

MiningWatch Canada / Mine

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November 24, 2000

Mr. Richard Faucher
President and CEO
NIOCAN Inc.
2000 rue Peel, Bureau 560
Montréal, Québec H3A 2W5

Dear Mr. Faucher:

We are in receipt of your letter dated October 23, 2000. We are posting a summary of your comments with the article on our web-site, so that readers can draw their own conclusions. Your letter raises a number of points of disagreement and other questions.

1. *While the parish voted 60% against the project, it excluded the village. The village circulated a document supporting Niocan "which was endorsed by 92.5% of the villagers".* Having read the document circulated, and noting that this was not conducted as a referendum, I think the percentage of positive response is highly questionable. Further, considering that this is a rural agrarian area, would you not give more weight to the opinions of the Parish?
2. *The municipality's consultant didn't do a thorough study of the impact on the water table, overestimated the footprint of the mine and ignored the difference in geological structure.* This is scientifically debatable.
3. *The total finished product from the mine is considerably under the amount requiring a full environmental assessment (2500 t/d)* We believe that any resource extraction project should have an environmental assessment, and that the need for one should not be based on a final product estimate.
4. *Mining does not produce radon.* Of course not; it is naturally occurring. The question is, what are the radiological effects?
5. *There will be no waste rock pile because the mining is underground and the tailings will be put in the old St-Lawrence site. The tailings are not radioactive.* Is there a reclamation bond? What precautions against ground-water contamination are being taken?
6. *There will only be one more vehicle for every vehicle circulating now. "The final product is only 4,500 tonnes per year or 100 tonnes/week or equivalent to 3 truckloads."* This figure is different than the figure used in point one. Which is correct? What about slurry trucks carrying tailings to the St-Lawrence site?
7. *The process water is a closed circuit; after being used to transport the residues to the St-Lawrence site, it is re-cycled so we don't consume 3,500 gal/minute.* How much will you consume?

8. *Although it is obvious that the wells close to the mine will be affected, "NIOCAN will pay and install a potable water supply system". Is there a reclamation security in place to assure that the potable water supply will be available after the mine closes? Or if it goes bankrupt?*
9. *The 1,800 kg referred to is Aluminum powder used in an exothermic reaction with some sodium nitrate to produce ferroniobium and slags. Chemical reagents are either neutralized in the process or are biodegradable". This is also scientifically debatable.*
10. *The provincial government has provided \$427,000. The salaries for direct and indirect jobs, contractual services, local taxes and material purchases in the community add up to almost \$20 million per year. What tax and royalty holidays have been promised? Who will get the jobs and contracts?*

Looking forward to your response, I am

Yours truly,

Joan Kuyek,
National co-ordinator