



AANDC reference  
CIDM# 750111

October 18, 2013

NWB reference  
#2BE-CAN0608

Phyllis Beaulieu  
Licencing Administrator  
Nunavut Water Board  
Gjoa Haven, NU, X0E 1J0

**Re: #2BE-CAN0608 – Canoe Lake Project – Strongbow Exploration Inc. –  
Kitikmeot Region – Licence Cancellation**

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Dear Ms. Beaulieu,

Thank you for your email on September 18, 2013, concerning the above mentioned water licence cancellation application.

A memorandum is provided for the Nunavut Water Board's (Board or NWB) 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 do not hesitate to contact me by telephone at 867-975-4282 or email at [ian.parsons@aandc-aadnc.gc.ca](mailto:ian.parsons@aandc-aadnc.gc.ca) for further comments or any questions.

Sincerely,

Ian Parsons  
Regional Coordinator  
Aboriginal Affairs and Northern Development Canada  
P.O. Box 100  
Iqaluit, NU, X0A 0H0

c.c.: Murray Ball, Manager of Water Resources, AANDC  
Erik Allain, Manager of Field Operations, AANDC



## Memorandum

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| <b>TO</b>   | Phyllis Beaulieu<br>Manager of Licencing<br>Nunavut Water Board                              | AANDC reference<br>CIDM# 750111<br><br>NWB reference<br>#2BE-CAN0608 |
| <b>FROM</b> | Ian Parsons<br>Regional Coordinator<br>Aboriginal Affairs and Northern<br>Development Canada | DATE<br>October 18, 2013   |

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### A. BACKGROUND INFORMATION

On September 18, 2013 the Board provided notification to Aboriginal Affairs and Northern Development Canada (AANDC) that Strongbow Exploration Inc. had submitted a Cancellation application for a Type B water license No. 2BE-CAN0608. The submitted information is as follows:

1. Application for Water Licence Cancellation
2. Closure Summary
3. Closure Letter to NWB

The Canoe Lake Project is located approximately 140 km Southeast of Bathurst Inlet in the Kitikmeot Region of Nunavut. In 2006 work was conducted out of a temporary fly camp, which consisted of 5 small tents and a larger Weatherhaven (16'X14'). All supplies and structures were removed at end of 2006 field season (July 29, 2006).

No activities have taken place at Canoe Lake since 2006.

On August 1, 2008 Strongbow submitted to the NWB a report detailing the exploration and abandonment and reclamation activities that had taken place during the previous two years (2006-2008).



On July 26, 2010 a final land use inspection was carried out by an AANDC Resource Management Officer and a subsequent letter was sent to the NWB from AANDC indicating that the land use permit can be closed.

The water licence expired on September 30, 2008 with the application for cancellation submitted to the NWB on September 18, 2013.

Interested parties were requested to review the information and provide comments by October 18, 2013.

## **B. RESULTS OF REVIEW**

On behalf of AANDC, the following comments/ recommendations are submitted to the Nunavut Water Board for consideration:

### **1. Application For Water Licence Cancellation**

- AANDC notes that the proponent has stated under Item 5 (*Declaration*) of the Cancellation Application that “*No Water Licence inspections have been conducted to date*”, however there is record on the NWB ftp site of a water licence inspection carried out on July 30, 2010 by field operations water resource officer Melissa Joy.

An AANDC water resource officer conducted another inspection of the same site on July 5, 2013. The water resource officer found the site to be in the same condition as was described in the 2010 inspection report. These site conditions include:

- Large pieces of woody debris (some large charred pieces) and plywood; stakes with flagging tape and a wooden sign post
- 2 burn barrels found in a water-filled depression
- Possible historical debris: core boxes in disarray; drill casing extending out of gossan deposit
- Fuel cache of 5 full drums (4 Jet-A, 1 Jet-B) was located at N67° 07' 57", W111° 07' 05", labelled with a fill date of March 2005.

Although there was a letter from North Arrow Minerals explaining the present site conditions it is difficult to determine whether reclamation requirements have been



met as no documentation or photos of the site prior to Strongbow's tenure can be found.

As well there seems to be confusion regarding camp coordinates as different camp coordinates are listed throughout different annual reports and plans.

AANDC recommends that the proponent review the inspector's report and demonstrate that any potential remediation work identified in the report has been completed and also confirm all camp locations and coordinates used during the tenure of the licence.

- AANDC also notes that the inspection report refers to the licensee as North Arrow Minerals and not Strongbow Exploration Inc. As well a letter addressed to Mr. Ian Rumbolt (Water Resource Officer) of AANDC dated March 30, 2011 acknowledges the above mentioned inspection report carried out on July 30, 2010 is in fact from North Arrow Minerals. Furthermore the letter states that the property is part of the North Arrow Minerals portfolio.

AANDC has been unable to find any documentation on the NWB ftp site of a change of owners or assignment of the water licence.

AANDC recommends that the discrepancy in ownership of the property between North Arrow Minerals and Strongbow Exploration Inc. be clarified before the NWB approves the cancellation of this licence.

- AANDC recommends that the license not be cancelled until Water use fees are paid for the years 2009-2013 and annual reports filed for the years 2008-2013. The proponent is bound by all terms and conditions of their water licence, including the paying of water use fees and the filing of reporting requirements (i.e. annual reports) even if their water licence has expired and no activity has occurred on site.
- AANDC also 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. As well AANDC recommends that if the company cannot demonstrate either by photographs or other documentation what materials are historic then the current company is responsible for the clean-up and remediation of these materials.