

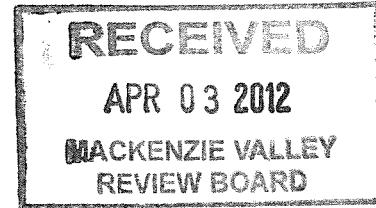


Giant Mine Remediation Project
BOX 1500
YELLOWKNIFE NT X1A 2R3

CIDM#509541

April 2, 2012

Mr. Richard Edjericon
Chairperson
Mackenzie Valley Environmental Impact Review Board
BOX 938
5102 – 50TH AVENUE
YELLOWKNIFE NT X1A 2N7



Re: Dismantling of the Mill Conveyor Gallery

Dear Mr. Edjericon:

Thank you for your letter of March 26, 2012, regarding Parties interests in the legal authority for proceeding with the dismantling of the Mill Conveyor Gallery at the Giant Mine Site.

The Giant Mine Remediation Team (GMRT) has concluded, based on engineering assessments and investigations conducted by a professional engineer, that the Mill Conveyor Gallery poses an unacceptable level of risk to human health and safety and to the security of the site. In a letter dated March 5, 2012, and provided to the Mackenzie Valley Environmental Impact Review Board (Review Board), AECOM highlights evidence of instability in the structure. Specifically, some of the legs supporting the structure have twisted or moved perpendicular to the plane of deflection, several wooden grade ties located between the A-frame legs have been damaged or have moved, the concrete foundations supporting the legs have cracked and there has already been lateral movement of the elevated gallery. The consequences of this instability go beyond the potential for the structure to collapse. The Conveyor Gallery provides a path for fire to travel between structures at the site. Given the issues of stability it would be difficult, if not impossible, to fight a fire in the structure. The instability and risk posed by the conveyor gallery will also limit movement of emergency equipment at the site should fire or any other emergency situation arise.

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In order to avoid impacting breeding and nesting migratory birds that will be returning to the north, we are proceeding with the dismantling of the conveyor gallery as quickly as possible. In undertaking this action Aboriginal Affairs and Northern Development Canada (AANDC), on behalf of the GMRT, is taking reasonable measures to mitigate or remedy adverse effects on persons, property or the environment, and in the interest of public welfare, health or safety, plans to carry out the activities forthwith. The authority for such action is provided under s.39 of the *Northwest Territories Waters Act*.

The Mill Conveyor activities contemplated do not trigger permitting authorizations (*Mackenzie Valley Resource Management Act (MVRMA)* s.118 (2)). In undertaking the work prior to arrival of migratory birds, AANDC is of the opinion that the impact of the development on the environment will be manifestly insignificant (*MVRMA* s. 124(2)(a).)

With respect to waste generated, all waste and contaminated materials will be secured and stored on site for eventual disposal in accordance with the Type A water licence require for implementation of the final remediation plan for the site. It is anticipated that this license will include those terms and conditions the Mackenzie Valley Land and Water Board deems necessary for the appropriate disposal of this waste.

We recognize that the Mill Conveyor is part of the site infrastructure that is within the scope of the development for the proposed Remediation Plan currently under Environmental Assessment. In these circumstances we feel that the dismantling of the Mill Conveyor is reconciled by proceeding under the emergency provision (*MVRMA* s.119).

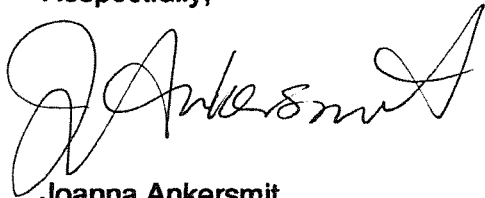
We would also like to take this opportunity to address concerns regarding project splitting raised by Parties in letters to the Review Board (YKDFN – March 26, 2012 and Alternatives North – March 14, 2012).

Please be assured there is no advantage to the Giant Mine Remediation Project to split this project into smaller components. Financially, doing so increases the cost of the project and logistically doing so taxes the procurement mechanisms within government. Assessment wise, undertaking site stability action increases the complexity of the review and requirements for communications and consultations. Finally, addressing immediate risks at the site will in no way give the impression that the site poses less risk (or impacts); in fact it only serves to highlight the risk (potential impacts) posed by the site.

In conclusion, we would like to emphasize and reiterate that the Giant Mine Remediation Project is a unique project and that the outcome of the proposed project will be a significant reduction in the risk the site presents to the environment, the health and safety of people at the site and the health and safety to the residents of the NWT. The demolition of the Conveyor Gallery is being conducted to eliminate a significant risk to human health and safety at the site in a manner that minimizes potential impacts on the environment. We trust that this clarifies the basis for proceeding with this work and that the Review Board and Parties share in our interest in ensuring the security of the site and the safety of our employees, contractors and the public through to the conclusion of the Environmental Assessment and regulatory processes.

The GMRT team will keep Review Board staff and the Parties apprised of the status of the dismantling of the conveyor gallery through regular correspondence.

Respectfully,



Joanna Ankersmit
Director, Northern Contaminated Sites Program
Contaminated Sites Directorate
Aboriginal Affairs and Northern Development Canada



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