



SEP 21 2016

MR. KEVIN O'REILLY
MLA, FRAME LAKE

Oral Question 221-18(2): GNWT Liabilities for Cantung Mine Site Remediation

This letter is in follow up to the oral question you raised on June 14, 2016, relating to Cantung Mine. Specifically, you requested information regarding the number of inspections undertaken on the GNWT's surface leases since Devolution, what the findings of those inspections have been, and the cost of the inspections to this Government.

Since Devolution, the Department of Lands has conducted three inspections of the Cantung leases, at a total cost of approximately \$20,000. The initial inspection noted issues with the site which included fuel spills in fuel storage areas, general garbage around the site, and improper waste storage. The two subsequent inspections noted a general improvement of environmental conditions at the site. Fuelling stations were then cleaned up, as were the garbage and the storage areas. During this time, North American Tungsten Corporation Ltd. also began shipping waste to offsite locations that could not be properly stored onsite. The last inspection undertaken by the GNWT was in September 2015.

On November 18, 2015, North American Tungsten Corporation Ltd. placed the Cantung Mine into care and maintenance and conducted an orderly abandonment of the site in accordance with creditor protection legislation. Subsequently, the GNWT invoked provisions contained in Chapter 6 of the Devolution Agreement which relate to Canada's responsibilities for waste sites created before Devolution. As a result, the Cantung Mine site is now a "federal area" under the *Mackenzie Valley Resource Management Act* and a "federal appurtenant undertaking" under the *Northwest Territories Act*. As such, future inspections of the Cantung Mine are now the responsibility of the federal government.

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Thank you for your question.



Louis Sebert
Minister of Lands

c. Mr. Tim Mercer, Clerk of the Legislative Assembly

Mr. David Hastings, Legislative Coordinator

Mr. Willard Hagen, Deputy Minister, Department of Lands