Water Resources Nunavut Regional Office P.O. Box 100 Igaluit, NU, X0A 0H0

July 3, 2014

Your file - Votre référence 2BE-ANI0813 Our file - Notre référence CIDM# 805502

Robin Ikkutisluk Licence Administrator Assistant Nunavut Water Board P.O. Box 119 Gjoa Haven, NU, X0A 1J0

Re: 2BE-ANI0813 – Anialik River Project – North Arrow Minerals Inc. – Kitikmeot Region – Licence Cancellation Application

Dear Ms. Ikkutisluk,

Thank you for your email on June 6, 2014 concerning the above mentioned water licence cancellation application.

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

Please contact me by telephone at 867-975-4568 or by email at courtney.cox@aandcaadnc.gc.ca for any additional information.

Sincerely,

Courtney Cox Water Resources Technician

c.c. Murray Ball, Manager of Water Resources, AANDC Erik Allain, Manager of Field Operations, AANDC Phyllis Beaulieu, Manager of Licensing, NWB

Memorandum

To: Nunavut Water Board

From: Courtney Cox, Aboriginal Affairs and Northern Development Canada

CC: Murray Ball (AANDC), Erik Allain (AANDC), and Phyllis Beaulieu (NWB)

Date: July 3, 2014

Re: 2BE-ANI0813 – Anialik River Project – North Arrow Minerals Inc. –

Kitikmeot Region – Licence Cancellation Application

A. BACKGROUND

On June 6, 2014 the Nunavut Water Board (NWB or the Board) provided notice to Aboriginal Affairs and Northern Development Canada (AANDC) that North Arrow Minerals Inc. had submitted an application for cancellation for Type 'B' Water Licence No. 2BE-ANI0813.

The Board has requested that interested parties review the above mentioned application and provide recommendations and/or comments by July 6, 2014.

B. RESULTS OF REVIEW

On behalf of the AANDC Water Resources Division, the following recommendations/comments are presented for the NWB's consideration in regards to the above mentioned Water Licence Cancellation Application.

1. Final Inspection of Site

Comment: In an Inspection report dated July 5, 2013, completed by an AANDC Water Resource Officer, it was noted that there was still debris to be removed from site.

Recommendation: AANDC recommends that the licence not be cancelled until a Water Resource Officer completes an on-site inspection and provides confirmation that no compliance issues are associated and/or remain outstanding with the project. AANDC notes that a final inspection will only be carried out once the company notifies the inspector that all debris has been removed.