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NUNAVUT WATER BOARD
NUNAVUT IMALIRIYIN KATIMAYINGI

**WATER LICENCE
APPLICATION FORM**

Application for: (check one)

New

Amendment

Renewal

Assignment

LICENCE NO: (for NWB use only)									
1. NAME AND MAILING ADDRESS OF APPLICANT/LICENSEE Anglo American Exploration (Canada) Ltd. Suite 800 – 700 West Pender Street Vancouver, British Columbia V6C 1G8 Phone: 604-684-1454 Fax: 604-689-3480 e-mail: gdeschutter@angloamerican.ca	2. ADDRESS OF CORPORATE OFFICE IN CANADA (if applicable) Same as #1 Phone: _____ Fax: _____ e-mail: hbed@angloamerican.ca								
3. LOCATION OF UNDERTAKING (describe and attach a topographical map, indicating the main components of the Undertaking) Please see attached map Latitude: <u>66° 54' 52"</u> Longitude: <u>115°14' 37"</u> NTS Map No. <u>086 J/14</u> Scale <u>1:50 000</u>									
4. DESCRIPTION OF UNDERTAKING (attach plans and drawings) Water use for 12-20 person camp, including portable showers, cleaning and cooking. Water pumped by small diesel water pump from McGregor Lake to holding tanks in camp. Also, water use for exploration drilling utilizing a helicopter supported Boyles 37 drill rig (or equivalent).									
5. TYPE OF UNDERTAKING (A supplementary questionnaire <u>must</u> be submitted with the application for undertakings listed in “ bold ”) <table><tr><td><input type="checkbox"/> Industrial</td><td><input checked="" type="checkbox"/> Remote/Tourism Camps</td></tr><tr><td><input type="checkbox"/> Mine Development</td><td><input type="checkbox"/> Municipal</td></tr><tr><td><input type="checkbox"/> Advanced Exploration</td><td><input type="checkbox"/> Power</td></tr><tr><td><input checked="" type="checkbox"/> Exploratory Drilling</td><td><input type="checkbox"/> Other (describe) _____</td></tr></table>		<input type="checkbox"/> Industrial	<input checked="" type="checkbox"/> Remote/Tourism Camps	<input type="checkbox"/> Mine Development	<input type="checkbox"/> Municipal	<input type="checkbox"/> Advanced Exploration	<input type="checkbox"/> Power	<input checked="" type="checkbox"/> Exploratory Drilling	<input type="checkbox"/> Other (describe) _____
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<input checked="" type="checkbox"/> Exploratory Drilling	<input type="checkbox"/> Other (describe) _____								

6. WATER USE

<input checked="" type="checkbox"/> To obtain water	<input type="checkbox"/> To divert a watercourse
<input type="checkbox"/> To modify the bed or bank of a watercourse	<input type="checkbox"/> Flood control
<input type="checkbox"/> To alter the flow of, or store, water	<input type="checkbox"/> Other (describe):
<input type="checkbox"/> To cross a watercourse	

7. QUANTITY OF WATER INVOLVED (litres per second, litres per day or cubic metres per year, including both quantity to be used and quality to be returned to source)

Approximately 20m³ per day when camp in full operation. All return water will be directed to natural depression at least 30m from high water mark of closest body of water.

8. WASTE (for each type of waste describe: composition, quantity, methods of treatment and disposal, etc.)

All grey water from camp will be deposited in a natural depression or man-made sump behind the kitchen at least 30m from high water mark of nearest body of water. All drill return/sludge will be deposited in a natural depression at least 30m from high water mark of closest body of water.

