

July 25, 2012

Via Email

Teresa Joudrie
Director, Renewable Resources and Environment
Aboriginal Affairs and Northern Development Canada
Box 1500
Yellowknife, NT, X1A 2R3

Re: EA 0809-004, NICO Project, perpetual treatment post-closure

Dear Ms. Joudrie:

In its Technical Report, dated June 15, 2012, Aboriginal Affairs and Northern Development Canada (AANDC) states that the developer's conclusion on closure is that active treatment will be implemented in the event that wetlands are not deemed effective (p16). AANDC recognizes that while passive treatment systems are preferred, post-closure, active treatment is a possibility (p19).

AANDC further notes that the long-term post-closure period proposed by Fortune Minerals Limited is a high-risk and long-term liability for the Crown (p20). In view of the apparent preference of AANDC to eliminate the need for passive or active long-term treatment of water flowing from the mine site post-closure, the Review Board requests that AANDC respond to the following:

- 1. Would AANDC recommend approval of the NICO Project if active perpetual treatment of water were required?
- 2. Please provide an indication of AANDC's view of the likelihood of perpetual active or passive water treatment for the NICO Project. What further information or data would be necessary to determine this likelihood?
- 3. Please describe what long-term security deposit options would be acceptable to the Minister of AANDC if perpetual water treatment is acceptable

Please submit a response to the Review Board by August 20.



Sincerely,

(original signed by)
Chuck Hubert
Senior EA Officer
Mackenzie Valley Review Board
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