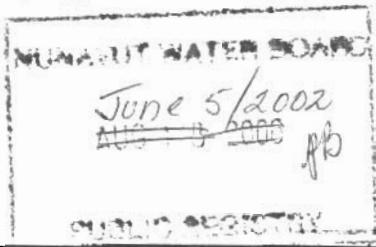


WATER LICENCE APPLICATION FORM

Application for: (check one)

New Amendment Renewal

Assignment

LICENCE NO: (for NWB use only)	
1. NAME AND MAILING ADDRESS OF APPLICANT/LICENSEE Ashton Mining (Northwest Territories) Ltd. Unit 123 – 930 West 1 st Street North Vancouver, British Columbia V7P 3N4	
Phone: <u>(604) 983-7764</u> Fax: <u>(604) 987-7107</u> e-mail: <u>dave.willis@ashton.ca</u>	
2. ADDRESS OF CORPORATE OFFICE IN CANADA (if applicable) <div style="border: 1px solid black; padding: 5px; text-align: center;">  <small>NUNAVUT WATER BOARD</small> <small>June 5/2002</small> <small>AUG 13 2002 J.B.</small> </div>	
3. LOCATION OF UNDERTAKING (describe and attach a topographical map, indicating the main components of the undertaking)	
Territory of Nunavut, Kitikmeot Region, IOL CO-50	
NTS Maps 86L/14 & 86L/15	
The area within the straight line boundary of the following NAD 27, Zone 12 UTM Points:	
1) 411000E, 7418000N 2) 417000E, 7418000N 3) 411000E, 7414000N 4) 417000E, 7414000N	
Latitude: <u>66.85141°</u> Longitude: <u>112.96076°</u> NTS Map No. <u>86L/14, 86L/15</u> Scale: <u>1:50,000</u>	
Please see Map 1: Area of Operations in "Appendix A"	
4. DESCRIPTION OF UNDERTAKING (attach plans and drawings)	
Exploratory Drilling	
Please see detailed project description in "Appendix B"	
5. TYPE OF UNDERTAKING (A supplementary questionnaire <u>must</u> be submitted with the application for undertakings listed in "bold")	
Industrial <input type="checkbox"/> Remote/Tourism Camps <input checked="" type="checkbox"/> Mine Development <input type="checkbox"/> Municipal <input type="checkbox"/> Advanced Exploration <input type="checkbox"/> Power <input type="checkbox"/> Exploratory Drilling <input checked="" type="checkbox"/> Other (describe): <input type="text"/>	
Please see supplemental questionnaire in "Appendix C."	

6. WATER USE

To obtain water X
 To divert a watercourse
 To modify the bed or bank of a watercourse
 To alter the flow of, or store, water
 To cross 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 quality to be returned to source)

Approximately 60,000 liters in one 24 hour period.

Please see Detailed Project Description in "Appendix B"

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

Sewage Waste oil
 Solid Waste Greywater
 Hazardous Sludges
 Bulky Items/Scrap Metal X Other (describe) Drill Waste Water

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

Kitikmeot Inuit Association
 P.O. Box 360
 Kugluktuk, Nunavut
 XOE 0E0

Land Use Permit

DIAND	Not Required	Yes No	If no, date expected	pb
Regional Inuit Association	Required	Yes No	If no, date expected:	Expires July, 2002
Commissioner	Not Required	Yes No	If no, date expected	Applied for on August 18, 2000

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

NIRB Screening To be Determined by NWB Yes No If no, date expected:

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

See "Appendix D"

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

Geological Studies on Mineral Claims within the boundaries of the area requested. Please refer to "Appendix E."

