Fact Sheet

CNSC Licensing Decision: The Matoush Underground Exploration Project

November 2012

Following a public hearing on June 5 and June 7, 2012, the Commission announced its decision on October 17, 2012 to issue a five-year licence to Strateco Resources Inc. (Strateco) to undertake underground uranium exploration.

Decision

The Canadian Nuclear Safety Commission (CNSC) has issued a licence to Strateco authorizing the excavation of an exploration ramp and construction of surface buildings and facilities to support the Matoush underground exploration project located in the Otish Basin, Quebec. The licence is valid for a period of five years from October 16, 2012 until October 31, 2017. The scope of the licence is limited to advanced exploration activities, and not to mining or milling activities.

In its Reasons for Decision, the Commission considered information provided by participants at the public hearing, including the applicant, intervenors and CNSC staff. The Commission decided that Strateco is qualified to carry out advanced uranium exploration activities, and that the project poses a low risk to health, safety and the environment.

The Commission considered different studies on the health effects of radiation and found that peer-reviewed scientific studies on uranium mining activities have not been proven to pose a risk to the health of workers and people living near nuclear facilities. In fact, both science

Did you know?

- Science and statistics about uranium mining show that uranium mining is as safe for workers, the public and the environment as the conventional metal mining industry in Canada.
- While New Brunswick, Nova Scotia and British Columbia have imposed a moratorium on the exploration and development of uranium, scientific facts do not support these decisions.
- In December 2011, Labrador's Nunatsiavut government lifted its moratorium on uranium mining.
- The risks associated with the Matoush underground exploration project are similar to those encountered in conventional mining in Canada.
- Advanced uranium exploration projects like Matoush, along with uranium mining and milling, are stringently regulated, with a focus on health, safety, security and the environment.



Commission canadienne de sûreté nucléaire



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In its Reasons for Decision, the Commission noted that several intervenors requested a moratorium on uranium exploration, mining and milling in the Province of Quebec. The decision to impose or not impose a moratorium on uranium mining is outside of the Commission's mandate and not within its authority. While social acceptability is outside the Commission's mandate, social considerations may fall within the Province of Quebec's jurisdiction.

To ensure the continued protection of the public and the environment, the following conditions were included in Strateco's licence:

- the excavation of the exploration ramp and construction of the mine portal will not begin before the Commission is satisfied that all data required for the completion of the aquatic baseline data set are collected and analyzed, and the data set is established; and
- none of the activities associated with releases of effluents into the environment will be allowed to start before a basic monitoring program is fully implemented.

Quick facts:

- The CNSC is involved in the licensing of this project since the Matoush project qualifies as an "excavation site" as defined by the Uranium Mines and Mills Regulations.
- The Commission makes decisions on the licensing of nuclear facilities and projects through the public hearing process.
- The public hearing gives involved parties, Aboriginal groups and members of the public an opportunity to be heard before the Commission.
- The CNSC will only issue a licence if it is satisfied the proposed nuclear facility or activity is safe for the health, safety and security of persons and the environment.
- Present-day uranium workers and people living near the facilities are as healthy as the general Canadian population.

The Commission also stated that no activities listed in the licence would begin before a financial guarantee, acceptable to CNSC staff, is in place.

Licensing and Compliance

The CNSC regulates and licenses the operation of several modern uranium mines in Canada. For those mines, there is no evidence of impact to the health of workers or the public. The CNSC is responsible for the industry's licensing, certification and compliance, in accordance with the requirements of the NSCA and its Regulations, which reflect Canadian and international safety standards.

Strateco is required to comply with the requirements of the NSCA and its Regulations, as well as the conditions of its licence. CNSC staff will establish a compliance program that will monitor, verify and track Strateco's occupational health and safety and radiation programs and environmental performance.

Background

In November 2008, Strateco submitted an application for a licence to prepare site and construct an underground exploration project at the Matoush site, located approximately 260 kilometres north of Chibougamau, Quebec. See Figure 1 for a map of Quebec and the location of the Matoush project. The licence application sought to authorize the excavation of an exploration ramp and construction of surface buildings and facilities to support advanced exploration activities.

The approved activities only allow Strateco to further characterize the uranium mineralization and determine the feasibility of a future mine and mill. The licence does not cover uranium mining or milling activities. Should the results of this underground exploration be positive and Strateco wishes to proceed to the construction phase of a mine, it is required to submit an application to the CNSC to build and operate a uranium mine and mill. Another environmental assessment and additional licensing hearings would be required.

Environmental Assessment & Consultation

In accordance with the *Canadian Environmental Assessment Act* (CEAA), a federal environmental assessment was carried out for the Matoush project to identify possible environmental effects, and determine whether these effects can be mitigated before the project is allowed to proceed.

A comprehensive study report was presented to the Commission in July 2011. CNSC staff concluded that the project as proposed, after mitigation, was not likely to result in significant adverse environmental effects. In February 2012, the federal Minister of the Environment and the federal administrator rendered their decisions allowing the project to proceed to licensing and permitting.

Extensive community consultation took place during the environmental assessment process. Through the Canadian Environmental Assessment Agency's Participant Funding Program and the Aboriginal Funding Envelope, funding was allocated to the public and to Aboriginal groups to participate in these consultations.

The CNSC, as Canada's nuclear regulator, recognizes and understands the importance of consulting and building relationships with Canada's Aboriginal Peoples. The communities of Mistissini, Chibougamau and Chapais were identified as the three communities located closest to the proposed project and therefore may have the most interest in the approved Matoush project.

Since the Matoush project is the first advanced uranium exploration project in the Province of Quebec, CNSC staff engaged in many outreach activities in 2009 and 2010 to assist Aboriginal Peoples, the public, decision-makers and community representatives in understanding the regulation of the uranium mining industry.

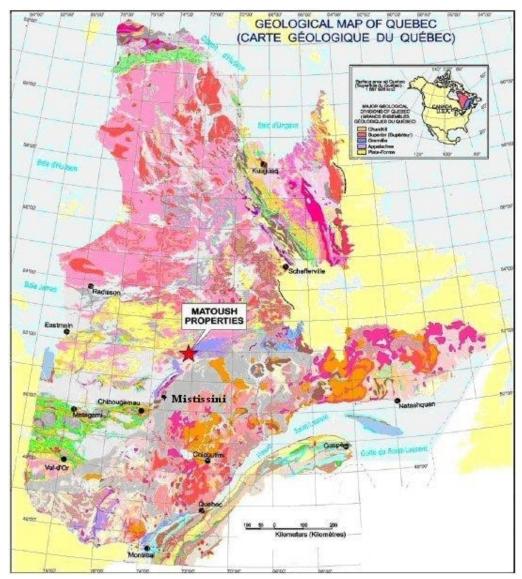


Figure 1 - Map of province of Quebec showing the locations and landmarks for orientation.

For more information:

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