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## Reasons for Decision

Issued pursuant to Section 26 of the *Northwest Territories Waters Act* (NWTWA)

Type B Water Licence Renewal	
<b>Preliminary Screener:</b>	WLWB
<b>Reference/File Number:</b>	W2011L2-0002 (Renewal of W2006L2-0002) effective January 23, 2012
<b>Licensee:</b>	Fortune Minerals Limited
<b>Project:</b>	Type B Water Licence Renewal (Industrial undertaking for advanced mineral exploration)

### DECISION From Wek'èzhii Land and Water Board Meeting of

**"January 20, 2012"**

#### BACKGROUND:

Fortune's Water Licence W2006L2-0002 allows for water use and waste disposal associated with advanced mineral exploration, including the development of underground workings and bulk sampling, at the NICO deposit near Lou Lake in the Northwest Territories. In August 2011, the WLWB approved an amendment of Fortune's Licence allowing the company to decommission the minewater settling ponds because the underground program and bulk sampling were completed in 2007 and no further underground programs are planned for the NICO site. The Surveillance Network Program attached to Fortune's Water Licence was also amended in August 2011 to be consistent with the Licence Amendment. Fortune continues to test the water quality in the underground portal during periods of flow, in accordance with the conditions of the current Water Licence.

Fortune also holds a Land Use Permit for drilling, care and maintenance, and environmental baseline studies at the Nico site (expires March 25, 2014).

The Nico site is currently in care and maintenance, with minimal activities on site, while Fortune's proposed mine development is under Environmental Assessment. There are no plans to conduct additional activities on site until after the conclusion of the assessment.

**DECISION:**

The Board is satisfied that:

- the operation has been screened pursuant to the *MVRMA* (preliminary screenings dated February 10, 2005 and August 10, 2011);
- any potential adverse environmental effects are insignificant or mitigable with known technology; and
- the operation is not likely to be a source of significant public concern.

After reviewing the written comments received by the Board and the staff report prepared for the Board, the Board, having due regard to the facts and circumstances, the merits of the submissions made to it, and to the purpose, scope and intent of the *MVRMA* and the *NWTWA* and Regulations made thereunder, has determined that:

Water Licence W2011L2-0002 be renewed subject to the terms and conditions contained therein.

The Board's reasons for this decision are as follows:

- The Board is satisfied that adequate consultation has been conducted and that advice has been sought and considered in accordance with Sections 63 and 64 of the *MVRMA*.
- No significant or unmitigable public concern was made known to the Board.
- It is the opinion of the Board that the renewed conditions of W2011L2-0002, pursuant to the *NWTWA*, will significantly reduce the potential environmental impacts resulting from the use of water and/or deposit of waste.
- The Board, through the Scope under Part A of the Licence, has notified the Licensee of their obligation to abide by all applicable legislation.
- The use of water and/or deposition of waste proposed by the Applicant are of a nature contemplated by the *MVRMA* and the *NWTWA*.
- The Board has reviewed the information contained in the January 20, 2012 Staff Report regarding environmental impacts and/or public concerns.
- The Board has added licence conditions for soil and water quality criteria, under Part D items 10 and 11 of the renewed Water Licence, in order to minimize potential impacts from the landfarm at the Nico site.
- The renewal of this licence will ensure that monitoring of water flowing from the underground portal continues and that the effluent quality criteria in the Licence are met while the site remains in care and maintenance.

W2011L2-0002 contains provisions that the Board feels necessary to ensure and monitor compliance with the *MVRMA* and the *NWTWA* and the Regulations made thereunder and to provide appropriate safeguards in respect of the Licensee's use of the waters and/or deposit of waste affected by the Licence. The Board will provide any referenced material or documents and/or reasons for decision for any specific clause or clauses contained within the application if requested to do so in writing.

SIGNATURE

Wek'èezhii Land and Water Board



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Chair

January 20, 2012

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Date