



Water Resources Division  
Nunavut Regional Office  
Iqaluit, NU X0A 0H0

Your File: 2BE-ARC  
Our File: IQA-N 9542-2 UNC/2BE-ARC

April 24, 2008

Richard Dwyer  
Licensing Administrator  
Nunavut Water Board  
P.O. Box 119  
Gjoa Haven, NU, X0A 1J0

**Re: 2BE-ARC – Alix Resources Corp - Arcadia Project, Kitikmeot Region  
– Assignment & Renewal**

Indian and Northern Affairs Canada (INAC) reviewed the Assignment and Renewal Application for the Arcadia Project in the Kitikmeot Region, submitted to the Nunavut Water Board (NWB) by Apex Geoscience Ltd for Alix Resources Corp. on March 20, 2008. In conducting our review, INAC referred to the documents on the NWB's FTP-site under 2BE-ARC.

INAC supports the assignment and renewal of the licence 2BE-ARC Arcadia Project for Alix Resources Corp. INAC recommends that the Nunavut Water Board take into consideration the following comments when assigning this licence application:

**General**

- Greywater from the camp should be contained in a properly constructed sump with enough freeboard to avoid overland seepage. The sump should be located at a minimum distance of 30 metres from all freshwater bodies.
- Drill cuttings and wastes must be contained in an individual sump that does not allow for seepage into any waters or onto any land surface.
- All fuels and chemicals must be stored at a minimum distance of 30 metres from all fresh water bodies, preferably in an area of low permeability. Drums should be stored on pallets to prevent the drums from being damaged, rusting and leaking.
- Unless burned in an approved incinerator, all waste oils and waste fuels should be removed and back hauled for recycling or proper disposal.
- In the event that a fuel/oil spill occurs on the land, the contaminated soil should be removed immediately and placed in drums until it can be treated or disposed off appropriately.
- Used drums and propane tanks must be back hauled and returned to Yellowknife for proper disposal.



### Spill Contingency Plan

- A detailed schematic diagram indicating fuel storage, spill kits, building structures, water bodies and drainage basins, and fuel transfer areas should be included into the spill plan.
- The Spill Contingency Plan should include contact information for Peter Kusugak, Manager of Field Operations, INAC Nunavut Regional Office (NRO); Melissa Joy, Water Resource Officer; and Baba Pederson, Resource Management Officer (Kitikmeot Region).

Peter Kusugak, Manager  
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### Abandonment and Restoration (A&R) Plan

- Drill rods and casings should be removed or cut off at ground level upon completion of the drilling season. Also, all drill holes should be sealed and capped at ground level to prevent the degradation of permafrost. The company should plug holes at the bottom of the permafrost if drilling extends through the permafrost.
- INAC recommends that the proponent provide a detailed plan for fuel and chemical storage during the winter months when the camp is not occupied.

Should you have any questions or comments, please do not hesitate to contact me at (867) 975-4568 or by email at [RumboltI@inac-ainc.gc.ca](mailto:RumboltI@inac-ainc.gc.ca).

Sincerely,

*Original signed by*

Ian Rumbolt  
Water Resource Technician

Cc. Jim Rogers, Manager of Water Resources – Indian and Northern Affairs  
Canada, Nunavut Regional Office