

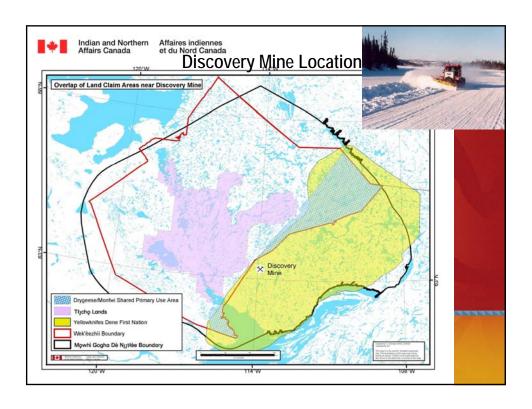
Discovery Mine

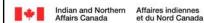
Remediation Project

Presentation Outline:

- · Brief history and previous work completed
- Summary of the approved Remediation Plan by component and status of progress to date

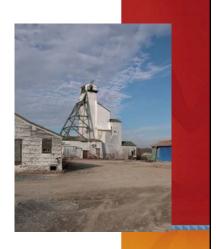






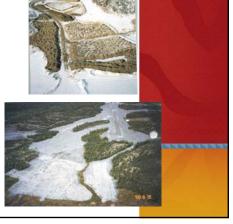
Discovery Mine History

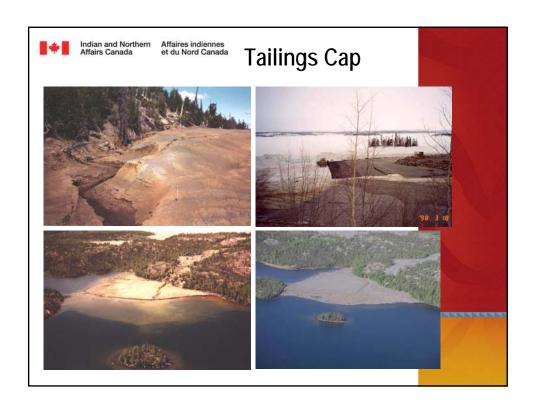
- Underground gold mining from 1949-1969 by Discovery Mines Ltd.
- Gold was extracted using a mercury amalgamation and cyanidation process
- An on-site mill facility produced approximately 1.1 million tonnes of tailings
- Tailings were deposited on land over a large area and flowed into Giauque Lake
- The town site and mine structures left standing
- Mine openings were temporarily capped

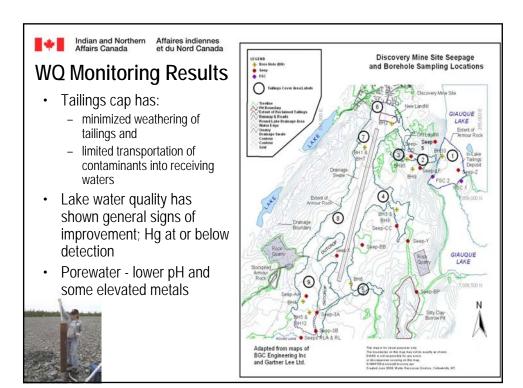




- off-site disposal of some hazmatcapping of the tailings.
- Recently finalized the Remediation Plan for rest of site
- Environmental Monitoring Program

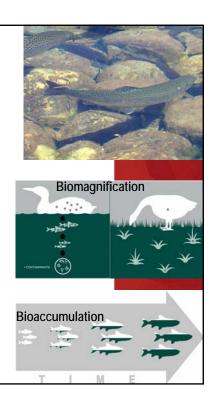


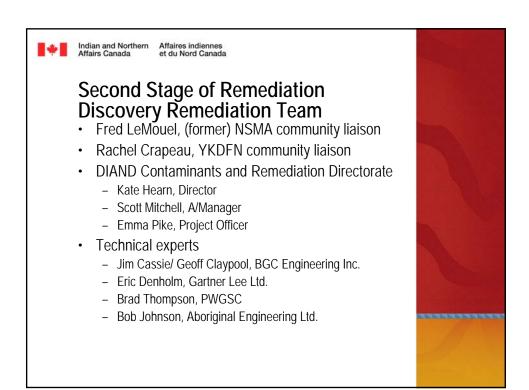






- Last fish study completed 6 years ago – fish consumption advisory
- Fish now exposed to undetectable levels of mercury in water, although still elevated levels in sediment
- Full aquatic assessment planned for next year (fish, sediment, inverts) to determine effectiveness of remediation measures
- Sampling every ~5 years to minimize impacts to fish population







Approach to Remediation

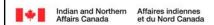
 Involve affected first nations in making project decisions and determining project direction, rather than consultation after the fact

Benefits:

- Community issues or concerns are dealt with proactively and incorporated into plans for the site
- Greater understanding of contaminated sites, site issues and remediation

