

SUMMARY OF COMMENTS / RECOMMENDATIONS

PROPOSER: Crowflight Minerals Inc.
PROPOSAL NAME: Bucko Lake Mine
CLASS OF DEVELOPMENT: Class 2
TYPE OF DEVELOPMENT: Metal Mining and Milling
CLIENT FILE NO.: 5212.0

OVERVIEW:

On May 15, 2006, MB Conservation received an Environment Proposal, dated March 27, 2006, prepared by Wardrop Engineering Inc. on behalf of Crowflight Minerals Inc., respecting the proposed construction, development and operation of a 1,000 tonne per day mining and milling Development at Bucko Lake near Wabowden, Manitoba. A deficiency in the Closure Plan delayed the processing of the Proposal until August 21, 2006 for the receipt of more complete information respecting a closure plan for the overall Development.

Minerals present in the ore are identified as nickel, copper, cobalt, platinum group elements and gold. Partial development of the mine site and the underground mine had been carried out in the past by Falconbridge for advanced exploration purposes. The existing underground mine access and associated existing surface facilities are presently licensed to Crowflight Minerals under Environment Act Licence 2492 RR for the limited purpose of undertaking some advanced underground exploration activities.

On August 21, 2006, copies of the Proposal were placed in the Public Registries at: the Union Station (Main Floor) in Winnipeg; the Winnipeg Public Library; Manitoba Eco-Network; and the Thompson Public Library; and Wabowden Community Council office. As well, copies of the Proposal were sent to the applicable members of the interdepartmental Technical Advisory Committee, and were also sent to interested federal departments via the Canadian Environmental Assessment Agency (CEAA) for their review and comment. The closing date for comments was set at Sept. 11, 2006.

COMMENTS FROM THE PUBLIC

No comments were received from the public within the advertised deadline date. However, comments and concerns were received by e-mail from Dr. J. Micheals, a resident of Manitoba, in response to a subsequent Notice of Alteration that had been submitted by Crowflight Minerals and which had been posted on the Department's website. The issues raised by Dr. Micheals were addressed through an e-mailed reply prepared by Wardrop Engineering on behalf of Crowflight Minerals. As well, the Minister of Conservation sent a reply to Dr. Micheals to inform him of the current status of the licensing process, and to inform him of his right to appeal the licensing decision upon the issuance of a licence. No further communication was received from Dr. Micheals.

COMMENTS FROM THE TECHNICAL ADVISORY COMMITTEE

Manitoba Transportation and Government Services (MTGS) commented that:

- they have no major concerns with the Proposal, but wanted the proponent to be advised of the statutory requirements affecting Provincial Trunk Highway No. 6.

Disposition:

- The requirements were sent to the Proponent for their information. They related to matters involving any new or modified access connection to PTH 6.
- The Proponent advised that no new access to PTH 6 is expected to be required, and that no construction within 38 m., or planting within 15.2 m is planned.

Community Planning Services of Intergovernmental Affairs & Trade commented that:

- the Proposal presented no land use or development concerns to the Thompson Community Planning Services.

Historic Resources Branch commented that they have no concerns with regard to the project's potential to impact heritage resources.

The Mines Branch of Energy, Science, Technology and Mines commented that:

- The Proponent has obtained a valid mineral Lease #031 that is currently in good standing, and grants the holder the legal rights to mine and remove minerals from the subject property;
- The Proponent needs to provide appropriate financial security for mine closure;
- A Closure Plan has been filed with the Director of Mines;
- The Proponent still needs to obtain necessary surface rights, applicable work permits, timber cutting permits and development agreements as may be required, before the commencement of mining activities.

Disposition:

- The Proponent advised that a financial security would be provided before advancing the project.

Sustainable Resource Management Branch commented that:

No information is provided as to the type of control equipment (and its effectiveness) that will be used to control fugitive emissions from being released to the atmosphere from crushing equipment.