13. 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

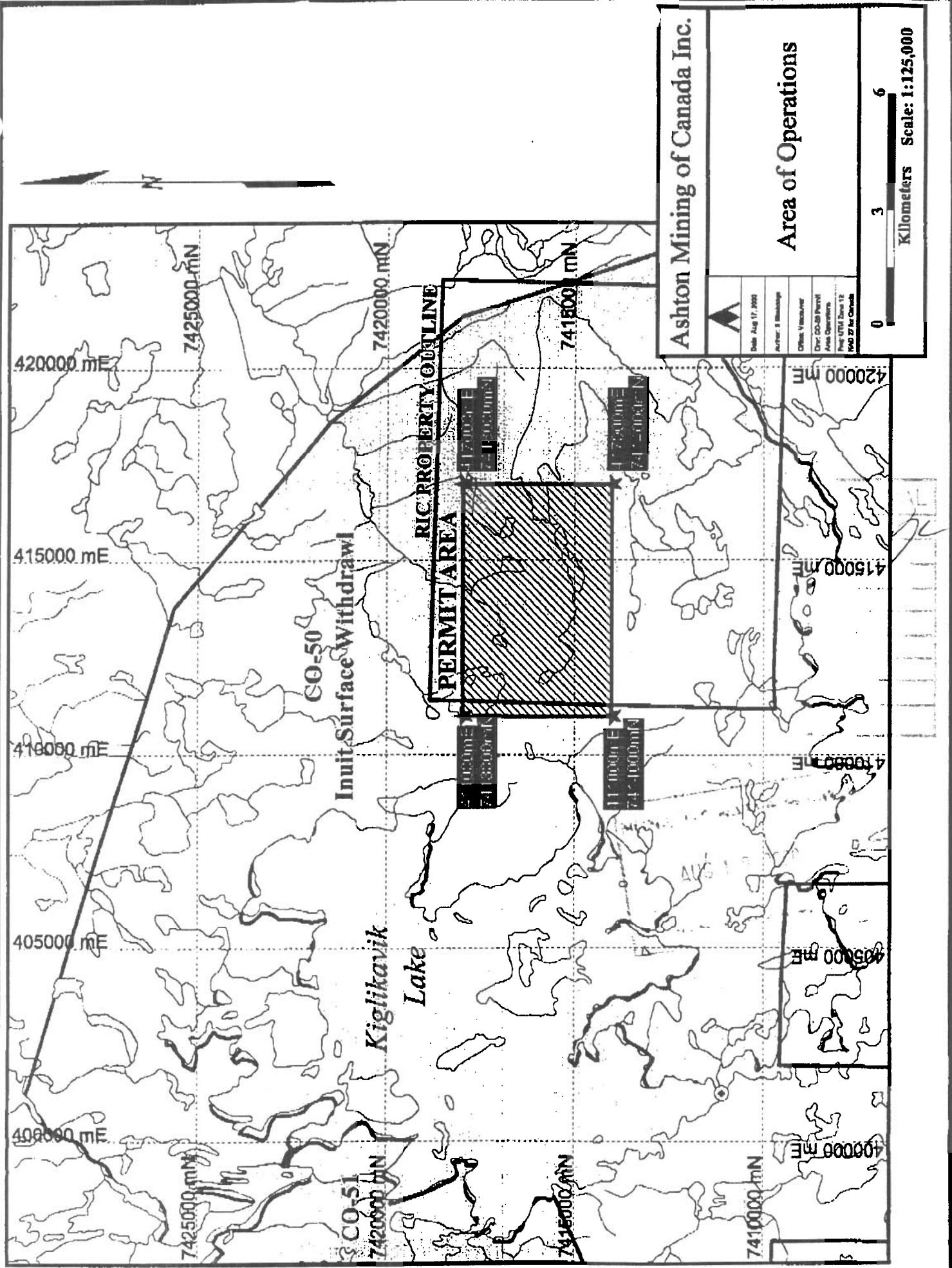
Inuktitut/English Summary of Project Yes No Please see "Appendix F"