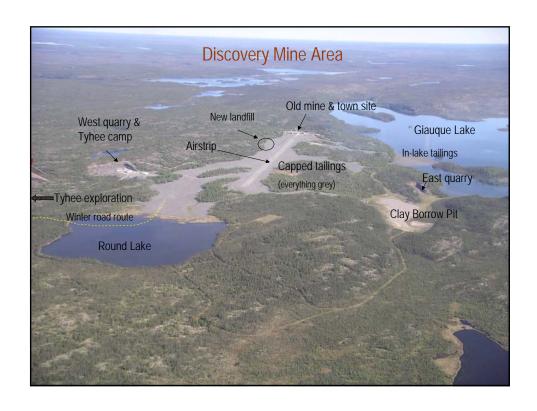


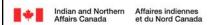
Evaluation Of Remediation Options							
Requirements	Environmental & Technical Factors	First Nations criteria	Cost				
•Legal compliance •Time •Proven technology •Meets minimum objectives	 Meets overall site objectives Reduce risk to environment Work can be done safely Future land use potentia Regulatory approvals Meet environmental guidelines Liability reduction at end of project 	Walk-away solution Socio-economic impacts Training & business lopportunities	Capital cost Operating cost Best Available Technology Economically- Achievable Long-term costs for monitoring and maintenance				



Evaluation Process

- Divide mine into various components
- For each component, determine the closure issues, objectives and remediation options
- Rank the options as to how they meet the objectives
 - High meets objectives
 - Med partially meets objectives
 - Low does not meet objectives
- Then rank them overall into:
 - P= preferred
 - A= acceptable
 - NA = not acceptable



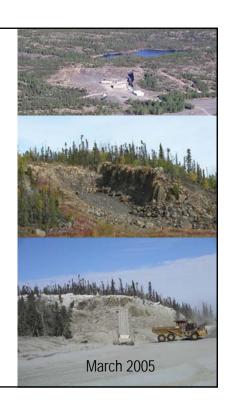


Infrastructure: Quarries

 Preferred option = Reduce rock wall slope angles of the quarries (cut & backfill)

Rationale:

- 1. Safety reduces slope angles
- 2. Matches natural terrain
- 3. Minimizes environmental impacts
- 4. Walk-away solution no maintenance
- East quarry remediation complete
- West quarry currently occupied by Tyhee scaling planned, remediation by Tyhee

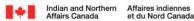


*	Indian and Northern Affairs Canada	Affaires indiennes et du Nord Canada

Example: Comparison of Options for Quarries

Goals / Options	Cut and backfill	Rock wall at top	Fence and sign
Safety – prevent falling	High	Med	Low
Match local terrain	High	Low	Low
Minimize env. impacts	MedHigh	Med	Med
Walk- away	High	Med	Low
A/P/NA	Р	NA	NA





Airstrip

Preferred option = Maintain then remove from use Sept 1/2005; use surface material in landfill construction

Rationale:

- 1. Safety – will not be maintained
- Protects existing tailings cover from degradation
- Airstrip surface material will be used as aggregate source
- Walk-away solution
- Note: Expecting airstrip proposal from Tyhee.





Affaires indiennes et du Nord Canada

Roads

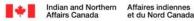
Preferred option = maintain then restore drainage, scarify & let revegetate naturally

Rationale:

- Restores natural drainage and prevents erosion
- 2. Restores natural vegetation over time
- 3. Walk-away solution – no maintenance



Agreed with Tyhee not to scarify road to dock



Dock

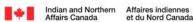
Preferred option = Remove existing cribbed dock and install floating dock

Rationale:

- Increases safety
- Restores fish habitat (DFO) 2.
- 3. Minimizes maintenance

Recently completed.





Powerline

Bluefish to Discovery ~65km; hundreds of poles

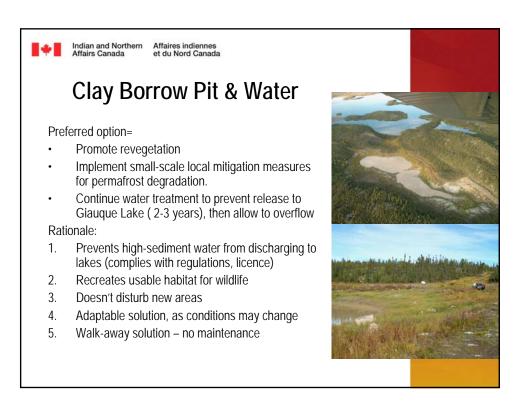
Preferred option = Cut down all poles except those with nests and remove wire for potential salvage