Disposition:

- The Proponent advised that a baghouse would be installed in the crusher for worker safety and to prevent excessive emissions of airborne particulate matter to the surrounding environment.
- The Proponent also indicated that ambient air quality monitoring will be conducted both in the crusher building and at the property boundary.

- Every effort should be made to keep the impacts on the local environment well contained and to a minimum.

Disposition:

- The Proponent advised that the project was designed to minimize the spatial extent of impacts, with emphasis on the potential long term adverse effects, and that the project

is being developed on the footprint of a former mine site and using an existing access road.

- Whereas outflow from Bucko Lake is estimated to increase between 10% and 30% of the present flow, how will resultant increased erosion near the outflow effect the aquatic habitat downstream?

Disposition:

- The Proponent responded that the estimated increases were expressed in relation to average precipitation increases, and that it is not correct to interpret this as increases over and above the present outflow. Given that the watercourse routinely experiences much larger flows without adverse effects, the increased base flows in the winter are not expected adversely affect channel conditions or cause physical disturbance to habitat. Also the project will have much less effect on peak flows. The actual increase in lake discharge will most likely be in the range of 10 to 12 % due primarily from mine water. No habitat destruction or erosion is expected to occur along Bucko Creek.
- In the assessment of water quality impacts on Bucko L. Bucko Creek, and Rock L., did the assessment take into account the continual tailings input and the cumulative input of heavy metals, and can the existing data and modeling techniques be employed to explicitly show that the water quality will not be changed significantly downstream of Bucko Lake, particularly in Rock Island Lake.

Disposition:

- The Proponent responded that the expected effect of the tailings discharge on the outflow quality was based on the worst case situation in which the entire discharge from the lake was comprised of tailings wastewater, and the entire water body was underlain by tailings, such that the quality of the discharge was reasonably represented by the analysis of bench scale tailings wastewater. Given that the worst case scenario has the Bucko Lake discharge meeting Manitoba's Water Quality Standards, Objectives and Guidelines at the point of release, more detailed modeling does not appear to be warranted.
- How will the proponent ensure that the tailings are adequately distributed on the bottom so that water cover over the tailings is maintained even during periods of low water?

Disposition:

- The Proponent responded that a tailings placement system is currently being designed for the distributed placement of tailings in Bucko Lake. Design details will be provided upon their completion.

- A detailed list of plant species present at the mine site and the surrounding area is lacking. This information may be very useful for the re-vegetation component of the Closure Plan.

Disposition:

- The Proponent responded that a detailed list of plant species present at the mine site is not currently available, nor can one be developed at this time of the year. However, the Proponent will collect this information as part of the re-vegetation planning that will initiated at the time of site development.
- The Mine Closure Plan proposes that the disturbed areas will be seeded. The Proponent should provide a list of seeds that will be used.

- Any waste rock should be contoured and covered with material conducive to seed germination and plant colonization and growth

Disposition:

- The Proponent responded with the submission of a re-vegetation plan that was developed as a supplement to the Mine Closure Plan.
- Any overburden material removed during mining activities should be stockpiled for future mine closure re-vegetation efforts.

Disposition:

- The Proponent responded that limited overburden will be available for site reclamation, and the previous owner did not strip overburden prior to site development. Site development will substantially occur within the footprint of previous development. Overburden from any new site development will be stockpiled for site reclamation.
- The Proponent should establish a series of re-vegetation plots to monitor the likely pace of re-establishing vegetation after mine closure. The results of the tests should be reported to MB Conservation on an annual basis.

Disposition:

- The Proponent responded that they will test their re-vegetation approach in advance of implementing closure, and could report the results annually.
- The Proponent should submit a Mine Closure Plan (together with any updates made to the Plan) at 5-year intervals to for review by MB Conservation.

Disposition:

- The Proponent responded that an amended Closure Plan is required by the Mines Branch whenever there is a material change to the Development. This may or may not fit with the suggested 5-year interval filing. The Proponent will conduct annual reviews of their Closure Plan.
- Upon mine closure, foundations should be removed to ground level, not within one metre of ground level.

