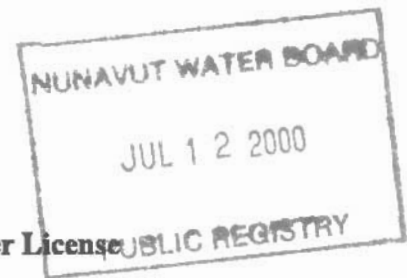


Muskox Minerals Corp.

July 12, 2000

Nunavut Water Board
P.O. Box 119
Gjoa Haven, NT.
X0E 1J0



**Re: Application for renewal of Muskox Holdings Ltd. Water License
Water License NWB2MCG9800**

Dear Sirs;

Please find enclosed the application package for renewal of our water license NWB2MCG9800. The package includes an executive summary in English, an executive summary in Inuktitut, application form, supplementary questionnaire, and pertinent MSDS sheets, or equivalent. In addition we have included a cheque for \$30.00.

Please advise me of the outcome of the renewal application at one of the following contact information:

Tel: (604) 638-0690
Fax: (604) 638-0691
Email: fsomji@attglobal.net

Thank you for assistance.

Sincerely,

Feisal Somji
Project Manager





P.O. Box 119
GJOA HAVEN, NT X0E 1J0
TEL: (867) 360-6338
FAX: (867) 360-6369
KATIMAYINGI

ᓇᓇᓂᓪ ᓇᓂᓂᓪ ᓂᓂᓂᓪ
NUNAVUT WATER BOARD
NUNAVUT IMALIRIYIN

WATER LICENCE APPLICATION FORM

Application for: (check one)

☐ New ☐ Amendment ☒ Renewal ☐ Assignment

| | | | | | | | | | |
|--|---|-------------------------------------|---|---|------------------------------------|---|--------------------------------|--|--|
| LICENCE NO: (for NEWBUs only) | | | | | | | | | |
| 1. NAME AND MAILING ADDRESS OF APPLICANT/LICENSEE Muskox Holdings Ltd #700-1285 W. Pender Street Vancouver, B.C., V6E 4B1 Phone: 604-684-1658 Fax: 604-683-2699 e-mail: f5omji@attglobal.net | 2. ADDRESS OF CORPORATE OFFICE IN CANADA (if applicable) SAME MUNAVUT WATER BOARD JUL 20 2000 + July 12/00 PUBLIC REGISTRY Phone: _____ Fax: _____ e-mail: _____ | | | | | | | | |
| 3. LOCATION OF UNDERTAKING (describe and attach a topographical map, indicating the main components of the Undertaking) Please see attached map showing mineral concession areas held by Muskox, including location of camp. Latitude: 66°54.82N Longitude: 115°14.47E NTS Map No. 86J14 Scale 1:50,000 | | | | | | | | | |
| 4. DESCRIPTION OF UNDERTAKING (attach plans and drawings) Water use for 15-24 man camp, including portable showers, cleaning + cooking. Water pumped by small diesel water pump from McGregor lake to holding tank in camp. Also, water use for exploration drilling using a Boyles 37 drill rig. | | | | | | | | | |
| 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 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 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): _____ |
| <input type="checkbox"/> Industrial | <input 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): _____ | | | | | | | | |

6. WATER USE

- ☒ To obtain water
☐ To modify the bed or bank of a watercourse
☐ To alter the flow of, or store, water
☐ To cross a watercourse
☐ To divert a watercourse
☐ Flood control
☐ Other (describe): _____

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

Approx. 20 m³/day when in full operation. All return water directed to a natural depression at least 30m from high water mark

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

- 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.*
☐ Sewage
☐ Solid Waste
☐ Hazardous
☐ Bulky Items/Scrap Metal
☐ Waste oil
☒ Greywater
☒ Sludges
☐ Other (describe): *high water mark*
Drill return/sludge will be deposited in a natural depression at least 30m from high water mark.

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

Land Use Permit *Inuit Land Use Permit # KTL 398 C031*
DIAND PERMIT *N1998 C0920 Speers Lake Area*

- 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 _____

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 Function: Helicopter Support Function:
#260-5022-49th Street Kitikmeot Geoscience Ltd Operator
Yellowknife, NT, X1A 3R7 #700-1285 W. Pender St
Vancouver, B.C.

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

None.