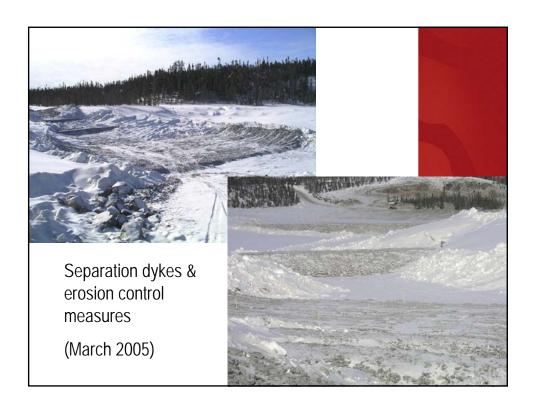
Rationale:

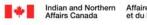
- Eliminates hazards to people and wildlife (hung wire, fallen or burnt poles).
- Complies with regulations and best 2. practices for bird nests (~ 25 nests)
- Takes advantage of any salvage/recycle opportunities.
- Walk-away solution no maintenance.











Tailings: Existing Tailings Cover

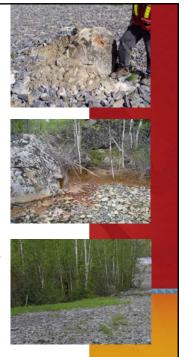
Preferred option=

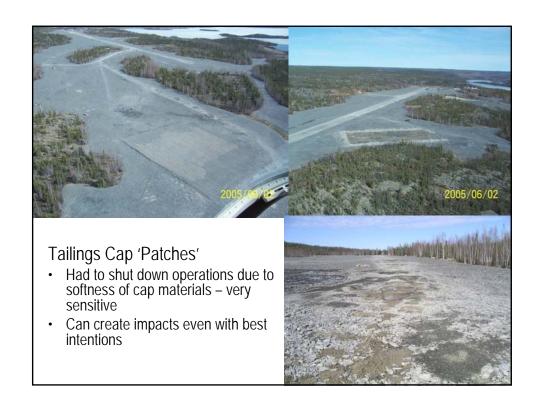
- Some maintenance settlements & drainage.
- Remediate areas with concentrated tailings boils.
- Remove select deep root vegetation on cover.
- Develop design for access over cover for short-term remediation efforts.
- Restrict access/use of other access over cover not designed for repeated use by heavy equipment.

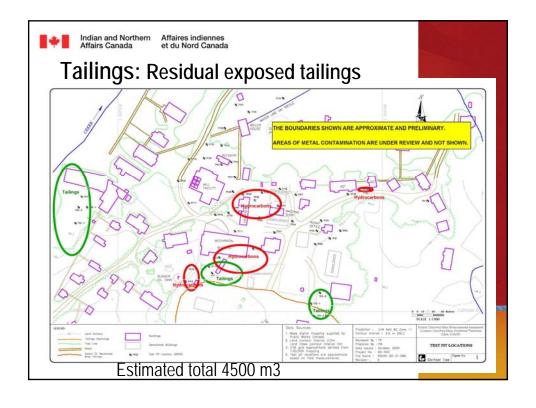
Rationale:

- 1. Minimizes impact to receiving environment
- 2. Minimizes impact to tailings cover and therefore costly repairs in the future
- 3. Prevents wind-blown tailings
- 4. Minimizes infiltration through cover

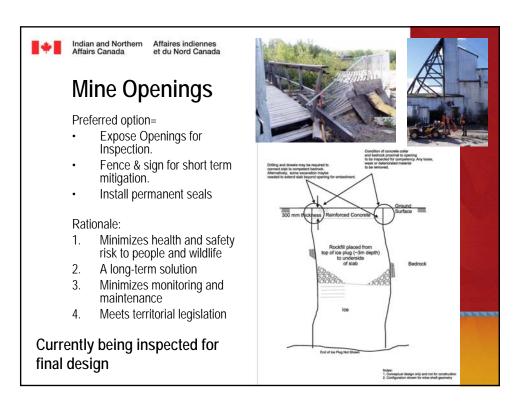
Note: Overall good performance, objectives are being met













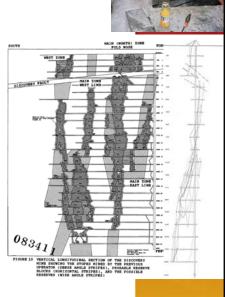
Preferred option:

- Expose openings and conduct a minewater assessment if accessible
- Develop a seepage monitoring and contingency program if required.