Disposition:

- The Proponent responded that, upon mine closure, the foundations will be demolished to ground level.

Water Stewardship commented that:

- Section 2.8.15 mentions a potable water system but no details and source were provided.

Disposition:

- The Proponent responded that they are in the process of evaluating their options, but would likely have it brought in from Wabowden.
- Section 2.8.14 suggests that well water may be used as a source of fresh water. It is unclear whether the Proponent collected any baseline groundwater quality.

Disposition:

- The Proponent responded that background groundwater quality data are presented for the water samples taken from the existing mine shaft (see Appendix A of the EAP). No groundwater monitoring wells have been installed on the property.
- The proposed activities should not degrade the groundwater and surface water qualities on adjacent properties such as to render them unsuitable for use as drinking water sources.

Disposition:

- The Proponent concurred.
- According to the Regional Fisheries Manager, Bucko Lake is not, and would probably never be, a productive sport or commercial fishing lake. However it feeds Rock Island Lake and Halfway Lake which drains into the Grass River. These lakes and the Grass River have significant recreational and commercial fishery value. Maintaining their water quality is very important. They would expect the water quality to meet the MWQSOG.
- Regarding the hydrological regime, and whereas the proponent indicates that the increased discharge will be within natural historical levels, it seems unlikely that discharge will follow normal seasonal fluctuations. Elevated levels could lead to bank instability and erosion along the lake and in the discharge channel, causing downstream transportation of sediment. The Proponent will need to do some long-term monitoring regarding the issue of erosion, and implement control measures as required.

Disposition:

- The Proponent responded that, as detailed in the EAP, the increases in annual mean flows will primarily be as a result of increasing base flows in Bucko Creek. Also, the control structure will all permit the management of flow and timing. The normal annual flow regime will be maintained. Excessive infiltration of seepages into the underground mine workings can be controlled through grouting measures.
- As DFO have jurisdiction over fish habitat, and given their review with the intent to manage fish habitat under the no net loss policy, it is expected that the fisheries management issue will be adequately addressed.
- With the Closure Plan we do have concerns with the long-term maintenance of the tailings management area. Who will be responsible for ensuring that the water level remains at the desired level in perpetuity.

Disposition:

- The Proponent responded that the outlet control weir will be constructed to maintain the required lake water level without active intervention. With the large ratio of watershed to lake area (>10:1) the ability to maintain a water cover should not be limited by runoff, even during periods of reduced precipitation.
- The Proposal does not indicate the source of water for industrial purposes. A license will be required whether it is surface or groundwater. The Proponent should be directed to the Water Licensing Branch.

Disposition:

- The proponent responded that process water will be drawn from a combination of ground and surface water sources. The necessary water rights license will be sought.

- Although the Proposal suggests that there will be some dispersion of effluent in Bucko Creek, visual evidence suggests that there is a preferential route for flow along parts of Bucko Creek which could diminish the polishing effects, with even less polishing available under high flow rate conditions.

Disposition:

The Proponent responded that the project does not rely in any way on natural wetland polishing to achieve compliance with water quality standards, objectives or guidelines.

- It is suggested that the water quality monitoring of effluent at the final discharge point include total and dissolved phosphorus on a monthly during the mine dewatering and preproduction period because the mine water appears to have elevated phosphorus concentrations.

Disposition:

The Proponent agreed.

- No diagram of the polishing pond at the outlet of Bucko Lake is evident. An aerial view diagram should be provided.

Disposition:

The Proponent responded that a Figure 11.14 (attached to the reply shows the layout of the control structure and the polishing pond. (but no figure was attached).

- With the proposed loss of Bucko Lake and given its fish habitat value, some compensatory arrangement will be needed for the enhancement of another unaffected water body.

Disposition:

- The Proponent offered no comment.

- The limnological survey should include surface water quality testing for the same parameters as on an annual basis from BC1, and the testing should occur during the period of highest discharge such as in May or June.