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

14. PROPOSED TIME SCHEDULEAnnual (or) Multi Year *PB*
Start Date: *July 2002*
Mid September 2000Completion Date: *PB*
November 1/2003
~~Mid October 2000~~Name (Print): David Willis Title (Print): Land Administrator Signature: *W. Willis* Date: ~~August 17, 2000~~ *PB* *June 5/2002*For Nunavut Water Board use only
APPLICATION FEE Amount: \$ _____ Receipt No.:**WATER USE DEPOSIT** Amount: \$ _____ Receipt No.:

APPENDIX "A"

♦ Area of Operations



APPENDIX "B"

♦ Detailed Project Description

♦ Section 4 ♦**DETAILED PROJECT DESCRIPTION TO ACCOMPANY APPLICATION**

1.0 Introduction

The purpose of this application is to obtain a Water Use and Waste Disposal License from the Nunavut Water Board. The text of the following section will provide a detailed description of drilling operations.

2.0 Base Camp

Ashton's "RJ CAMP," located on Crown Land on the south shore of Kiglikavik Lake, will be used to support drilling activities. The camp is authorized by DIAND Land Use Permit N2000J0045 and NWB Permit NWB2KIG0002. Personnel and supplies will be staged out of this camp over the course of operations. The camp is approximately 20 kilometers to the south of the drill targets. An "A-Star B-2" or "Bell 206" helicopter will be the main source of transportation in the area. Equipment will be flown out to the drill site at the start of the program then removed at its conclusion.

3.0 Drilling

Ashton intends to drill test 3 isolated land based exploration targets located within its RIC mineral claims on Inuit Owned Land Parcel CO-50. Each target will require a separate drill set up and it is anticipated that up to 3 holes of NQ sized core (2.37 inches) will be drilled at each setup.

Only one helipadable rig will be in operation and this rig will be transported between sites and supported by helicopter. Maximum drill hole depths will not exceed 350 meters and average hole depth is anticipated to be 200 meters. Drill holes will be both vertical and inclined. No high-density delineation or bulk sample drilling will be conducted.

4.0 Environmental Impact

The drill rig will have a maximum footprint of 25 m². This includes the drill hut and pump shack. On average the anticipated drill holes are expected to take 2 days to complete. The drill rig will use a maximum of 60,000 liters of water in a 24-hour period. Normal operation of the drill produces 0.6m³ or 260 kg of cuttings for every 200m of drilling.

The above data indicates that the proposed 9 hole program will have a total footprint of 75m² (25m² x 3 sites). Anticipated total water consumption is not expected to exceed

1,080,000 liters (60,000 liters x 18 days). Total maximum drill cuttings produced by the program will not exceed 2,340 kg of fines (260 kg x 9 drill holes).

Given the above information and the area of investigation the proposal would appear to pose minimal environmental impact. However further to reduce any potential adverse effects on the environment Ashton will undertake the following:

- ◆ Any drilling wastes will be contained and deposited into a sufficiently large land based sump or naturally occurring, contained depression located not less than 30 meters from the high water mark of any body of water.
- ◆ All drill fluid will be recycled whenever possible.
- ◆ All sites will be restored to the most reasonable extent possible, to their original and natural states.

5.0 Fuel

Containers of fuel will be located at each drill site for the duration of each drill setup. It is anticipated that three types of fuel will be used in the following quantities:

- 1) Five full 45 gallon drums of diesel
- 2) Five full 45 gallon drums of Jet-B
- 3) Two 100 pound tanks of Propane

6.0 Fuel Spill Contingency Plan

Ashton recognizes that fuel use and storage has the potential to become problematic. As a result a Ashton's Fuel Spill and Containment Contingency Plan is indicated below.

- ◆ All fuels will be stored in depressions at least 30 meters from bodies of water.
- ◆ All fuel cache storage sites will be monitored on a regular basis for possible spills or leakage.
- ◆ Ashton personnel will be instructed in spill response and cleanup procedures.
- ◆ Fuel spill cleanup equipment will be retained at the site of drilling operations
- ◆ Any spills that occur will be reported immediately to KIA.