Rationale:

- 1. Further information still required
- Water level in mine above that of Giauque Lake, suggesting retention
- 3. Ensures risks are managed and monitored

Currently no water accessible



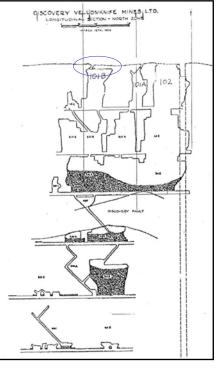


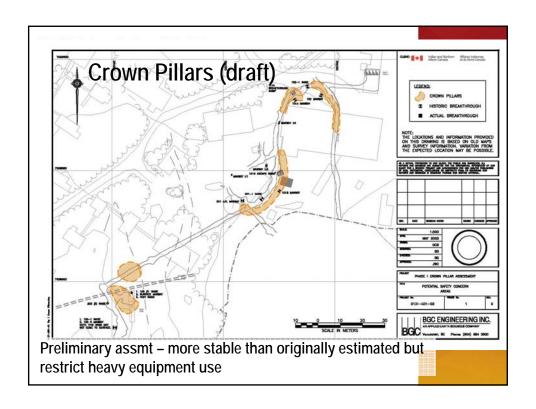
Preferred option:

- Mark crown pillars.
- Conduct settlement/subsidence risk assessment.
- Develop a subsidence monitoring and contingency program.

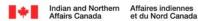
Rationale:

- Need more information to determine risks
- 2. Lead to safer site identify areas of potential concern









Hazardous Waste

Preferred option:

- Collect liquid hydrocarbons from tanks and equipment either burn on-site or ship offsite
- Collect and transport all other regulated materials, including PCBs and mercury, off-site
- Dispose of bagged asbestos and lead-based paint, still incorporated onto building materials, in the landfill

Rationale:

- Eliminates safety hazard to people and wildlife
- Minimizes further impact to the environment 2.
- 3. Logistically achievable
- Minimizes long-term maintenance/monitoring

95% hazmat collection is complete





Indian and Northern Affairs Canada

Non-hazardous Waste

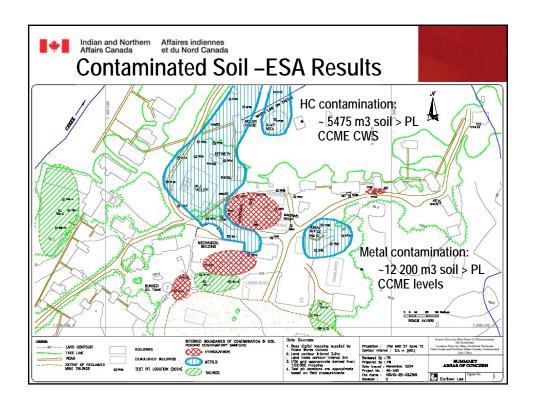
Preferred option:

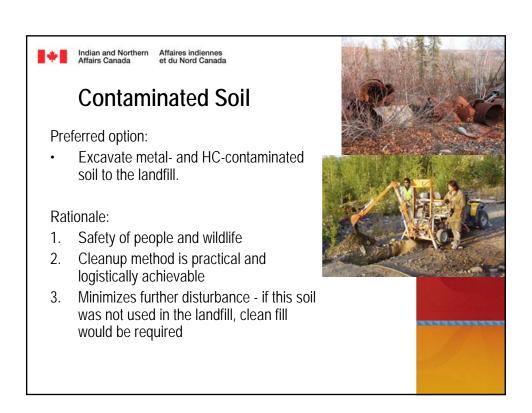
- Burn clean wood products where appropriate to reduce landfill volume.
- Dispose of inert solid waste in the landfill

Rationale:

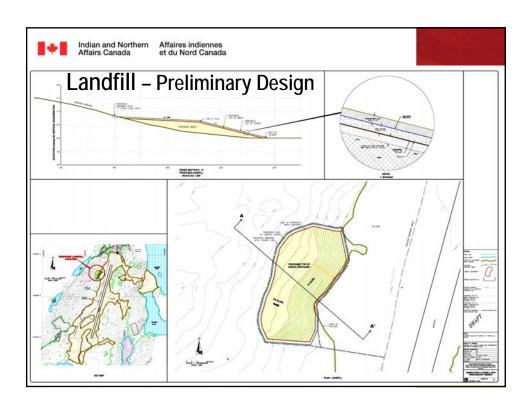
- Increase safety of people and wildlife 1.
- Minimizes further impact to the environment and is aesthetically pleasing
- Logistically achievable and costeffective













Remediation Schedule

- Phase 1 (complete):
 - mobilize to site March 2005
 - Quarry & crush necessary aggregate for work on site during winter road (cover materials for landfill, airstrip, mine seals etc.)
- Phase 2 (currently ongoing):
 - Complete remediation work May-Sept 2005
- Phase 3:
 - Demobilize from site March 2006
 - Remediate powerline

Monitor the site as appropriate in the long-term

Overall, we plan to: -return the site to a safe condition so that people and wildlife can make use of the area -meet the needs and concerns of INAC, its First Nation partners and all Northerners. (consultations with First Nations, internal DIAND, EC, DFO, RWED, MVLWB, WCB, heritage organizations, third party interests)