Disposition:

- The Proponent responded that given that the entire flow in Bucko Creek will originate from the TMA discharge, there does not appear to be a clear justification for the additional expense of sampling at BC-1 which is located immediately downstream from the discharge point.

- How is the long-term dyke control structure integrity being addressed, and who will be responsible for its maintenance in the post closure period?

Disposition:

- The Proponent responded that provisions will be made in the final Closure Plan for the long-term maintenance and associated funding of the dyke and control structure.

- The province may want to request additional parameters to be included in the federally required Environmental Effects Monitoring program.

FEDERAL COMMENTS THROUGH CEAA

Canadian Environmental Assessment Agency (CEAA) coordinated federal responses to Crowflight's Bucko Lake Mine Proposal, and received comments from Health Canada, Environment Canada, Natural Resources Canada, Transport Canada and the Department of Fisheries and Oceans (DFO). Their comments were as follows:

Health Canada commented that:

- they possess specialist advice that may assist in the environmental assessment of the project, and that they would like to participate in the Provincial environmental assessment process
- A comprehensive assessment of potential human receptors was not undertaken (type of missing data was laid out).

Disposition:

- The Proponent responded that the project is located about 4 km from the Town of Wabowden, there is no residential development along the access road to the mine, and only one resident is located about 4 km north of the project site.
- The EA Proposal does not indicate the proximity of lakes, water intakes, wells and other potential potable water resources to the project site.
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- Whereas the public consultation process identified individuals that use Bucko Lake, the EA Proposal does not provide an evaluation of significance, or mitigation measures for the loss of these resources to the users.
- It is unclear what effect the Bucko Lake tailings management area will have on the fish downstream. Will a monitoring program be implemented to verify the impact predictions for fish used for human consumption, both during and after mining operations?
- Whereas it is known that an individual harvests rice from Bucko Lake, the acceptability of the compensation package should be reported. The EA Proposal should also provide information on the ability of Bucko Lake to supply wild rice for harvesters during mine operation and after closure. If growth or re-growth is feasible then monitoring of the rice should be performed to ensure the health of consumers would not be affected by heavy metals, etc.

Disposition:

- The Proponent responded that the quality of effluent discharged from the Bucko Lake tailings impoundment area is expected to meet the Manitoba Water Quality Standards, Objectives and Guidelines for the protection of aquatic life and wildlife. This will be more than adequate for the protection of any downstream drinking water users and for consumers of fish.

Transport Canada (TC) commented that an application for an approval under the *Navigable Waters Protection Act* will be need to be submitted in order to determine whether an approval under the Act will be required.

Disposition:

- The Proponent indicated that an application would be submitted to TC.

Environment Canada commented that:

- The proposed mining Development will be subject to the federal *Metal Mining Effluent Regulations* (MMER) issued under the federal *Fisheries Act*. Since the Proposal is to utilize a fish-bearing lake as a tailings impoundment area, a listing would be required on Schedule 2 of the MMER.
- Notwithstanding the Proponent's opinion on the quality of Bucko Lake as a fish habitat, this issue has been deferred to DFO for their determination. According to the federal Metal Mining Effluent Regulations (MMER), if Bucko Lake remains designated as Canadian Fishery Waters (i.e. administered under the Fisheries Act) it will have to be listed under Schedule 2 of the federal MMER. This would require an amendment the MMER, national consultation, being published in the Canadian Gazette and ultimately being approved by Governor-in-Council.

Disposition:

- This matter is presently in process, with CEAA awaiting the results of DFO's screening process under the Canadian Environmental Assessment Act.
- The evaluation for potential acid rock drainage from the waste rock and marginal ore has to date focused on static tests. The actual test results were not presented. Only the conclusions were presented. The test work should be presented.
- Similarly, the relative quantity of the rock units were not presented and nor was the scale of the problem fully defined.
- The Proponent has provided no test results of the actual Acid Base Accounting (ABA) tests undertaken on the typical waste rock and marginal ore. Only the conclusions of the tests were provided. Also, the dependency on static acid rock drainage tests versus kinetic testing was criticized.

