



Water Resources Division
Resource Management Directorate
Nunavut Regional Office
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Your file - Votre référence
2BE-ANG2227
Our file - Notre référence
GCDOCS# 112202488

May 12, 2023

Robert Hunter
Licensing Administrator
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU, X0B 1J0
E-mail: licensing@nwb-oen.ca

Re: Crown-Indigenous Relations and Northern Affairs Canada's Review of the Assignment Application of Water Licence 2BE-ANG2227 from Valore Metals Corporation to 5833 Nunavut Ltd for Angilak Project in the Kivalliq Region of Nunavut

Dear Mr. Hunter,

Thank you for the April 14, 2023 invitation to review the referenced licence assignment application, submitted by ValOre Metals Corporation, for its Type B Water Licence No. 2BE-ANG2227.

Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) examined the application pursuant to its mandated responsibilities under the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Department of Crown-Indigenous Relations and Northern Affairs Act*. Please find CIRNAC comments and recommendations in the attached Technical Memorandum.

If there are any questions or concerns, please contact me at michelle.blade@rcaanc-cirnac.gc.ca or Christine Wilson at christine.wilson3@rcaanc-cirnac.gc.ca.

Sincerely,

Michelle Blade,
Regional Water Coordinator



Technical Review Memorandum

Date: May 12, 2023

To: Robert Hunter, Licensing Administrator, Nunavut Water Board

From: Michelle Blade, Regional Water Coordinator, CIRNAC

Subject: Crown-Indigenous Relations and Northern Affairs Canada's Review of the Assignment Application of Water Licence 2BE-ANG2227 from Valore Metals Corporation to 5833 Nunavut Ltd for Angilak Project in the Kivalliq Region of Nunavut

Region: ☐ Kitikmeot ☒ Kivalliq ☐ Qikiqtani

Water Management Area: Kazan Watershed (07)

A. BACKGROUND

The Angilak Property (the Property or the Project), owned and operated by ValOre Metals Corporation (ValOre, formerly Kivalliq Energy Corp.), is a uranium exploration project located 350 kilometres west of Kangiqitiniq (Rankin Inlet) and 225 kilometres southwest of Qamani'tuaq (Baker Lake), in the Kivalliq Region of Nunavut. The Project is comprised of 55 mineral claims, 1 Mining Lease and a Mineral Exploration Agreement (RI30-001) with Nunavut Tunngavik Inc. ("NTI") on subsurface Inuit Owned Land ("IOL") Parcel RI-30. The Project encompasses 43,082.6 hectares, extending north, south, east, and west between Latitudes 62°27' and 62°48' North and Longitudes 98°21' and 99°25' West. It is located in the Kazan water management area.

Activities currently authorized under Water Licence 2BE-ANG1823 include the use of water and disposal of waste associated with camp operations and exploration, including drilling, geological mapping, rock, soil and till geochemical sampling, airborne and ground geophysical surveys, trenching and the establishment of fuel cache (up to 3000 drums of fuel) and fuel storage. Exploration at the Property has been based out of the seasonal Nutaaq Camp, located on the east side of the Property, since March 2010. This camp can accommodate up to 55 persons; and includes a 350 metre long airstrip.

On March 30, 2023, ValOre submitted an assignment application for water licence 2BE-ANG2227. ValOre and Labrador Uranium Inc. ("Labrador") have entered into an arrangement agreement dated March 13, 2023 (the "Arrangement Agreement") wherein ValOre agrees to transfer the Purchased Assets (including the Angilak Project) to 5833 Nunavut Ltd. ("5833") and Labrador proposes to acquire all the outstanding shares in 5833 pursuant to a statutory plan of arrangement (the "Arrangement"). As set out in the Arrangement Agreement, ValOre has agreed to transfer all of its right, title and interest in and to the Purchased Assets, as applicable and subject to the required approvals, to 5833,



and 5833 wishes to accept such conveyance. As a step in the Arrangement, 5833 will now become the operator of the Angilak Project, and therefore Valore intends to assign the Nunavut Water Board Water Licence 2BE-ANG2227 (the “Water Licence”) to 5833.

