



Indian and Northern
Affairs Canada

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INAC Nunavut Regional Office
Field Operations
P.O. Box 100, Iqaluit, Nunavut, X0A 0H0

Submitted via Email
Our File: 2BE-CAN0608 (expired)
CIDM #: 442607

February 8, 2011

Gordon Clarke
David Gale
Strongbow Exploration Inc.
800-625 Howe Street, Vancouver, BC, V6C 2T6
E-mail: gord@northarrowminerals.com; dgale@strongbowexploration.com

Re: Inspection of Water Licence 2BE-CAN0608

Mr. Clarke,

Please find enclosed the water licence inspection report for the above referenced site, conducted on July 30, 2010. A copy of this document is to be kept on site (i.e.: main base of camp operations) for future reference and provided to the Water Resource Officer or Inspector upon request.

Please read the entire inspection report; in particular, all comments and observations with respect to any identified areas of concern and non-compliance with the water licence and/or the Nunavut Water and Nunavut Surface Rights Tribunal Act (herein referred to as "the Act").

Subject to the Act, you will be required to submit a response, satisfactory to the Inspector, which addresses any concerns and/or non-compliance issues identified within this report.

Any work the company undertakes to correct deficiencies noted in this report (or outstanding from previous inspections) are to be documented and provided to the Inspector, as well as included in the Annual Report submitted to the Nunavut Water Board.

The water licence and inspection reports should be made available to all camp staff on site, where the licence is to be reviewed on an ongoing basis or at a minimum at the opening of your camp each year. This will ensure everyone is familiar with the requirements of the licence terms and conditions.

Should you have any concerns with respect to this report or the conditions of your water licence and require more information or clarification please contact the undersigned. Please feel free to contact our office with any questions you may have.

Sincerely,

Original signed by:

Peter Kusugak
Manager of Field Operations, Nunavut Regional Office
Indian & Northern Affairs Canada
P.O. Box 100, Iqaluit, Nunavut, X0A 0H0
Ph: (867) 975-4295, Fax: (867) 979-6445
Email: Peter.Kusugak@inac-ainc.gc.ca



WATER USE INSPECTION REPORT

Date: July 30, 2010	Licensee Rep. (Name/Title): Gordon Clarke
Licensee: North Arrow Minerals (former Strongbow Exploration Inc. property)	Licence No.: 2BE-CAN0608 (expired) (Canoe Lake property)

The coordinates approved in the water licence are indicated as N67° 59’ 34”, W111° 07’ 00”, which are inaccurate.

The coordinates provided in the Final Plan Report submitted by Mr. David Gale of Strongbow Exploration (dated August 1, 2008) cites the 2006 camp location as N67° 27’ 56”, W111° 07’ 56” (and is also referenced as such in the 2006 and 2007 Annual Reports), but according to the maps provided in the Final Report Plan appears to be located in the same area as the “historical” camp location at N67° 07’ 55”, W111° 08’ 01” (which is the site inspected in 2010).

Therefore inspection findings at the Canoe Lake camp location (NAD 83, degrees/minutes/seconds): N67° 07’ 55”, W111° 08’ 01” are the following:

- Large pieces of woody debris (some large charred pieces) and plywood; stakes with flagging tape and a wooden sign post (possibly used as a warning marker for well casing)
- 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, and “TMX”, “AGL-TEMEX” on the side.

Issues/Non-Compliance of Act or Licence:

Before this licence can be considered for closure, the Licensee (or the Licensee’s representative) must provide clarification as to the actual camp location and any documentation, such as photographs, which would indicate which wastes on site are historical.

As well, wastes left on site (such as woody debris and wastes) are still the responsibility of the Licensee and a plan for removal with dates is to be submitted to the Inspector.

The Licensee is to confirm whether the fuel cache identified near the site belongs to them or was associated with their project. Any further information that can be provided regarding this fuel would be appreciated.

Melissa Joy

Inspector’s Name

Sent by E-mail

Inspector’s Signature