Disposition:

- The Proponent responded that 35,000 tonnes of waste rock, previously deposited on surface by Falconbridge, have been exposed to natural weathering and oxidation for over 30 years, which is a well-accepted alternative method of estimating the acid generation potential and run-off quality.
- The proponent also provided the results of ABA tests for waste rock and marginal ore.
- Although referred to at times as a re-opened mine, the ore deposit was never previously commercially mined.

Disposition:

- No response was offered.
- EC expressed concern respecting the potential for the uptake of toxins by Woodland Caribou in the downstream habitat, and that the Province of Manitoba be consulted with the idea of implementing a monitoring program of the caribou in the area for changes in usage patterns.

Disposition:

- The Proponent responded that the provincial TAC had been consulted, and that no concerns were identified.

Department of Fisheries and Oceans (DFO) commented that they have identified a trigger under the CEAA such that they will undertake a screening process under the CEAA respecting the impacts of the Proposal upon the fish and their habitat in and downstream of Bucko Lake.

Disposition:

- DFO's screening process is in process. The completion date of this process is uncertain. At issue is a requirement under Section 35 of the federal Metal Mining Effluent Regulations (MMER) which requires federal Cabinet approval to allow a water body frequented by fish to be used for the disposal of mine tailings. In essence, the federal MMER must be amended to allow such a proposal. The advice of the Department of Fisheries and Oceans is critical to the process, but is still being deliberated.

Natural Resources Canada (NRCan) commented that they require additional information on the possible use of explosives before a determination can be made as to whether they would require an environmental assessment under the Act. A questionnaire was provided.

Disposition:

- The Proponent completed NRCan's questionnaire and submitted it to NRCan.

PUBLIC HEARING:

The advertisement of the Proposal did not solicit a request from the public for a hearing.

RECOMMENDATION:

(This section will be completed upon the receipt of information, via CEAA, respecting the findings and recommendations of the Department of Fisheries and Oceans resulting from their currently ongoing screening process under the Canadian Environmental Assessment Act, and upon being notified of Crowflight's formal receipt of authorization by the Governor-in-Council respecting the proposed use of Bucko Lake for the deposition of tailings solids.)

In the interim, and pursuant to discussions held between the Environmental Assessment & Licensing Branch, CEAA and the proponent, a draft E.A licence has been prepared for consideration of issuance, so as to facilitate some limited progress on this proposed mining and milling Development while the DFO screening process, and the required federal authorization for the deposition of tailings into a water body frequented by fish, proceed along their course of process.

ADDENDUM - NOTICE OF ALTERATION TO THE PROPOSAL

On December 19, 2007, Crowflight Minerals filed a Notice of Alteration (NoA), under Section 14(1) of the Environment Act, w.r.t. their Bucko Lake Nickel Project Proposal. The NoA seeks to obtain approval under Section 14(2) of The Act to construct a land based interim tailings storage facility (ITSF), to commence mining and milling for up to one year and to direct the mill's tailings and fluids into a proposed land based tailings storage facility, with the tailings maintained in a saturated state and excess mine water from the tailings facility being reclaimed to

the mill. Should federal approval for the deposition of tailings into Bucko Lake be obtained, then all tailings from the mill and the interim tailings facility would be deposited into Bucko Lake. In the event that federal approval for the use of Bucko Lake would not be granted, the interim tailings facility would be designed to accommodate the storage of tailings from six years of operation, being the life expectancy of the mine based on the known reserves. It should be noted that under this proposed scenario, the object of protection is Bucko Lake, until or unless Bucko Lake is authorized for use as a tailings disposal site. The NoA was circulated to the interdepartmental Technical Advisory Committee and to CEAA for review and comment. The following summarizes their concerns and the proponent's responses.

