

Pêches et Océans Canada

Eastern Arctic Area

P.O. Box 358 Iqaluit, Nunavut X0A 0H0

Tel: (867) 979-8000 Fax: (867) 979-8039 Secteur de l'Arctique de l'est

Boite postale 358 Igaluit, Nunavut X0A 0H0

Tél: (867) 979-800 Téléc: (867) 979-8039 Your file Votre référence 2BE-BPC----

Our file Notre référence NU-10-0014

March 2, 2010

Phyllis Beaulieu Manager of Licensing Nunavut Water Board PO Box 119 Gjoa Haven, Nunavut X0B 1J0 via e-mail: licensingadmin@nunavutboard.org

Dear P. Beaulieu:

Subject: Weststar Resources Corp. - Bache Peninsula Coal Project - New - Type "B"

Fisheries and Oceans Canada (DFO), Habitat Management, would like to thank the Nunavut Water Board for the opportunity to provide input into the new water license application submitted by Weststar Resources Corp. in support of their Bache Peninsula Coal Project proposal.

DFO is the federal department responsible for developing and implementing policies and programs in support of Canada's scientific, ecological, social and economic interests in oceans and freshwater. DFO would like to provide the following comments on the proposal within the scope of our mandate and regulatory responsibilities.

Our review consisted of:

- "Water Licence Application Form" submitted by Weststar Resources Corp., received by DFO February 1, 2010.
- "Non-Technical Summary" submitted by Weststar Resources Corp., received by DFO February 1, 2010.
- "Exploration/ Remote Camp Supplementary Questionnaire" submitted by Weststar Resources Corp., received by DFO February 1, 2010.

It is our understanding that the proposal consists of the following key elements:

- The establishment of an exploration camp located on the Bache Peninsula of Ellesmere Island, Nunavut from summer 2010 to fall 2014.
- Withdraw up to 8 cubic meters of water per day for domestic consumption and 50 cubic meters per day for drilling units from water sources proximal to activities.
- Exploration activities include prospecting, geological mapping, geophysical surveying, land based and on ice drilling.



DFO has produced a new Operational Statement titled "Mineral Exploration Activities" which can be found at the following website:

http://www.dfo-mpo.gc.ca/region/central/habitat/os-eo/provinces-territories-te

This operational statement covers activities associated with mineral exploration on land including:

- site reconnaissance,
- water withdrawal,
- line cutting,
- temporary work camp operations,
- · small diameter/low density drilling,
- high density drilling and/or bulk sampling (extraction of large samples of mineralized material) through large diameter drilling, pitting, trenching and surface stripping, and
- small diameter/low density drilling carried out on ice.

The Operational Statement outlines the conditions under which the Operational Statement is applicable to and also outlines measures to protect fish and fish habitat. If the proponent is able to follow the Operational Statement they do not require a DFO review. If the proponent cannot meet all of the conditions and cannot incorporate all of the measures then the project could result in the violation of the Fisheries Act and could be subject to enforcement action. In this case, it is recommended that the proponent contact the Nunavut DFO office to obtain DFO's opinion on the possible options to avoid contravention of the Fisheries Act.

I trust the information provided will be of assistance in the Nunavut Water Board's review for the new Type "B" water license application submitted by Weststar Resources Corp. in support of their Bach Peninsula Coal Project proposal. If you or the proponent have any questions concerning the above, or if my understanding of the proposal is either incorrect, incomplete, or if there are changes to the proposed work, please contact me directly by telephone at (204) 983-2632, by fax (204) 983-7983, or by e-mail at Loriena.Melnick@dfompo.gc.ca.

Yours sincerely,

Loriena Melnick

Habitat Management Biologist

Ulnuck

Fisheries and Oceans Canada - Eastern Arctic Area

Copy: Eric Kan – Fisheries and Oceans Canada