Your file - Votre référence 2BE-ABP----

December 19, 2017

Our file - Notre référence IQALUIT-#1194685

Licensing Department Nunavut Water Board P.O. Box 119 GJOA HAVEN, NU, X0B 1J0

Sent via email: <u>licensing@nwb-oen.ca</u>

Re: Technical Review of New Water Licence Application (No. 2BE-ABP----) – **Transition Metals Corporation**

To Nunavut Water Board.

Thank you for the Nunavut Water Board's November 15, 2017 notice of the above mentioned water licence application.

A memorandum is provided for the Nunavut Water Board's consideration. Comments and recommendations have been provided pursuant to Indigenous and Northern Affairs Canada's (INAC) mandated responsibilities under the Nunavut Waters and Nunavut Surface Rights *Tribunal Act* and the *Department of Indian Affairs and Northern Development Act*.

Please do not hesitate to contact me by telephone at 613 994 6772 or email at ian.parsons@aandc-aadnc.gc.ca for further information.

Sincerely,

Ian Parsons Regional Coordinator Water Resources Division Indigenous and Northern Affairs Canada P.O. Box 100 Iqaluit, NU X0A 0H0

Encl.

Cc. Erik Allain, Director of Lands, INAC, NRO Christine Wilson, Water Resources Officer, Field Operations, INAC, NRO



Memorandum

To: Licensing Department, Nunavut Water Board

Date: December 18, 2017

Re: Technical Review of Amendment Application No. 2BE-ABP---- for the

Arcadia Bay Project

Applicant: Transition Metals Corporation

Project: Arcadia Bay Project

Region: Kitikmeot

Comments:

A. Background

The Arcadia Bay Property is a gold mineral exploration property located within the Kitikmeot region of Nunavut. The Property is located on the shore of Arcadia Bay, on the Coronation Gulf, approximately 160 kilometres (km) east of Kugluktuk, 200 km west of Hope Bay, and 305 km southwest of Cambridge Bay.

The 2017 exploration program is anticipated to commence on approximately June 1st and it is anticipated to run for 60 days. A small 12 person temporary camp will be required to support the applicant's exploration activities. The camp infrastructure expected to include 1 office tent, 3 sleeping tents, 1 first aid tent, 1 dry, 1 generator/storage shack, and 1 core logging/sample storage shack. The majority of the structures will be insulated Weatherhaven tents, or similar, with plywood floors. The personnel anticipated to be present during the 2017 exploration program include the program supervisor, cook/first aid attendant, helicopter pilot, helicopter engineer, drill contractor personnel (4), and geologists/field assistants (4).

It is estimated that the total water usage will be approximately 2m³ per day for camp use and 40m³ per day for drilling, totalling 42m³/day. It is anticipated that all supplies and equipment will be brought to the project area by air from Yellowknife, Cambridge Bay and/or Kugluktuk.

B. Results of review

On behalf of INAC's Water Resources Division, the following comments and recommendations are provided for the NWB's consideration:

1. Consultation

Source:

1) 2BE-ABP---- Water Licence Application

Comment: The Kitikmeot Inuit Association has stated that Transition Metals has met its consultation obligations based on prior discussions with the applicant. INAC appreciates that an agreement has been reached between the parties. INAC does not believe that this agreement absolves the applicant from its consultation duties. The department respects the transparent nature of the territories co-management process and is of the opinion that individuals and other organizations should still have a forum to let their voice be heard. This is best done through the water licence process.

Recommendation 1: INAC recommends that the NWB confirm that appropriate and adequate consultation has been done.

2. Barging Activities

Source:

1) 2BE-ABP---- Water Licence Application

Comment: The applicant has mentioned the use of barging in its application documentation materials, however there are very few details relating to this activity.

Recommendation 2: INAC has read the application materials and has found the activity of barging mentioned in several documents. INAC recommends that the activity of barging should be more fully developed and that the description of this activity be contained in a single section of one document.

3. Contacts

Source

1) 2BE-ABP - Water Licence Application

Comment: Contact personnel for INAC should be updated throughout applicable documentation.

Recommendation 3: INAC Employee, Eva Paul, Water Resources Officer Phone number (867) 669 2438 should be added.

4. Wastes

Source

1) 2BE-ABP---- - Water Licence Application, Spill Contingency Plan, Waste Management Plan

Comment: The applicant has stated that all contaminated materials including soils will be stored in 205L drums/barrels.

Recommendation 4: INAC recommends that the applicant describe or explain what the contingency is for a larger spill where there may not be enough drums/barrels to store the contaminated material.