



Water Resources Division
Resource Management Directorate
Nunavut Regional Office
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Your file - Votre référence
2BE-ANG1823
Our file - Notre référence
GCDOCS#101809284

March 24, 2022

Richard Dwyer
Manager of Licensing
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
Amendment and Renewal Application of Water Licence 2BE-ANG1823 for ValOre
Metals Corporation's Angilak Property Project in the Kivalliq Region of Nunavut**

Dear Mr. Dwyer,

Thank you for the March 9, 2022 invitation to review the referenced licence amendment and renewal application, submitted by ValOre Metals Corporation, for its Type B Water Licence No. 2BE-ANG1823.

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 david.zhong@rcaanc-cirnac.gc.ca or Andrew Keim at andrew.keim@rcaanc-cirnac.gc.ca.

Sincerely,

David Zhong,
Regulatory & Science Advisor



Technical Review Memorandum

Date: March 24, 2022

To: Richard Dwyer, Manager of Licensing, Nunavut Water Board

From: David Zhong, Regulatory & Science Advisor, CIRNAC

Subject: Crown-Indigenous Relations and Northern Affairs Canada's Review of the Amendment and Renewal Application of Water Licence 2BE-ANG1823 for ValOre Metals Corporation's Angilak Property Project in the Kivalliq Region of Nunavut

Region: Kivalliq

A. BACKGROUND

The Angilak Property (the Property or the Project), owned and operated by ValOre Metals Corporation (ValOre, formerly Kivalliq Energy Corp.), is located 350 kilometres west of Kangiqtinik (Rankin Inlet) and 225 kilometres southwest of Qamani'tuaq (Baker Lake), in the Kivalliq Region of Nunavut. The Project comprises 53 mineral claims and subsurface Inuit Owned Land Parcel (IOL) RI-30 and encompassing 43,082.6 hectares, extending north, south, east, and west between Latitudes 62°27' and 62°48' North and Longitudes 98°21' and 99°24' West.

Exploration activities on the Property are authorized under Crown Indigenous Relations and Northern Affairs Canada (CIRNAC) Land Use Permit (LUP) N2019C0013, Kivalliq Inuit Association (KIA) Land Use Licence KVL308C09, Nunavut Water Board (NWB) Water Licence 2BE-ANG1823. Activities currently authorized at the Property include: the use of water and disposal of waste associated with camp operations and exploration, including drilling, geological mapping, geochemical sampling, airborne and ground geophysical surveys, trenching and the establishment of fuel caches. Exploration at the Property has been based out the seasonal Nutaaq Camp, located on the east side of the Property, since March 2010.

On February 22, 2022, ValOre requested an amendment to its Water Licence 2BE-ANG1823 to allow for a temporary/mobile camp to support exploration on the western portion of the Property. The temporary/mobile camp may be moved several times during the exploration season and completely removed from site at the end of the exploration season. Water Licence 2BE-ANG1823 authorizes ValOre to use a maximum of 299 m³/day of water: 296 m³/day to support drilling activities and three (3) m³/day at the Nutaaq camp. ValOre requested that water usage allocation be changed to 294 m³/day for drilling activities, three (3) m³/day for the Nutaaq camp, and two (2) m³/day for the temporary/mobile camp. In addition, Water Licence 2BE-ANG1823 is set to expire on May 17, 2023. ValOre requested that it be renewed.



CIRNAC provides the following comments and recommendations pertaining to the amendment and renewal 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	Proposed term of licence
R-02	Quantify water usage
R-03	Implementation of Fuel 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
2BE-ANG1823 Application for Water Licence Amendment-Renewal	ValOre Metals Corporation, 2022-02-22
Certificate of Incorporation	Province of British Columbia, 2008-02-13
Kivalliq Certificate of Name Change	Province of British Columbia, 2008-02-20
Kivalliq-ValOre Certificate of Name Change	Province of British Columbia, 2008-06-27
APEX Angilak Permitting Authorization	ValOre Metals Corporation, 2020-01-27
ValOre Financial Statement	Davidson & Company LLP, 2022-01-28
ValOre Angilak Water Licence Compliance Assessment Status Report	APEX Geoscience Ltd., 2022-02-04
ValOre Angilak Water Licence Compliance Assessment	ValOre Metals Corporation, 2022-02-04
ValOre Angilak Reclamation Cost Estimate	ValOre Metals Corporation, 2022-02
NPC Letter re 149691 Angilak Property	Nunavut Planning Commission, 2008-04-29
ValOre Angilak Community Consultation Log - 2014 to Present	ValOre Metals Corporation, 2022-02-18
Abandonment and Restoration Plan	ValOre Metals Corporation, 2022-02-01
Environment and Wildlife Management Plan	ValOre Metals Corporation, 2022-02-01
Exploration Remote Camp Questionnaire	ValOre Metals Corporation, 2022-02
Fuel Management Plan	ValOre Metals Corporation, 2022-02-01
Non-Technical Summary - English	ValOre Metals Corporation, 2022-02
Radiation Hazard Control Plan	ValOre Metals Corporation, 2022-02-01
Spill Contingency Management Plan	ValOre Metals Corporation, 2022-02-01
ValOre Angilak Past NIRB Documents	ValOre Metals Corporation and NIRB
ValOre Angilak Past NPC Documents	ValOre Metals Corporation and NPC
Waste Management Plan	ValOre Metals Corporation, 2022-02-03



C. RESULTS OF REVIEW

1. Proposed Term of Licence

Comment:

On page 14 of the *Application for Water Licence Amendment* document and in response to Item 25 on Proposed Term of Licence, the licensee requested that March 22, 2022 be the date of renewal issuance and March 21, 2026 as the expiration date of the renewed licence. On the other hand, in the *Non-Technical Summary*, the licensee stated that “(A)s *Water Licence 2BE-ANG1823* is currently set to expire on May 17, 2023, ValOre would also like to request a 5 year renewal.” And furthermore, on page one (1) of the *Exploration Remote Camp Questionnaire* document, the licensee indicated that the completion of the project would be March 21, 2027. It is therefore not clear what exactly is the Proposed Term of Licence that the licensee is requesting.

Recommendation:

(R-01) CIRNAC recommends that the licensee indicate precisely its Proposed Term of Licence of the renewal application.

2. Quantify Water Usage

Comment:

The licensee requested 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. While the licensee has described in detail the processes of water usage, it is not clear how the actual daily water usage, particularly the quantity of those used for drilling activities, would be measured and the limits on the quantities of water usage be respected.

Recommendation:

(R-02) CIRNAC recommends that the licensee clarify how the quantities of water usages are measured or estimated and the daily limits are respected.

3. Implementation of Fuel Management Plan

Comment:

The purpose of the *Fuel Management Plan* is to ensure that the storage, transportation and handling of fuel and chemical materials is done in a manner that is environmentally sound



and safe to personnel and contractors. Section 7 of the *Fuel Management Plan* stated that “(T)he Camp Manager will be responsible for daily inspections of the fuel berms and the monitoring, tracking and recording of fuel inventories while operations are active. Secondary containment berms will be inspected for signs of punctures, failures, leaks, etc. Drums will be inspected for proper storage, leaking bungs, cracks and punctures. Any issues noted will be remediated immediately.”

During our inspection trips to the project site, CIRNAC inspectors observed that some secondary containment berms of the fuel cache on the Nutaaq campsite were filled with water. It appears that the fuel cache, which could store large quantity of fuel, was not regularly inspected and maintained by the licensee.

Recommendation:

(R-03) CIRNAC recommends that the licensee endeavor to fully implement the *Fuel Management Plan*.