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: Nov 1, 2000 Completion Date: _____

Feisal Somji

Environmental Manager

Feisal Somji

July 10, 2000

Name (Print)

Title (Print)

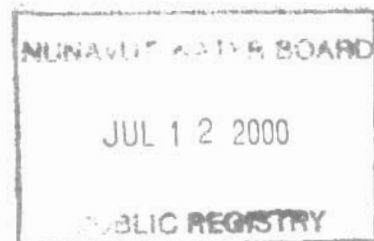
Signature

Date

| | | |
|----------------------------------|------------|-------------|
| For Nunavut Water Board use only | | |
| APPLICATION FEE | Amount: \$ | Receipt No: |
| WATER USE DEPOSIT | Amount: \$ | Receipt No: |

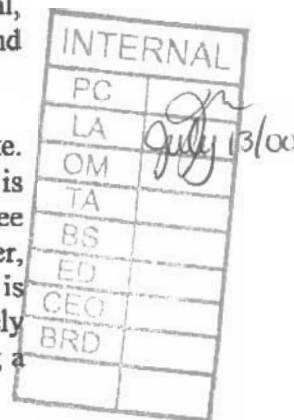
EXECUTIVE SUMMARY
MUSKOX HOLDINGS LTD
APPLICATION FOR EXTENSION OF
WATER LICENSE NWB2MCG9800

JULY 10, 2000



Muskox Holdings Ltd applied for and received a water license in 1998. This water license NWB2MCG9800 covers a mineral exploration camp located approximately 90 km South of Kugluktuk at McGregor Lake. The camp has been used for geological, geophysical and drilling crews. The water license expires on October 31, 2000 and Muskox Holdings would like to apply for this license to be extended.

A fifteen to twenty man exploration camp is located at the North end of McGregor Lake. The camp is currently in use and houses a drill crew and a geological crew. The camp is constructed of weatherhaven tents. There is a kitchen and dry unit, which includes three shower stalls, a washer and dryer, and two 250-gallon water storage tanks. The water, once used is deposited behind the kitchen unit, in a natural depression. This depression is at least 30m from the high water mark of McGregor Lake. The camp uses approximately 250 gallons of fresh water per day. The water is obtained from McGregor Lake using a small diesel water pump with a 20-mesh screen on the intake hose.



The camp is not equipped with any formal sewage system. The occupants of the camp use small white buckets, which are then shipped back to Yellowknife for disposal. An outhouse is being considered for construction this summer.

There is one drill on site, a Boyles 37 fly drill. The drill is used for exploratory drilling. Muskox has drilled approximately 4,000m this year and intends to drill up to another 10,000m. The drilling has all been on land, however a couple of lake-based targets may be tested this coming winter. The drill uses up to 3,000 gallons of water per day. The drill return and its cuttings are deposited in a natural depression at least 30 m from the high water mark of the nearest lake. All muds and salts used in the drill are environmentally safe, and the MSDS sheets are included in this application.

Muskox Holdings has two main contractors. Kitikmeot Geoscience Ltd, an Inuit Owned Firm is the operator for Muskox Holdings. Kitikmeot Geoscience conducts all aspects of the fieldwork, including the drilling. Nunasi Helicopters, also an Inuit Owned Firm, provides the helicopter support.

Kitikmeot Geoscience Ltd, on behalf of Muskox Holdings, has communicated with the closest community of Kugluktuk. Several residents of Kugluktuk, along with other residents of the Kitikmeot Region, have been hired for work at the camp

MUNAVUT WATER BOARD
 JUL 12 2000
 PUBLIC REGISTRY

Δ 10, 2000

[illegible][illegible][illegible][illegible][illegible][illegible]

| | |
|----------|-------------------|
| INTERNAL | |
| PC | <i>July 13/00</i> |
| LA | |
| OM | |
| TA | |
| BS | |
| ED | |
| CEO | |
| ORD | |
| | |



P.O. Box 119
GJOA HAVEN, NT XOE 1J0 ᐅᐱᐅᐅ ᐃᐱᐅᐅᐅᐅ ᐅᐅᐱᐅᐅᐅ
TEL: (867) 360-6338 NUNAVUT WATER BOARD
FAX: (867) 360-6369 NUNAVUT IMALIRIYIN KATIMAYINGI

**EXPLORATION/ REMOTE CAMP
SUPPLEMENTARY QUESTIONNAIRE**

NUNAVUT WATER BOARD

JUL 20 2000

Applicant: Muskox Holdings Ltd Licence No: _____
(For NWB Use Only)

PUBLIC REGISTRY

ADMINISTRATIVE INFORMATION

1. Environment Manager: Faisal Samji Tel: 604-638-0690 Fax: 604-638-0691 E-mail: fsamji@attglobal.net
2. Project Manager: Same as above Tel: _____ Fax: _____ E-mail: _____
3. Does the applicant hold the necessary property rights?
4. Is the applicant an 'operator' for another company (i.e., the holder of the property rights)?
If so, please provide letter of authorization. YES.
NO
5. Duration of the Project
☐ Annual
☒ Multi Year:
If Multi-Year indicate proposed schedule of on site activities
Start: Nov 1/00 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 constructed of weatherhaven tents, as well as pre-built wooden shacks. Maximum population is 20 people. On Average 12-15 people

