=En&n=82401EC7-1). The management plan should include an annual report to provide details on, but not limited to, the following:</i></p> <ul style="list-style-type: none"> • <i>Incineration technology selected;</i> • <i>Waste audit -- amount and types of waste incinerated;</i> • <i>Operational and maintenance records;</i> • <i>Operator training;</i> • <i>Emission measurements; and</i> • <i>Incineration ash disposal.</i>
	General Comment – Fuel Storage	<p>The proponent indicates in their Land Use Permit application that eleven fuel bladders (50,000L) will be utilized for temporary storage. The Department of Environment and Natural Resources, GNWT has always had concerns with bladders and have not supported their use. Historically there have been a number of spills related to bladder use. Everything from weather, wildlife, mechanical failure, human error can contribute to their failures. The Office of the Fire Marshal has advised that bladders cannot be used unless they are CSA, ULC or FM, or WH certified for the particular use being proposed.</p>