<input type="checkbox"/> Sewage	<input type="checkbox"/> Waste oil
<input type="checkbox"/> Solid Waste	<input checked="" type="checkbox"/> Greywater
<input type="checkbox"/> Hazardous	<input checked="" type="checkbox"/> Sludges
<input type="checkbox"/> Bulky Items/Scrap Metal	<input type="checkbox"/> Other (describe) _____

9. PERSONS OR PROPERTIES AFFECTED BY THIS UNDERTAKING (give name, mailing address and location; attach if necessary)

Land Use Permit Access to IOL application and federal land use application in progress

DIAND Yes No If no, date expected _____

Regional Inuit Association Yes No If no, date expected _____

Commissioner Yes No If no, date expected _____

10. PREDICTED ENVIRONMENTAL IMPACTS OF UNDERTAKING AND PROPOSED MITIGATION MEASURES (direct, indirect, cumulative impacts, etc.)

NIRB Screening Yes No If no, date expected _____

No environmental impact anticipated

11. INUIT WATER RIGHTS

Will the project or activity substantially affect the quality, quantity, or flow of water flowing through Inuit Owned Lands and the rights of Inuit under Article 20 of the Nunavut Land Claims Agreement? **NO**

11. (Continued)

If yes, has the applicant entered into an agreement with the Designated Inuit organization to pay compensation for any loss or damage that may be caused by the alteration. If no compensation agreement has been made, how will compensation be determined?

12. CONTRACTORS AND SUB-CONTRACTORS (name, address and functions)

Nunasi Helicopters – helicopter support
#260 – 5022 – 49th Street
Yellowknife, NT X1A 3R7

Other contractors intended to be utilized include First Air, Matrix Aviation Solutions, Air Tindi, 1984 Enterprises Inc., Major Drilling, Weaver & Devore, SJ Geophysics, Arctic Sunwest Charters, Mulco Expeditors, Lamontagne Geophysics, Crone Geophysics

13. STUDIES UNDERTAKEN TO DATE (list and attach copies of studies, reports, research, etc.)

None to date

14. THE FOLLOWING DOCUMENTS MUST BE INCLUDED WITH THE APPLICATION FOR THE REGULATORY PROCESS TO BEGIN

Supplementary Questionnaire (where applicable: see section 5) Yes No
If no, date expected _____

Inuktitut/English Summary of Project Yes No
If no, date expected _____

Application fee \$30.00 (c/o of Receiver General for Canada) Yes No
If no, date expected _____

15. PROPOSED TIME SCHEDULE

Annual (or) Multi Year

Start Date: May 15, 2003 Completion Date: _____

Name (Print)

Title (Print)

Signature

Date**For Nunavut Water Board use only****APPLICATION FEE** Amount: \$ _____ Receipt No.:**WATER USE DEPOSIT** Amount: \$ _____ Receipt No.:



P.O. Box 119
GJOA HAVEN, NT X0E 1J0
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FAX: (867) 360-6369

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NUNAVUT WATER BOARD

NUNAVUT IMALIRIYIN KATIMAYINGI

EXPLORATION/REMOTE CAMP SUPPLEMENTARY QUESTIONNAIRE

Applicant: Anglo American Exploration (Canada) Ltd. **Licence No:** _____
(For NWB Use Only)

ADMINISTRATIVE INFORMATION

1. Environment Manager: Gary DeSchutter Tel: 604-684-1454 Fax: 604-689-3480 email: gdeschutter@angloamerican.ca

2. Project Manager: Same as above

3. Does the applicant hold the necessary property rights?

YES. Through a pending option and joint venture agreement between Anglo American and Muskox Minerals Corp.

4. Is the applicant an 'operator' for another company (i.e., the holder of the property rights)?

If so, please provide letter of authorization

5. Duration of the Project

Annual

Multi Year:

If Multi-Year indicate proposed schedule of on-site activities

Start: May 15, 2003

Completion: on-going

CAMP CLASSIFICATION

6. Type of Camp

Mobile (self-propelled)

Temporary

Seasonally Occupied: _____

Permanent

Other: _____

7. **What are the design population of the camp and the maximum population expected on site at one time? What will be the fluctuations in personnel?** Camp will be constructed of Weatherhaven tents (or equivalent). Maximum population is expected to be 20 persons at any one time but average for camp will fluctuate between 8 and 15 on average.