COMMENTS FROM THE TECHNICAL ADVISORY COMMITTEE

Northern Region of MB Conservation commented that:

- To their understanding, the implementation of the NoA would still require the withdrawal of about 8.5% of the volume of Bucko Lake over the winter months, which is higher than DFO acceptable maximum of 5.0%.

Disposition:

The Proponent responded that a revised water balance was developed and presented to DFO for approval.

- Since the ITSF is only proposed to be used for one year, its decommissioning and reclamation should be carried out within a specified time period if and when DFO approval is granted for using Bucko Lake for tailings deposition.

Disposition:

The proponent re-iterated their intent to decommission the ITSF as soon as approval is granted to direct tailings into Bucko Lake. The proponent also suggested that it would not be unreasonable to suggest that all tailings be removed from the ITSF within one year of the final deposition of the tailings into the ITSF, with final grading and revegetation being completed in two years. (The Mines Branch administers the Mine Closure Regulation.

- The NoA Proposal indicates that some seepage will occur, but will be collected in a ditch and pumped back into the ITSF, but does not provide any estimate the volume or percentage that will report to the ditch versus that which will be lost. In the case of lagoons and waste disposal grounds, MB Conservation requires clay or synthetic liners. Should this facility not be held to the same standard?

Disposition:

The Proponent responded that given the temporary nature of the facility, and the reclaiming of seepage water back into the ITSF, an impervious liner is not indicated. Specific details on potential seepage losses will be provided as part of the detailed design for ITSF.

- There is no reference to monitoring wells and/or a regular sampling program at Bucko Lake. Should there not be one or both?

Disposition:

The Proponent responded that the main Proposal proposed a monitoring program for downstream water courses. In addition mine water releases from the mine will be subject to monitoring requirements as per the federal MMER.

- The Proposal notes that the ITSF design must account for the possibility of it being required as the ultimate tailings storage facility capable of storing the tailings production for the estimated 6 years of production. However there is no information on the design, operation and decommissioning of the facility if this were to occur.

Disposition:

The Proponent responded that they are not seeking permanent status and are designing the ITSF for temporary storage only.

Parks and Natural Areas commented that they had no concerns with the proposed alteration.

The Mines Branch of STEM commented that they would prefer to post-pone their comments until after the completion of consultations with the Wabowden community and the local aboriginal groups.

Disposition:

No concerns have as yet been received from the mines Branch.

Water Stewardship commented that:

- The project's water use authorization expires on September 30, 2008.

Disposition:

The proponent responded that they will re-apply for the authorization as soon as they receive their Environment Act Licence.

- There are significant concerns for the long-term responsibility, maintenance and performance of containment if it is eventually required to convert the facility to a permanent facility.

Disposition:

The proponent responded that they fully intend to implement the lake-based tailings disposal plan subject to federal approval, and promptly decommission the temporary facility. As well, they offered a conceptual description of it's design and operation.

- The report notes that the tailings sent to the ITSF will need to be kept wet, yet at the outer fringe does not become dry.

Disposition:

The Proponent provided a description of the procedures by which the tailings would be kept saturated.

- WSD suggested that the ITSF be lined with a clay liner having a hydraulic conductivity of 10^{-7} cm per second as required of lagoon liner systems.

Disposition:

The proponent responded that since the facility was to be a temporary facility (one year), the recommendation would not be appropriate bearing in mind that the tailings water is expected to be good. However, a geotechnical survey will soon be undertaken to establish the true hydraulic conductivity of the local in situ clayey soil.

- A contingency plan should be developed should be developed for potential pipeline rupture incidents during winter freezing conditions.

Disposition:

The proponent pointed out that the federal MMER require the establishment of an Emergency Response Plan.

- A conceptual plan and licensing process should be outlined if zero discharge from an ITSF is not achievable.

Disposition:

The Proponent replied that the water management plan for the ITSF is robust and designed to handle a 1:100 recurrence wet year, with an additional reserve for 15% of the mill output until the last two months of the one year operation.