8. Provide history of the 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 has been using this site for 3 yrs.

CAMP LOCATION

9. Please describe proposed camp location in relation to biogeographical and geomorphological features, and water bodies. *Camp is located at North end of McBrego Lake. It sits at the top of a small hill approximately 400m from the lake shore. The ground consists of frost boils with very bare vegetation 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 holders of the property (mineral) rights before Mustox Holdings.*

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

☒ Crown Lands

Permit Number (s)/Expiry Date:

M1998C0920 / Nov 24/00

☐ Commissioners Lands

Permit Number (s)/Expiry Date:

☒ Inuit Owned Lands

Permit Number (s)/Expiry Date:

KTL398C031 / March 14/01

12. Closest Communities (distance in km):

Kugluktuk 90 km to the North

13. Has the proponent notified and consulted the nearby communities and potentially interested parties about the proposed work?

YES. We have worked with the employment officer in Kugluktuk and have hired many individuals from Kugluktuk and other communities in the Kitiikmat Region

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 THE CAMP

15. ☒ Mining / *Exploration*

☐ Tourism (hunting, fishing, wildlife observation, adventure/expedition, etc.)
(Omit questions # 16 to 21)

☐ Other _____ (Omit questions # 16 to 22)

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:

PGE (Platinum Group Elements)

DRILLING INFORMATION

18. Drilling Activities

- ☒ Land Based drilling
- ☒ Drilling on ice *(very little)*

19. Describe what will be done with drill cuttings?

Deposited in a natural depression at least 30m from high water mark of nearest lake.

20. Describe what will be done with drill water?

Same as 19

21. List the 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.

*Boyles 37 Drill - operated by Kitikmeot Geoscience Ltd.
- see attached MSDS sheets*

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.

Transportable spill kits are located in camp in the event of fuel or oil spillage. Any spills will be cleaned up immediately and reported to the appropriate agency.

24. How many spill kits will be on site and where will they be located?

*Two spill kits
One at the camp
- one with the drill*

25. Please describe the types, quantities, and method of storage of fuel and chemicals on site, and provide MSDS sheets.

- Jet B, p-50, and gas in 45 gal sealed drums.
- Torqueless and Ultravis (muds for drilling)
- Poly drill 133X and OBX (muds for drilling)
- Calcium chloride (salt for drilling)
- DD 2000 (mud for drilling)

WATER SUPPLY AND TREATMENT

26. Describe the location of water sources.

Camp - McGregor Lake
Drill - closest lake from drill site.

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

○ Domestic Use: 66 L/day/person Water Source: McGregor Lake
○ Drilling Units: 11,000 L/day 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:

Small diesel water pump on shore of McGregor Lake. Pump started once a day for half an hour to fill up holding tanks in camp. Pump has a 20 mesh screen on intake hose.

29. Will drinking water quality be monitored? What parameters will be analyzed and at what frequency?

No.

30. Will drinking water be treated? How?

No

31. Will water be stored on site?

Two 250 gallon storage tanks in camp.

WASTE TREATMENT AND DISPOSAL

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

- ☒ Camp Sewage (blackwater)

Camp Sewage is removed from site using buckets

- ☒ Camp Greywater

1,000 l/day max. Untreated. Deposited in natural ~~sewage~~ depression or Sump

- ☐ Solid Waste

- ☐ Bulky Items/Scrap Metal

- ☒ Waste Oil/Hazardous Waste

Flown off site - to Yellowknife

- ☒ Empty Barrels/Fuel Drums

Flown off site to Yellowknife

- ☐ Other:

33. Please describe incineration system if used on site. What types of wastes will be incinerated?

Using 45 gal drum cut in half with a metal grill. Food wastes, cardboard boxes, paper, wood will be burned.

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

Flown to Yellowknife

35. Describe 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?

No

OPERATION AND 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 will be removed from site.*

BASELINE DATA

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

No data collected as of yet.