8. Provide history of site if it has been used in the past. McGregor Camp is the original INCO site from the 1950's and 60's. Muskox Holdings (subsidiary of Muskox Minerals) has utilized the same camp location intermittently for approximately seven years.

CAMP CLASSIFICATION

9. Please describe proposed camp location in relation to biogeographical and geomorphological features, and water bodies. The McGregor Camp is located at the north end of McGregor Lake and sits at the top of a small hill approximately 400m from the lake. The ground consists of frost boils with very bare vegetative cover.

10. How was the location of the camp selected? Was the site previously used? Was assistance from the Regional Inuit Association Land Manager sought? Include maps and/or aerial photographs.
Original site from the holders of the property rights (mineral) before Muskox Holdings (INCO,...).

11. Is the camp or any aspect of the project located on:

[] Crown Lands Permit Number(s)/Expiry Date: application in progress

[] Commissioners Lands Permit Number(s)/Expiry Date: _____

Inuit Owned Lands Permit Number(s)/Expiry Date: application in progress

12. Closest Communities (distance in km):

Kugluktuk (~95km to the north)

13. Has the proponent notified and consulted the nearby communities and potentially interested parties about the proposed work? Yes. KIA Lands Manager in Kugluktuk is aware of our plans (Mr. Kaniak) as are the staff in Cambridge Bay (Mr. de Beer). AAEC intend to visit Kugluktuk prior to the beginning of the field season to meet with the local council and to hold a public information session.

14. Will the project have impacts on traditional water use areas used by the nearby communities? Will the project have impacts on local fish and wildlife habitats? NO

PURPOSE OF CAMP

15. Mining/exploration
 Tourism (hunting, fishing, wildlife observation, adventure/expedition, etc.)
 Other

16. Preliminary site visit
 Prospecting
 Geological mapping
 Geophysical survey
 Diamond drilling
 Reverse circulation drilling
 Evaluation Drilling/Bulk Sampling (also complete separate questionnaire)
 Other:

17. Type of deposit:

- Lead Zinc**
- Diamond**
- Gold**
- Uranium**
- Other: Nickel-copper-platinum group elements**

DRILLING INFORMATION

18. Drilling Activities

- Land Based Drilling**
- Drilling on ice**

19. Describe what will be done with drill cuttings? Drill cuttings will be deposited in a natural depression at least 30m from high water mark of closest water body.

20. Describe what will be done with drill water? Drill water will be deposited in a natural depression at least 30m from high water mark of closest water body.

21. List brand names and constituents of the drill additives to be used? Includes MSDS sheets and provide confirmation that the additives are non-toxic and biodegradable.

22. Will any core testing be done on site? Describe. NO

SPILL CONTINGENCY PLANNING

23. Does the proponent have a spill contingency plan in place? Please include for review. YES. Anglo American, through its wholly owned subsidiary, Hudson Bay Exploration and Development, has established a comprehensive internal safety, health and environmental program known as S.H.E. (Safety, Health and Environment). The guidelines within this program address all issues related to exploration programs throughout Canada and includes specific corporate guidelines for Drill Site Cleanup, Spills & Spill Procedure and Hazardous Spill Procedures as well as First Aid and Survival Techniques and Wildlife Encounters. All contractors that work for AAEC are required to read the policy manual as a condition of employment. A copy of the Policy is included in this application for reference.

24. How many spill kits will be on site and where will they be located? A minimum of three spill kits will be located at the project site: one located at the drill site, one located at the camp (fuel cache) and a third at the helicopter pad.

25. Please describe the types, quantities and method of storage of fuel and chemicals on site, and provide MSDS sheets. All fuel, including Jet B, P-50 and gas will be stored in 45 gallon drums. Other chemicals and materials to be used on site include drilling muds (Torqueless and Ultravis, polydrill 133X and OBX, DD 2000) and calcium chloride (salt for drilling).

WATER SUPPLY AND TREATMENT

26. Describe the location of water sources. For the exploration camp, McGregor Lake will be the source of water. For the drill program, the closest lake to the hole location will serve as the source for water.

