



Environment Environnement
Canada Canada

Environmental Protection Branch
Suite 301, 5204 - 50th Avenue
Yellowknife, NT, X1A 1E2

May 20, 2004

Greg Smith
Regulatory Officer
Mackenzie Valley Land and Water Board
P.O. Box 2130
Yellowknife, NT
X1A 2P6

Mackenzie Valley Land
& Water Board

File

MAY 20 2004

Application # MV2004C0021

Copied To P. M. G. Sibley

Our file: 4708 001 011

Via facsimile

**Re: MV2004C0021 – Meridian Lake Mineral Exploration – Type A Land Use Permit
Proponent – Fortune Minerals Ltd**

On behalf of Environment Canada (EC), I have reviewed the information submitted with the above-mentioned application. The following comments are provided pursuant to Environment Canada's mandated responsibilities for the enforcement of the *Canadian Environmental Protection Act*, Section 36(3) of the *Fisheries Act*, the *Migratory Birds Convention Act*, and the *Species at Risk Act*.

Fortune Minerals Ltd. has applied for a Type "A" Land Use Permit to enable them to do initial exploration of mineral claims in the Meridian Lake area, located on the south shore of the East Arm of Great Slave Lake. This project would begin in June 2004 and would involve establishing a tent camp, regional geological mapping and sampling, ground geophysics and possible diamond drilling of mineralized zones. The requested duration of the land use permit would be five years and may be extended depending on results of diamond drilling.

Environment Canada recommends that the following conditions be applied throughout all stages of the project:

1. The proponent shall not deposit, nor permit the deposit of chemicals, sediment, wastes, or fuels associated with the project into any water body. According to the *Fisheries Act*, Section 36 (3), the deposition of deleterious substances of any type in water frequented by fish, or in any place under any conditions where the deleterious substance, or any deleterious substance that results from the deposit of the deleterious substance, may enter any such water, is prohibited.
2. Except for immediate use, the permittee shall not erect camps or store materials on the surface ice of any water body.
3. All sumps, pits, spill basins and fuel caches shall be located above the high water mark of any waterbody and in such a manner as to prevent the contents from entering any waterbody frequented by fish.
4. All sumps shall be backfilled upon completion of the project and recontoured to match the surrounding landscape.
5. Environment Canada recommends the use of an approved incinerator for the disposal of combustible material.
6. Environment Canada recommends the use of secondary containment with an impervious liner, such as self-supporting insta-berms, for storage of all barreled fuel rather than relying on natural depressions to contain spills.
7. Fuel caches shall also be inspected on a regular basis.

8. The proponent shall have a Spill Contingency Plan in place prior to establishing any fuel caches.
9. Environment Canada recommends the use of drip pans, or other similar preventative measures, when refueling equipment on site.
10. The proponent shall ensure that all hazardous wastes, including waste oil, receive proper treatment and disposal at an approved facility.
11. Please note as well that all material and equipment cached for this study must be removed at the end of the project.
12. If the fieldcamp locations change, the proponent is asked to submit a map and coordinates indicating these changes to this office.
13. All spills are to be documented and reported to the NWT 24 hour Spill Line at (867) 920-8130.

Comments have also been provided by the Canadian Wildlife Service (CWS) relative to this project's activities:

14. The proponent plans to conduct activities during the migratory bird breeding season. Paragraph 6(a) of the Migratory Birds Regulations states that no one shall disturb or destroy the nests or eggs of migratory birds. Therefore, the Canadian Wildlife Service (CWS) recommends that all activities be conducted outside the migratory bird breeding season, which extends approximately May 1 to July 15. These dates are approximate, and if active nests (i.e., nests containing eggs or young) are encountered outside of these dates the proponent should avoid the area until nesting is complete (i.e., the young have left the vicinity of the nest).
15. If activities are permitted to occur during the breeding season, CWS recommends the proponent confirm there are no active nests (i.e., nests containing eggs or young) in the vicinity of their operations before activities commence. If active nests of migratory birds are discovered, the proponent should halt all activities until nesting is completed (i.e., the young have left the vicinity of the nest).
16. Species at risk that may be encountered in this area include: Wood Bison, Woodland Caribou, and Peregrine Falcon (anatum), listed as Threatened under Schedule 1 of the *Species at Risk Act* (SARA); Wolverine and Short-eared Owl, listed as Special Concern under Schedule 3 of SARA. While conducting their operations, the proponent should be aware of the special status, and minimize disturbance to, or contact with, these species.
17. Environment Canada recommends that camp waste be made inaccessible to wildlife at all times. Camp waste can attract predators of migratory birds (e.g., foxes and ravens) to an area if not disposed of properly.

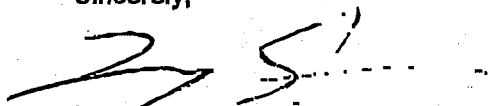
If drilling activities occur, Environment Canada would like the proponent to submit to this office a schedule indicating when drilling activities will take place as well as information on drill hole locations, depths and number of holes. Environment Canada also recommends that the following conditions be applied through all stages of drilling operations:

18. If artesian flow is encountered, drill holes shall be plugged and permanently sealed upon project termination.
19. If lake-based drilling occurs, the Interim guidelines for On-Ice drilling will apply. Return water released to the lake must be non-toxic. Return water release must not result in an increase in total suspended solids in the waters of the lake that exceeds Canadian Council of Ministers of the Environment (CCME) Guidelines for the Protection of Freshwater Aquatic Life (i.e., 10 mg/L for lakes with background levels under 100 mg/L, or 10% for those above 100 mg/L).
20. Drilling additives or mud shall not be used in connection with holes drilled through the lake ice unless they are re-circulated, contained such that they do not enter the water, or are demonstrated to be non-toxic.

21. Drilling waste from land-based drilling should be disposed of in a sump such that they do not enter any body of water.

If there are any changes in the proposed project, EC should be notified, as further review may be necessary. Please do not hesitate to contact me with any questions or comments with regards to the foregoing at (867) 669-4708 or by email at ivy.stone@ec.gc.ca.

Sincerely,



Ivy Stone
Environmental Assessment

cc: Steve Harbicht (Head, Assessment & Monitoring, Environment Canada, Yellowknife, NT)
Paula Pacholek (Northern Environmental Assessment Coordinator, Environment Canada, Yellowknife, NT)

FACSIMILE MESSAGE



Environment Environnement
Canada Canada

Environmental Protection Branch
Suite 301, 5204 - 50th Avenue
Yellowknife, NT, X1A 1E2

DATE: May 20, 2004

TO: Greg Smith
Regulatory Officer
MVLWB

PHONE: 867-669-0506

FAX: 867-873-6610

FROM: Ivy Stone
Environmental Assessment
Environment Canada

PHONE: 867-669-4708

FAX: 867-873-8185

Number of pages including cover: 4

Subject: MV2004C0021 - Meridian Lake Mineral Exploration - Type A Land Use Permit
Proponent - Fortune Minerals Ltd

MESSAGE:

Greg,
Please find attached Environment Canada's comments on the above-mentioned file. Please call if you have any questions.

Sincerely,


Ivy Stone
Environmental Protection Branch