- The importance of maintaining the existing good water quality in the downstream receiving waterways was stressed.

Disposition:

The proponent concurred and indicated confidence in achieving a good quality effluent based on bench scale tests and analysis.

FEDERAL COMMENTS THROUGH CEAA

Department of Fisheries and Oceans (DFO) commented that they have identified a trigger under the CEAA in that the NoA may result in a withdrawal of more than 5 % of the volume of the lake being withdrawn over the winter period, which would exceed their guideline.

Disposition:

- DFO's screening process respecting the winter quantity of water withdrawal from Bucko Lake quantity is still in progress. They are also in receipt of a revised water balance provided by the Proponent through their consultant.
- The federal decision with respect to the use of Bucko Lake for the disposal and storage of tailings solids from the mill is also still under consideration.

WABOWDEN COMMUNITY and ABORIGINL CONSULTATION

Consultation on the Proposal and the Notice of Alteration with the local Aboriginal communities was co-ordinated and undertaken by the Mines Branch of the Department of Science, Technology, Energy and Mines at Wabowden on February 11, 2008.

The Mines Branch published the following Summary of the outcome of the consultation process.

"The Federal and Provincial governments carried out joint consultation on the Project. Two community meetings were held with The Aboriginal community of Wabowdan and two with the Cross Lake Band of Indians the joint consultation provided an opportunity to the two levels of Government to discuss the respective decisions to be made in regard to the project while avoiding duplication of effort and the potential for misunderstanding between all parties. The proponent participated in these successful consultation sessions.

Following the first meeting with The Cross Lake Band of Indians the project proponent conducted a one day workshop for Council and Elders which helped increase understanding of the project and the mitigation measures proposed for addressing potential impacts on the environment.

The proposal for a Land Based disposal of tailings prior to Federal approval for the use of Bucko Lake was also discussed and reviewed at the final meetings with both communities and any concerns / issues were addressed...

As part of the overall communications with regards to the project, the Proponent has been distributing a quarterly newsletter to the communities. This newsletter, in future additions will include more details about timelines of training and hiring activities and statistics demonstrating local hiring completed to date.

The fish habitat replacement proposal was discussed in detail at the meetings and caused some concern that it was not in the local area.

Other items which DFO will follow up on were:

a) They will meet with a group of Commercial "Fishers" to try and understand more fully there concerns. The "fishers" were concerned that they had not been consulted with

b) DFO were concerned that the Temporary Land Based disposal site may have an impact on fish habitat.

c) DFO also expressed concern that use of water from the lake to keep the land based storage under water, may disturb fish habitat.

A general discussion followed on items b] and c] with technical input from the proponent which to some extent satisfied DFO concerns.

Following the final meetings with both Community groups, the leaders noted that the communities and leaders supported the project, and the consultations that had taken place."

RECOMMENDATION:

Although the TAC expressed numerous concerns with respect to the NoA, the proponent (through his consultant) has responded to all the concerns, and remains confident that the one year limited deviation from their Proposal can be technically carried out with the potential impacts kept contained during the limited undertaking of the disposal of tailings to land. In consideration of the Proposal, the Notice of Alteration, all TAC's comments and concerns, and the proponent's responses to the expressed concerns, I have prepared a draft E.A. Licence which contains appropriate checks and balances coupled with enforceable clauses to ensure that environmental effects of the proposed Proposal/NoA will not escalate beyond the proposed effects. In the worst case scenario, federal approval for the deposition of tailings into Bucko Lake would be denied, and a permanent land based tailings disposal site would have to be developed, if proposed, and perpetually maintained to protect the sensitive and valuable downstream aquatic resources.

Prepared by:

Clemens Moche, P.Eng.
Environmental Engineer
Municipal, Industrial and Hazardous Waste Approvals Section
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telephone: (204) 945-7013
fax: (204) 945-5229
e-mail: clem.moche@gov.mb.ca