

9-17-07

Alistair MacDonald Mackenzie Valley Environmental Impact review Board Environmental Assessment Officer Box 938, 5102-50th Avenue Yellowknife, NT X1A 2N7

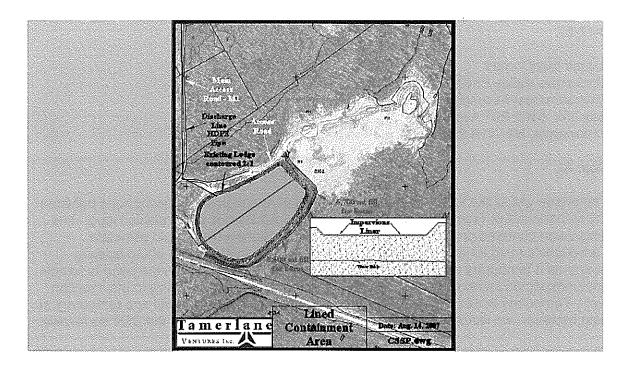
Dear Al,

Tamerlane would like to inform the review board of recent positive discussions between the Department of Transportation representatives, Art Barnes and Patricia Hogg. The discussion centered on the newly proposed modifications which would eliminate Tamerlane's need for the infiltration basin and utilize a small portion of the existing quarry as a temporary sediment settling pond. Tamerlane will utilize the pond to handle any unexpected increase in sediment from the process water reporting to the injection well. Tamerlane would anticipate the usage of the pond to be minimal and temporary at best however, we would like to share some key questions raised by the DOT as follows:

- Q: How often does Tamerlane anticipate utilizing this pond during the life of the Pilot Project?
- A: Tamerlane would anticipate utilizing this pond in the initial stages of start-up to allow for a testing period and to ensure that minimal suspended solids are directed to the primary injection well. It was also noted that two injection wells will be installed to function as a primary and a contingency well.
- Q: What is the capacity of the sediment settling pond?
- A: The most recent hydrogeologic evaluations of basal inflows were estimated at 941 m³/hr which would allow 4 days of water capacity or 90,400 m³.
- Q: How will the sediment settling pond be constructed?
- A: Please see attached drawing: The pond will have an impervious liner installed to prevent loss of water to the environment. An HDPE discharge line from the process facility will be buried along the access road and discharge into the pond. A sump with an agitator will provide agitation of any settled sediments that will then be pumped back to the process facility through a second HDPE buried line and used in the underground backfilling process.

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- Q: How will monitoring of the sediment settling pond take place?
- A: Tamerlane plans to employ an Environmental Health and Safety coordinator who will be responsible for monitoring of the condition of the sediment settling pond structure. All monitoring will be in accordance with the requirements outlined in the land and water permits.
- Q: What is Tamerlane's contingency plan if the sediment settling pond fails?
- A: If a breach occurs in the liner or containment wall of the pond, Tamerlane will immediately take steps to first stop any further introduction into the sediment pond then transfer all clean water to the injection well and if necessary, agitate and transfer solids to the backfilling system. Tamerlane will then clean up all material and repair the area back to design specifications.
- Q: What reclamation is planned for the sediment settling pond?
- A: As with the infiltration basin, the sediment settling pond will be reclaimed by reagitating and cleaning out the pond, removing the liner and grading the area.

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Q: Will the reclamation bond for the project include this sediment settling pond?

A: Tamerlane reclamation cost estimates have already included the previously proposed infiltration basin and will not adjust these figures as they will directly relate to the reclamation of the sediment settling pond even though the footprint is much smaller.

Thank you,

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