27. Estimate demand (in L/day * person):

Domestic Use: 66 L/person/day **Water Source:** McGregor Lake
 Drilling Units: 11,000 L/person **Water Source:** nearest lake
 Other: _____ **Water Source:** _____

28. Describe water intake for camp operations? Is the water intake equipped with a mesh screen to prevent entrapment of fish. Describe: A small diesel water pump on the shore of McGregor Lake will be used to get water to the main camp. The pump will be started once a day or as required for approximately 30 minutes to fill holding tanks at the camp. The pump is equipped with a 20 mesh screen on the intake hose.

29. Will drinking water quality be monitored? NO

30. Will drinking water be treated? NO

31. Will water be stored on site? YES. Two 250 gallon storage tanks will be used.

WATER SUPPLY AND TREATMENT

32. Describe the characteristics, quantities, treatment and disposal methods for:

- **Camp Sewage (blackwater)**

Outhouses, located well away from any standing water will be utilized

- **Camp Greywater**

Outhouses, located well away from any standing water will be utilized

- **Solid Waste**

Combustible materials will be incinerated

- **Bulky Items/Scrap Metal**

flown off site to Yellowknife

- **Waste Oil/Hazardous Waste**

flown off site to Yellowknife

- **Empty Barrels/Fuel Drums**

flown off site to Yellowknife ; all attempts will be made to remove drums from historical programs

- **Other:**

33. Please describe incineration system if used on site. What types of wastes will be incinerated? The incinerator will consist of a 45 gallon drum cut in half with an installed metal grill. Waste to be incinerated will include food waste, cardboard boxes, paper and wood.

34. Where and how will non-combustible waste be disposed of? If in a municipality in Nunavut, has authorization been granted? All non-combustible materials will be flown and disposed in Yellowknife.

35. Describe the location (relative to water bodies and camp facilities) dimensions and volume, and freeboard for sumps (if applicable). N/A

36. Will leachate monitoring be done? What parameters will be sampled and analyzed, and at what frequency? N/A

OPERATION NAD MAINTENANCE

37. Have the water supply and waste treatment and disposal methods been used and proven in cold climate? What known O&M problems may occur? What contingency plans are in place? YES.

ABANDONMENT AND RESTORATION

38. Provide a detailed description of progressive and final abandonment and restoration activities at the site. All materials brought to the McGregor lake camp site under the option and joint venture Agreement between Anglo American and MuskoX Minerals will be removed from the property upon completion of the exploration project. AAEC understands that there are some materials on the property from previous exploration programs including a number empty fuel drums. AAEC, although not liable or responsible for these materials, will endeavour to remove as much of them as possible during the course of its exploration activities.

BASELINE DATA

39. Has or will any baseline information be collected as part of this project? Provide bibliography.

- Physical Environment (Landscape and Terrain, Air, Water, etc.)**
- Biological Environment (Vegetation, Wildlife, Birds, Fish and other Aquatic Organisms, etc.)**
- Socio-economic Environment (Archeology, Land and Resources Use, Demographivs, Social and Cultural Patterns, etc.)**
- Other:**
No data collected as of yet.

REGULATORY INFORMATION

40. Do you have a copy of

- **article 13 – Nunavut Land Claims Agreement**
- **NWB – Water Licensing in Nunavut – Interim Procedures and Information Guide for Applicants**
- **NWB – Interim Rules of Practice and Procedure for Public Hearings**
- **NWTWB - Guidelines for the Discharge of Treated Municipal Wastewater in the NWT**
- **NWTWB – Guidelines for Contingency Planning**
- **DFO – Freshwater Intake End of Pipe Fish Screen Guideline**
- **Fisheries Act – s.35**
- **RWED – Environment Protection – Spill Contingency Regulations**
- **Canadian Drinking Water Quality Guidelines**
- **Public Health Act Camp Sanitation Regulations**
- **Public Health Act Water Supply Regulations**
- **Territorial Land Use Act and Regulations**

You should consult the above document, guidelines, and legislation for compliance with existing regulatory requirements.