

Nunavut Water
Board

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Public Registry

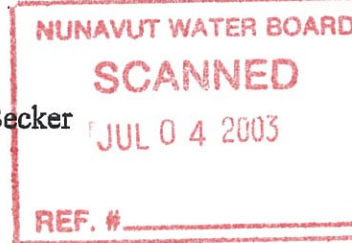


ASHTON MINING
(NORTHWEST TERRITORIES) LTD.

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July 3, 2003

Mr. Jim Wall, Technical Advisor & Ms. Rita Becker
Nunavut Water Board – Gjoa Haven Office
Gjoa Haven, Nunavut X0B 1J0



Dear Mr. Wall & Ms. Becker:

RE: COMMENTS BY INAC WATER RESOURCES ON NWB2ASH

I visited the Nunavut Water Board FTP site to view the status of the NWB2ASH application and review comments that were submitted by the various review agencies. Two letters submitted to you by Ms. Michelle McChrisite of INAC Water Resources were of concern to me. The reasons have been outline below:

Letter May 13, 2003 from Michelle McChrisite to Ms. Phyllis Beaulieu

As identified in the upper left corner of the letter, the concerns apply to files NWB2RIC0205 and NWB2VAM0205. This letter should not be included with the NWB2ASH application

Letter June 2, 2003 from Michelle McChristie to Rita Becker

Generally I found the tone of this letter to be quite concerning. In many cases conclusions were reached without relevant facts.

In paragraph one Ms. McChristie is correct in stating Ashton Mining (Northwest Territories) Ltd. has five Nunavut Water Board Permits. She is however incorrect in assuming that we have five separate campsites. We never applied for camps on permits NWB2RIC0205 and NWB2VAM0205, and a campsite was never established on permit NWB2EOK0103 though it was authorized. We have only operated two camps in Nunavut during the past three years. These camps, RJ and Phantom, are authorized by permits NWB 2KIG0002 and NWB2KLA0103 respectively.

In paragraph two Ms. McChristie suggests that the number of camps should be reduced. Given that each of the three camp locations were reviewed by Paul Smith there appears to have been a change in INAC's policy relating to the number and location of campsites.

Ashton strategically locates camps in relation to our exploration activities to ensure the safety of our employees. Camps in close proximity to work areas significantly improve

field communication, transportation distance and medical/emergency access. Exploration geology is not a precise science and exploration priorities can change from year to year. As such, Ashton has authorized but not used campsites such as the one under NWB2EOK0103. Authorized camp locations provide us with flexibility in accomplishing our work in the safest possible manner. If our exploration priorities change to the northern part of our land holdings it would be in the best interest of our employees to work out of the camp authorized by NWB2EOK0103. In an area such as the Coronation District, where no medical facilities exist and transportation distances to existing medical facilities are great, the placement of camps for their corresponding medical and transportation support is critical. Given the lengthy delays in the permitting process, and the seasonal nature of exploration work, we cannot afford to permit camps on an "as required" basis.

Ms. McChrisite presumes that all camps will be operating at the same time with a maximum compliment of people. Paragraph three of the Non-Technical Summary of Land Use Activities, included with our application, clearly states, "it is unlikely that more than one camp will operate at any single time." Generally our field crews consist of six individuals; four geological technicians, a camp cook and a helicopter pilot. At times it may be necessary to double our capacity to 12 but this is the exception not the norm.

Finally, in Ms. McChrisite's second to last paragraph she suggests that the Hamlet of Kugluktuk should be notified of Ashton's activities based on the proximity of our camps to the location of the Hamlet. I question whether it is within her jurisdiction to make such recommendations as she is reviewing the application for technical considerations and compliance with the existing water regulations not the Nunavut Land Claim Agreement. In addition she should probably be made aware that all applications to the Nunavut Water Board are posted in the respective communities.

If you have any questions regarding this matter please do not hesitate to contact me at (604) 983-7764.

Best Regards,

ASHTON MINING (NORTHWEST TERRITORIES) LTD.



David Willis
Land Administrator

Attachments



Indian and Northern
Affairs Canada
www.inac.gc.ca

Affaires indiennes
et du Nord Canada
www.aifnc.gc.ca

Water Resources Division
P.O. Box 100
Iqaluit, Nunavut
X0A 0H0

Your file - Votre référence
NWB2RIC, 2VAM
Our file - Notre référence

May 13, 2003

Ms. Phyllis Beaulieu
A/Licensing Administrator
Nunavut Water Board
P.O. Box 119
Gjoa Haven, Nunavut
X0B 1J0

Dear Ms. Beaulieu:

Re: Ashton Mining - Spill Contingency Plans

The Water Resources Division has reviewed the Fuel Spill Contingency Plans (the "Plans") submitted by Ashton Mining. In general, the Plans lack sufficient detail and were not prepared in accordance with the NWT Water Board's "Guidelines for Contingency Planning" dated January 1987.

