



Water Resources
Nunavut Regional Office
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July 23, 2014

Phyllis Beaulieu
Manager of Licensing
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU, X0A 1J0

Your file - Votre référence
2BE-BAK0709

Our file - Notre référence
CIDM# 820205

Re: 2BE-BAK0709 – Baker Lake Project – Tanqueray Resources Ltd. – Cancellation Application

Dear Ms. Beaulieu:

Aboriginal Affairs and Northern Development Canada (AANDC) Water Resources Division conducted a review of the application by Tanqueray Resources Ltd. to cancel Type 'B' Water Licence 2BE-BAK0709.

The following advice has been provided pursuant to AANDC's mandated responsibilities for the enforcement of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Department of Indian Affairs and Northern Development Act*. In conducting our review, AANDC Water Resources referred to documents on the FTP site relating to 2BE-BAK0709.

Should you have any questions or comments, please do not hesitate to contact me at (867) 975-4738 or by e-mail at Jean.Allen@aandc-aadnc.gc.ca

Sincerely,

Jean Allen, Water Management Specialist
Maria Kasaluak, Water Resources Summer Student

Cc. Murray Ball, Manager of Water Resources, AANDC
Erik Allain, Manager of Field Operations, AANDC
Christine Wilson, Water Resource Officer, AANDC

Technical Review Memorandum

To: Phyllis Beaulieu – Manager of Licensing, Nunavut Water Board

From: Jean Allen – Water Management Specialist, Water Resources, AANDC

Re: 2BE-BAK0709 – Baker Lake Project – Tanqueray Resources Ltd. – Cancellation Application

A. INTRODUCTION

The Nunavut Water Board (NWB) issued Tanqueray Resources Ltd. (the Licensee), Type 'B' water licence 2BE-BAK0709 (the water licence) on February 23, 2007 for the use of water and disposal of waste for activities associated with the Baker Lake Project, including prospecting, rock soil/till sampling, geological mapping, airborne and ground geophysics, and diamond drilling.

Water licence 2BE-BAK0709 allowed the construction of a small camp (5-16 people) approximately 35 km from Baker Lake; the withdrawal of up to 60 m³ water per day (3.5 m³/day for domestic use and 56.5 m³/day for drilling purposes); the incineration of combustible solid waste; the onsite disposal of greywater and drill cuttings; and removal of other wastes from site for proper disposal.

On March 24, 2014, the NWB received an application to cancel the licence which was distributed to interested parties for review and comment on June 24, 2014. The application indicates that no future exploration is planned at this site.

B. RESULTS OF REVIEW

The AANDC Water Resources Division offers the following comments/ recommendations for the NWB's consideration in regards to the cancellation application.

1. AANDC notes that the names of the Licensee in the cancellation application (Tanqueray Exploration Ltd.) and the current water licence (Tanqueray Resources Ltd.) are inconsistent.
2. The application does not include abandonment measures (Box 8) so it is unclear whether the Abandonment and Restoration (A&R) Plan has been implemented or whether the terms and conditions of the water licence have been met. There appears to be little information on the NWB FTP site pertaining to the reclamation of this project site. For instance, the last section of the A&R Plan states that a complete inspection will be conducted prior to closure and that a final closure report will be submitted but such a report cannot be located on the FTP site. Likewise, Part B, Item 2 iv of the water licence requires the Licensee to provide a description of all reclamation work undertaken in their annual reports but these reports do not adequately describe all reclamation work

undertaken on site. The 2013 Inspection Report states that the Thom Lake camp had been completely removed but there is no indication whether the fuel and chemical storage areas, drill sites, and sumps have been reclaimed. Based on the 2013 AANDC Inspection Report, the Water Resources Division is satisfied that the site was reclaimed to the satisfaction of the Field Operations Division but we recommend that the reclamation information required under the water licence be provided for public record.

3. The 2008 Annual Report mentions minor fuel contamination around the generator shack and stated that the site would be cleaned before beginning work in 2009. The A&R Plan states that any contaminated soil will be treated as per the Spill Contingency Plan, that photos will be taken to document the contamination and clean-up, and that a final report will be submitted as part of the Annual Report. AANDC notes that there is no information regarding this spill (or any spills) in the 2009 Annual Report and requests confirmation from the Licensee on whether or not the site was cleaned up according to the Spill Contingency Plan, the A&R Plan and the terms and conditions of the water licence (Parts B, G, and H).
4. In the June 24, 2014 letter, the NWB requested that AANDC advise when a final site inspection is complete. The final inspection was completed by AANDC Inspector Christine Wilson on July 30, 2012. The report indicated that the reclamation process had been completed and that there were no outstanding compliance issues, other than the failure to submit a 2009 Annual Report. The 2009 Annual Report was submitted on March 24, 2014 and since there are no other outstanding compliance issues, the Field Operations Division recommends the cancellation of water licence 2BE-BAK0709. The Water Resources Division recommends cancellation of this water licence provided that clean-up of the spill is confirmed and that the requested information regarding reclamation of the site is provided for public record.