



#16 Yellowknife Airport
Yellowknife, NWT
X1A 3T2

Your file Votre référence

September 22nd, 2010

Our file Notre référence

Ron Breadmore
Department of Indian Affairs and Northern Development
Box 1500
YELLOWKNIFE, NT X1A 3R2

**Re: Land Use Permits W2009X0007 and W2009X0002
 Site Remediation
 Colomac Mine Site and North Inca Advanced Exploration Site Remediation, NT**

Dear Mr. Breadmore,

The undersigned Inspector appreciates being included in the reconnaissance of the proposed winter road re-alignment on the west side of Indin Lake and the existing trail system at the North Inca remediation site to remove the Cat. Also during the overflying of the Colomac mine site proper and the Kim Cass land use area, a couple of concerns were noted that require the Permittee's attention.

Winter Road portage re-alignment - West of Indin Lake

The Inspector does not foresee any major concerns with the proposed route re-alignment as it is approximately 600 feet in length and through an area that is sparsely treed for the most part. Prior to any work being conducted on this new route, the Permittee must ensure that this proposed route will be conducive to use by heavy haul trucks, improve the line of sight along this section of portage, and ultimately reduce the likelihood of an accident or rollover from occurring, which is the concern at the existing section of the portage.

In consultation with Regulatory Officer Mr. Brett Wheler of the Wek'eezhii Land and Water Board, it was decided that since this re-alignment is not a major undertaking, it will improve the safety for vehicular traffic utilizing the winter road and ultimately reduce the likelihood of an environmental concern from arising it does not constitute the need for an amendment to the land use permit.

The Inspector therefore supports the re-routing of the winter road at this specific location with one caveat.

Since the re-routing is within the boundaries of the Tli Cho land claim, prior to any work being undertaken, the Permittee must consult with the Tli Cho Community Government of Wekweëti and the Tli Cho Lands Protection Department. All correspondence received from these two organizations must be provided to the Inspector and WLWB.

Grizzly Bear Winter Road Route

With the decommissioning of the bridge over the creek crossing along the Kim-Cass Road, the Permittee has proposed using an existing (alternate) line that would avoid the use of this road. The proposed route has been utilized in the past for a winter road, and therefore the use of this alternate route is permitted.

Colomac Mine Site

Three concerns were noted during the aerial inspection of the Mine Site Proper that must be addressed by the Permittee, and the Inspector notified once the concerns have been satisfactorily addressed.

- The brush/tree piles noted in the Spruce Lake Quarry remain, and they require proper disposal as per the operating conditions annexed to the land use permit or as approved in writing by the Inspector.
- Oversize rock was noted on the floor of the Pilot Plant Quarry (south of Tailings Lake) and this material must be tucked up against the working face to meet the reclamation guidelines for pits and quarries.
- Windrows of trees and brush were noted along the trail (diversion ditches) west of tailings lake that require proper disposal as per the operating conditions annexed to the land use permit or as approved in writing by the Inspector.

Kim-Cass Road and Bulk Sample Location

The first creek crossing on this road as you travel south from the Colomac Mine Site was inspected and the Inspector was unclear of the Permittee's requirements for the re-establishment of drainage at this location. Water was not actively flowing and piles of rock were noted on either side of the creek. This area should be re-visited by the Permittee to ensure natural drainage is re-established and final reclamation objectives for roads in the land use area are met.

The perimeter of the bulk sample location east of Hewitt Lake was inspected and only three drill holes were observed that were not sealed. The location of these sites is depicted on the attached map and if the Permittee requires the waypoints, the undersigned Inspector can provide them.

At these two locations, lengths of drill steel were observed, and if the Permittee is returning to this portion of the land use area to address the unsealed drill holes, they must be removed for proper disposal at an approved disposal facility. Also, if any other garbage or debris is observed it must be removed for proper disposal.

North Inca Cat Removal (W2009X0002)

The removal of the inoperable Cat at the north end of the land use area was discussed. As seen in the attached map, there are a couple of existing trails which will be conducive to its removal, and therefore this activity falls within the scope of the land use permit and is permitted by the Inspector to occur this winter road season.

If you have any questions or concerns, please contact Mr. Nahum Lee at (867) 669-2757 or the undersigned at (867) 669-2794.

