October 22, 2010

Our reference File #9545-2-3.8BC.TADA CIDM #431751

Sent by email: licensing@nunavutwaterboard.org

Your reference 8BC-TAD0811/TR/F1

Phyllis Beaulieu Manager of Licensing Nunavut Water Board Gjoa Haven, Nunavut X0E 1J0

Re: Nunavut Water Board License #8BC-TAD0811, City of Iqaluit, Trail Area Deposit, Qikiqtani Region, Notice of Modification for Widening of Trail Area Deposit Access Road

Dear Phyllis,

Thank you for your September 24, 2010 notification of the City of Iqaluit's notice of modification concerning the widening of an existing section of their Trail Area Deposit's access road.

A Technical Review Memorandum is provided for the Board's consideration.

Please do not hesitate to contact me by telephone at 867 975-4555 or email at david.abernethy@inac-ainc.gc.ca to discuss this submission.

Regards,

David W. Abernethy
Water Resources Regional Coordinator
Operations Directorate
Nunavut Regional Office
Iqaluit, Nunavut
X0A 0H0

Encl.

c.c.: L.A. Cornacchio, Water Resources Manager P. Kusugak, Field Operations Manager



Technical Review Memorandum

TO Phyllis Beaulieu OUR REFERENCE

Manager of Licensing File #9545-2-3.8BC.TADA

Nunavut Water Board CIDM #431751

YOUR REFERENCE 8BC-TAD0811/TR/F1

Water Resources Regional Coordinator

Indian and Northern Affairs Canada DATE

October 22, 2010

SUBJECT

FROM

Nunavut Water Board License #8BC-TAD0811/TR/F1, City of Iqaluit, Trail Area Deposit, Qikiqtani Region, Notice of Modification for Widening of Trail Area Deposit Access Road

A. PROJECT DESCRIPTION

On Sept. 24/10 the Nunavut Water Board (NWB or Board) provided notification of the City of Iqaluit's notice of modification for the widening of a section of the Trail Area Deposit's access road dated Sept. 14/10. This submission was made pursuant to Part F: Conditions Applying to Modifications of their licence. Interested parties were requested to review this submission and provide written representations by Sept. 24/10.

As stated in their submission,

The access road within the Trail Area Deposit No. 2 has been widened to 7.8m driving surface with a safety berm 2.78m wide constructed along the stream side. To allow the City of Iqaluit to comply with the current mining regulations, the existing section of access road between Deposit 1 and Deposit 2, crossing the watercourse, has to be widened from the West side to match the minimum width as in Deposit 2, as well as extending the safety berm. The existing 900mm culvert will be extended from the West side (the downstream side) to facilitate the road widening. Natural and crushed materials from the Trail Area Deposit will be used to widen the access road.

Included in the City of Iqaluit's submission were two (2) design drawings entitled "Trail Area Deposit Road Extension," SK12 and SK13, project number 20458, dated Aug. 16/10 and Sept. 8/10.

B. RESULTS OF REVIEW

On behalf of the Indian and Northern Affairs Canada I am providing the following comments / recommendations for the Board's consideration,

1. General Observations

Indian and Northern Affairs Canada is satisfied with the City of Iqaluit's Sept. 14/10 notice of modification. The City of Iqaluit should specify which mining regulations made it necessary to widen the Trail Area Deposit's access road. This information can be included with the submission of as-built plans and drawings that are required pursuant to Part F, Item #3 of the licence.

2. Topographic Map of Project Area

The City of Iqaluit should provide an appropriately scaled topographic map of their project area that delineates the Trail Area Deposit, water sources, known aggregate deposits within this area (e.g. Deposit #'s 1 and 2), the access road, granular material processing and stockpiling locations, licenced monitoring program stations, and any other relevant aspects of this undertaking. This map should be revised on an annual basis and included with annual report submissions.

3. Compliance Plan

The May 7/07 Executive Summary included in the City of Iqaluit's original water licence application requested a three (3) year term with the aim of incorporating the Trail Area Deposit into their Type A municipal licence, #3AM-IQA0611, when it is renewed in 2011. During my review I noted a number of outstanding compliance issues associated with this licence. Prior to incorporating the Trail Area Deposit into an amendment and renewal application for their Type A licence, the City of Iqaluit should submit a plan for compliance to address the outstanding compliance issues associated with the Trail Area Deposit. A similar exercise should be carried out for their Type A licence.

Prepared by David Abernethy

c.c.: L.A. Cornacchio, Water Resources Manager

P. Kusugak, Field Operations Manager