CIRNAC provides the following comments and recommendations pertaining to the assignment application. A summary of the subjects of recommendations can be found in Table 1. Documents reviewed as part of this submission can be found in Table 2 of Section B. Detailed technical review comments can be found in Section C.

Table 1: Summary of Recommendations

Recommendation Number	Subject
R-01	Project comprisal
R-02	Water usage
R-03	Updated Management Plan

B. DOCUMENTS REVIEWED AND REFERENCED

The following table (Table 2) provides a list of the documents reviewed under the submission and reference during the review.

Table 2: Documents Reviewed and Referenced

Document Title	Author, File No., Rev., Date
Undertaking of Proposed Assignee and Affidavit of Execution	Province of British Columbia, 2023-03-30
2BE-ANG2227 Application for Water Licence Assignment	ValOre Metals Corporation, 2023-03-29
5833 Financial Statement	Jeff Dare, 2023-03-31
5833 Nunavut Ltd. Business Corporations Act Certificate of Compliance	Nunavut Registrar of Corporations, 2023-03-21
General Conveyance and Assumptions Agreement	2023-03-28
Annual Report 2022 Angilak Property	ValOre Metals Corp, 2023-03-31
Land Use Permit Inspection Form	INAC, 2016-07-26
Spill Report 2023-146	CIRNAC, 2023-04-12
Spill Report 2022-399	CIRNAC, 2022-08-03
Spill Report 2022-124	CIRNAC, 2022-04-08
Abandonment and Restoration Plan	5833 Nunavut Ltd, 2023-03-30
Environment and Wildlife Management Plan	5833 Nunavut Ltd, 2023-03-30
Fuel Management Plan	5833 Nunavut Ltd, 2023-03-30
Radiation Hazard Control Plan	5833 Nunavut Ltd, 2023-03-30
Spill Contingency Plan	5833 Nunavut Ltd, 2023-03-30
Waste Management Plan	5833 Nunavut Ltd, 2023-03-30



C. RESULTS OF REVIEW

1. Project comprisal

Comment:

The application for water licence assignment indicates the Project comprises “55 mineral claims, 1 Mining Lease and a Mineral Exploration Agreement (RI30-001) with Nunavut Tunngavik Inc, (“NTI”) on subsurface Inuit Owned Land (“IOL”) Parcel RI-30.” Water Licence 2BE-ANG2227 indicates “the Project comprises 53 mineral claims and subsurface Inuit Owned Land Parcel (IOL) RI-30.”

Recommendation:

(R-01) CIRNAC recommends the licensee clarify the comprisal of the Project in the water licence and supporting documents.

2. Water Usage

Comment:

The 2BE-ANG2227 water licence permits 294 cubic meter per day of water usage for drilling activities, three (3) cubic meter per day of domestic water usage for the Nutaaq camp, and two (2) cubic meter per day of domestic water usage for the temporary/mobile camp. The 2022 Annual Report summarizes the monthly and daily average water use volume in cubic meters. The 2022 Annual Report references appendices but they are not included at the end of the 2022 Annual Report.

Recommendation:

(R-02) CIRNAC recommends the licensee clarify if any daily water use limits were exceeded in 2022.

3. Updated Plans

Comment:

The application for water licence assignment included 6 updated plans: Abandonment and Restoration Plan, Environment and Wildlife Management Plan, Fuel Management Plan Radiation Hazard Control Plan, Spill Contingency Plan, and Waste Management Plan. Previous plans in the 2BE-ANG2227 water license date February 1-3, 2022.

Recommendation:

(R-03) CIRNAC recommends the licensee provide a summary document specifying what has been changed in each updated plan when they are submitted to the NWB.