Yours truly,



Clint Ambrose
Resource Management Officer III
South Mackenzie District
Indian and Northern Affairs Canada

cc: WLWB



Indin Lake

Enter Exit

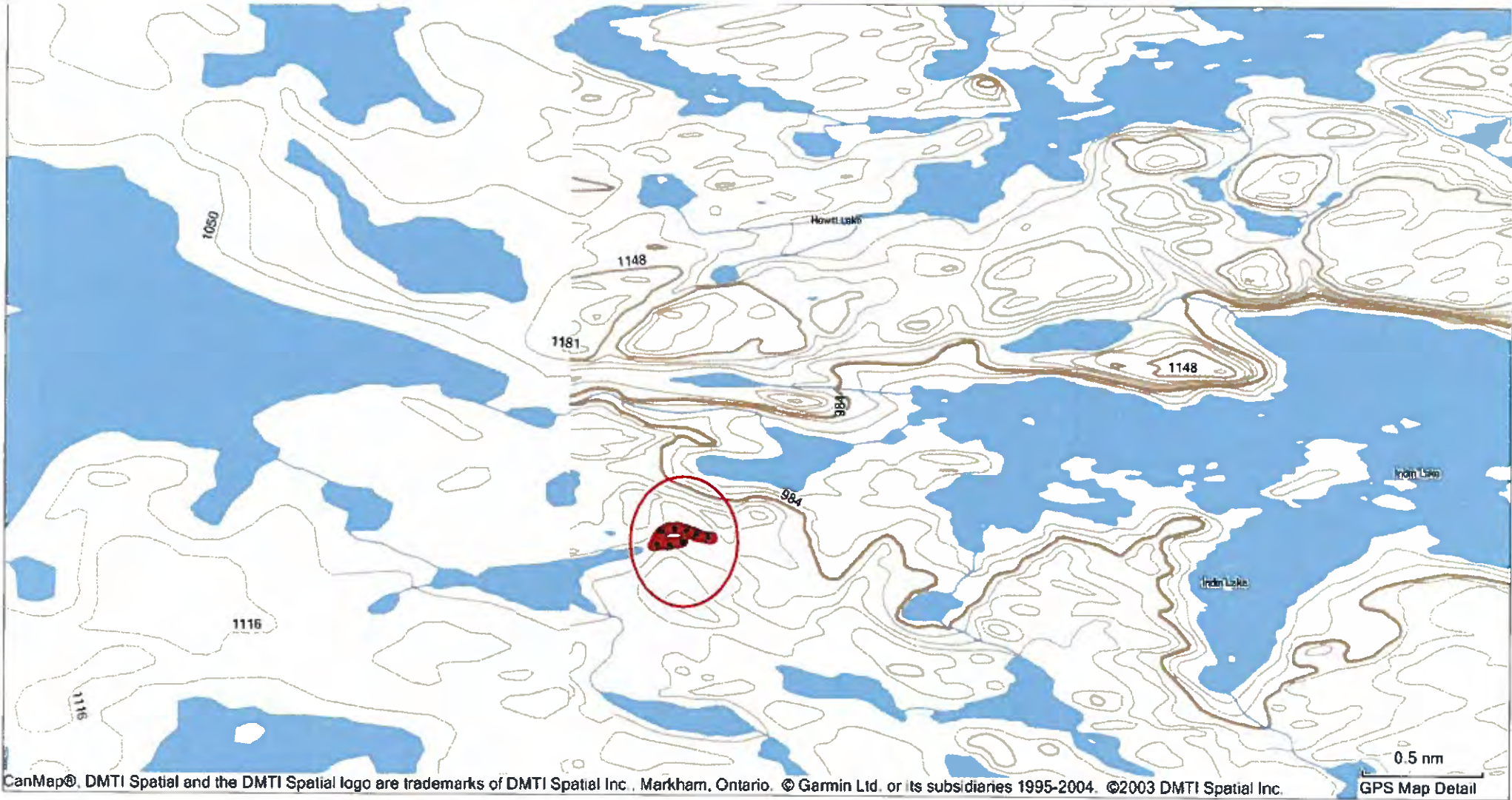
Data SIO, NOAA, U.S. Navy, NGA, GEBCO
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Google

64°14'44.03" N 115°29'37.63" W

elev 1026 ft

Eye alt 10346 ft



Existing and proposed bypass are circled.



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500 ft
GPS Map Detail



2010/09/21

Looking West at the Existing Portage. Proposed bypass route has been circled.



2010/09/21

Looking East at the Proposed Bypass Route (Circled).



2010/09/21

Looking North at the Proposed Bypass Route



W2009X0007 - Colomac Mine Site - INAC-CARD
Spruce lake quarry and brush piles still remain that require disposal and are viewed in the foreground of the photo.



W2009X0007 - Colomac Mine Site - INAC-CARD
Tailing quarry and oversized rock in the centre of the quarry must be tucked up against the working face.