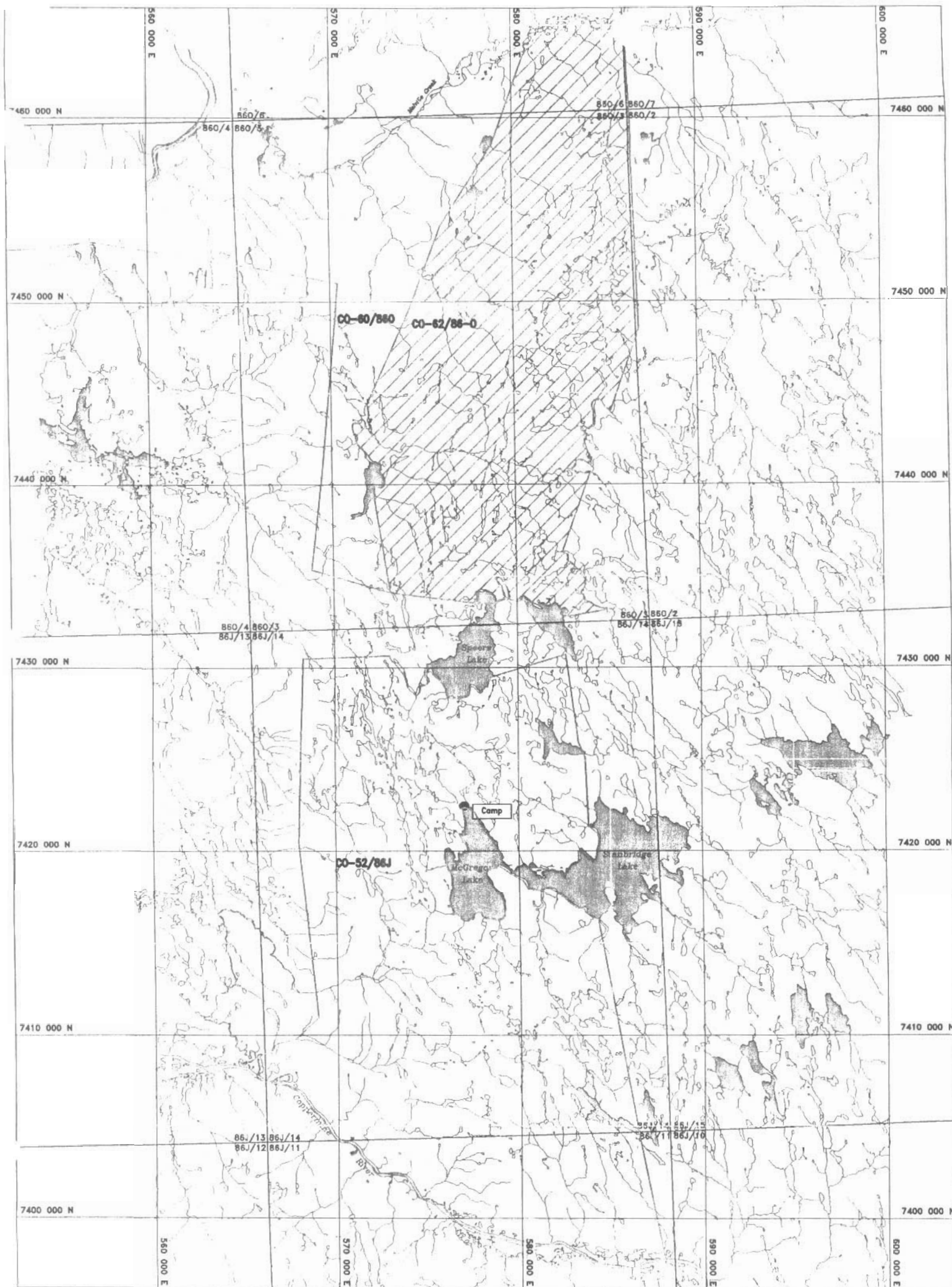
- ☐ Physical Environment (Landscape and Terrain, Air, Water, etc.)
- ☐ Biological Environment (Vegetation, Wildlife, Birds, Fish and Other Aquatic Organisms, etc.)
- ☐ Socio-Economic Environment (Archaeology, Land and Resources Use, Demographics, Social and Culture Patterns, etc.)
- ☐ Other:

REGULATORY INFORMATION

40. Do you have a copy of

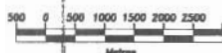
- ☒ Article 13 - Nunavut Land Claims Agreement
- ☒ NWB - Water Licensing in Nunavut - Interim Procedures and Information Guide for Applicants
- ☒ NWB - Interim Rules of Practice and Procedure for Public Hearings
- ☒ NWTWB - Guidelines for the Discharge of Treated Municipal Wastewater in the NWT
- ☒ NWTWB - 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.



SHADY WATER ONLY

Sub surface withdrawal



KITIKMEOT
Geosciences

Muskox Minerals Corp.

Proposed Drill holes

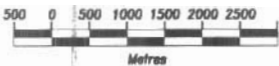
SCALE: 200,000 DATE: Feb. 2000 FIGURE 1

APPROVED BY: JAZ

FILE: kmol-boss.dwg



Sub surface withdrawal



KITIKMEOT
Geosciences

Muskox Minerals Corp.

Proposed Drill holes

| | | |
|-----------------|-------------------|----------|
| SCALE:200,000 | DATE:Feb,2000 | FIGURE 1 |
| APPROVED BY:JAZ | FILE:and-basa.dwg | |