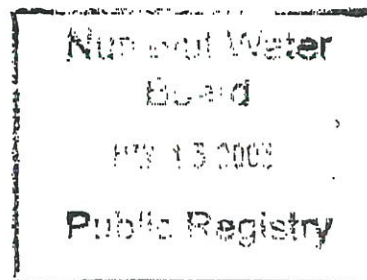
It is recommended that the Licensee resubmit the Plans utilizing the format outlined in the above-mentioned Guideline. Although the amount of fuel to be stored at this sites is relatively small, it is important that staff are aware of the detailed steps to be taken after a spill has occurred. The Plan should outline the reporting procedure and action plan that will be implemented by staff at the site. In addition, a resource inventory should be included that describes the specific types of equipment available to respond to spills and the locations where the equipment and the responsible personnel are located.

Thank you for the opportunity to provide input on this submission, should you have any questions or comments, please do not hesitate to contact me at the number above or by e-mail at mccchristiem@inac.gc.ca.

Sincerely,
Original signed by:

Michelle McChristie
Manager, Water Resources

Canada



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www.ainc.gc.ca

Water Resources Division
Qimugjuk Building
P.O. Box 2200
Iqaluit, Nunavut
X0A 0H0
référence

Your file - Votre

NWB2ASH

Our file - Notre référence

June 2, 2003

Rita Becker
Manager - Finance, Licensing and Administration
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NT
X0E 1J0

Dear Ms. Becker:

On behalf of Indian and Northern Affairs Canada (INAC), I have reviewed the water licence application submitted by Ashton Mining (NWT) Limited. Although I understand the applicant's reasoning for requesting that their five water licences be combined into a single licence, I am not supportive of this approach. At the present time, the Nunavut Water Board (NWB) requires that all uses of water and deposits of waste require a water licence and there is no guidance to applicants to clarify how these requirements apply to a series of camps. The total amount of water used and waste deposited at the five camps is fairly small; however, in the interest of maintaining a consistent approach, the water licences should remain separate. If the Board chooses to combine the water licences into one instrument, I suggest producing instructions or guidelines for applicants to ensure this provision is clear.

An alternative to consolidating the licences is to reduce the number of camps and the area impacted by exploration activity. The impact of one exploration camp may be insignificant but, the cumulative impact of several camps in a watershed may lead to a negative environmental impacts. Companies should be cognizant of cumulative effects when they are designing their exploration programs. In this application, four campsites were listed but the supplementary questionnaire states that "the camp is intended to house approximately six to 12 people" and that "one spill kit will be located at the camp". From this one would assume that each camp will accommodate approximately 12 people and will contain a spill kit, and that the plans provided apply to each site.

In addition to these considerations, the following list outlines recommended conditions that should be incorporated into the water licence(s) to prevent any potential impacts on water. These are generally consistent with the conditions of land use permits issues by INAC.

Canada

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- \$ All waste disposal areas, sewage treatment facilities, grey water sumps, and fuel caches should be located a minimum of 30 metres from the normal high water mark of any water body, and be sufficiently bermed or otherwise contained to ensure that deleterious substances do not enter any water bodies.
- \$ All sumps should be backfilled and properly restored prior to leaving the site.
- \$ All noncombustible garbage should be stored/disposed of in an approved disposal site. For a small camp, the most appropriate method is likely the removal of non-combustible waste from the site.
- \$ Hazardous waste, such as petroleum or batteries, should be segregated from the domestic waste and stored/disposed of in an appropriate manner. As with noncombustible waste, the most appropriate method for a small camp is likely the removal of hazardous waste from the site.
- \$ The camp should have an appropriate spill contingency plan as well as an abandonment and restoration plan for the dismantling of the camp. These plans should include provisions for the water treatment and waste disposal facilities.
- \$ All spills of oil, fuel, or other deleterious substances should be immediately reported to the 24-Hour Spill Line at (867) 920-8130. The spill should also be reported to INAC's Water Resource Officer at (867) 975-4298, and a report should be provided with the follow-up measure taken to remediate the spill.

The applicant stated that they did not notify nearby communities and potentially interested parties about the proposed work because the operations are "at the exploratory "fly camp" stage and do not warrant consultation". Based on the proximity of the four camps to the Hamlet of Kugluktuk, providing notice to the community is recommended.

Should you have any questions or comments, please do not hesitate to contact me at (867) 975-4548 or by e-mail at mcchristiem@inac.gc.ca.

Sincerely,

Original signed by:

Michelle McChristie
Manager, Water Resources

c.c.: Nunavut Impact Review Board