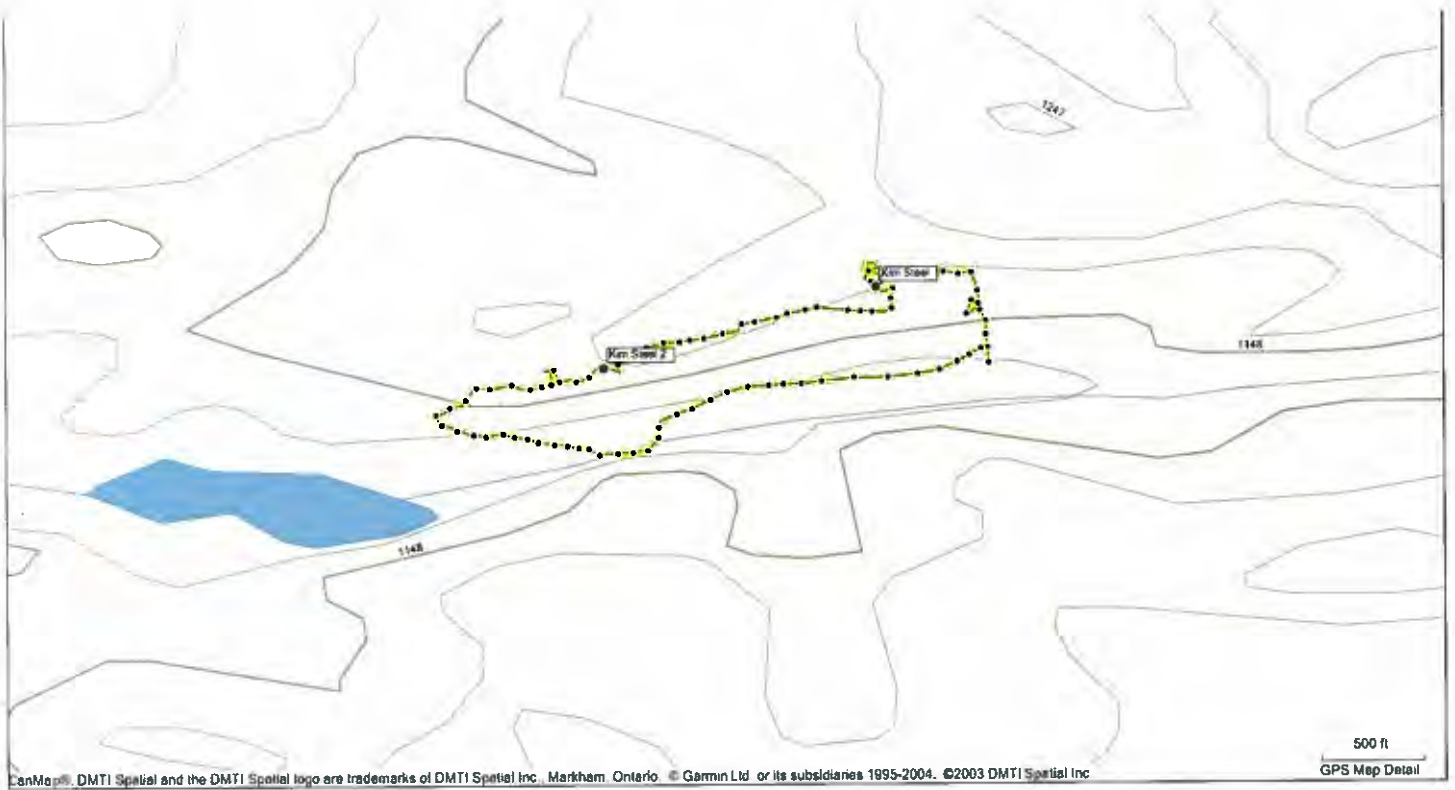


W2009X0007 - Colomac Mine Site - INAC-CARD

Trail on the west side of tailings lake. Windrows of trees were noted along its entire length that require proper disposal.



W2009X0007 - Colomac Mine Site - INAC-CARD - First stream crossing on the Kim Cass Road. Piles of rock should be re-contoured and re-establishment of drainage confirmed by the Permittee.



W2009X0007 - Colomac - INAC-CARD
 Map displaying bulk sample perimeter (Kim Cass) and 2 locations where drill steel and open holes were noted.



W2009X0007 - Colomac Mine Site - INAC-CARD
 One of three open drill holes (red cone to the right of the photo) and piece of casing.



W2009X0007 - Colomac Mine Site - INAC-CARD

Another area at the bulk sample site on the Kim Cass Road where casing was present with the other two open drill holes.



W2009X0002 - North Inca - INAC-CARD

Map displaying cat location and two potential existing trails that can be utilized to remove the cat.



W2009X0002 - INAC-CARD - North Inca
Small cat that will be removed this winter along an existing trail.



W2009X0002 - INAC-CARD - North Inca
Hydrocarbon impacted soils under the Cat require cleanup for proper off site disposal.