

Water Resources Nunavut Regional Office P.O. Box 100 Iqaluit, NU, X0A 0H0

June 12, 2015

Phyllis Beaulieu Manager of Licensing Nunavut Water Board P.O. Box 119 Gjoa Haven, NU, X0A 1J0 Your file - Votre référence Licence # 2BE-COP1416 Our file - Notre référence CIDM# 921744

Re: 2BE-COP1416 - Coppermine Project - Tundra Copper Corporation - Second Revision to Amendment Application

Dear Ms. Beaulieu:

Aboriginal Affairs and Northern Development Canada (AANDC) Water Resources Division conducted a review of Tundra Copper Corporation's revised application to amend their Type B Water Licence 2BE-COP1416.

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 the following documents provided by the Nunavut Water Board:

- Cover Letter (June 1, 2015)
- Revised Amendment Application (06/29/2015)

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

Cc. Andrew Keim, A/Manager of Water Resources, AANDC Erik Allain, Manager of Field Operations, AANDC



Technical Review Memorandum

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

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

Re: 2BE-COP1416 - Coppermine Project - Tundra Copper Corporation - Second Revision to Amendment Application

A. BACKGROUND

Tundra Copper Corporation (TCC) was issued a Type B water licence 2BE-COP1416 on August 28, 2014 for the use of water and deposit of waste in association with the Coppermine Project to explore minerals (copper, nickel, silver, and platinum) in the Coppermine River area.

On March 26, 2015, the Nunavut Water Board (the NWB) distributed an amendment application to amend the extent of the project to include new drilling locations (no proposed changes to camp or drilling operations, water use or the deposit of waste).

On May 13, 2015, the NWB distributed for review, a revised amendment to water licence 2BE-COP1416 to request an additional 2 m³ of domestic water per day (increase from 0.5 m³ / day to 2.5 m³ / day) for operation of a core cutting saw at the camp.

On June 3, 2015, the NWB distributed for review, another revised amendment to water licence 2BE-COP1416 to increase the amount of water use for domestic purposes from 0.5 m³ / day to 5 m³ / day and drilling purposes from 50 m³ / day to 65 m³ / day.

B. RESULTS OF REVIEW

The AANDC Water Resources Division reviewed TCC's revised amendment application and offer the following comments and recommendations for the NWB's consideration. Should there be any additional changes to the proposed project, further review may be necessary.

- 1. A second revised application was submitted by TCC to increase the amount of water for domestic and drilling purposes. As noted in our May 22, 2015 letter, the application appears to be inconsistent with the applicant's proposed changes in the cover letter. For example:
 - In Box 13, TCC indicates that the overall quantity of water to be used will not change and that the overall estimated quantity to be used is 50.5 m³ / day. AANDC notes that a change to the overall quantity is proposed in the cover letter to increase to 70 m³ / day.
 - In Box 13, TCC indicates that the quantity of water to be used from each source will
 not change. Clarification is requested on whether new sources of water are being
 requested or whether the proposed amendment will in fact change the quantity of
 water to be used at each source to accommodate the proposed increase of water for
 domestic and drilling purposes.

- In Box 13, TCC indicates that the quantity of water to be used for each purpose will not change yet the estimated quantities are provided (camp approx. 5 m³ / day; drill approx. 65 m³ / day). AANDC notes that there is a change proposed to increase the quantity of water used for domestic and drilling purposes to 5 m³ / day and 65 m³ / day, respectively.
- In Box 15, TCC indicates that the quantity of the types of waste will not change yet it is indicated in the table that 5 m³ / day of greywater and 65 m³ / day of drill water will be generated. AANDC notes that a change is proposed to increase the quantity of greywater and drill water generated to 5 m³ / day and 65 m³ / day, respectively.

AANDC recommends that all amendments proposed by TCC are reflected in the amendment application.

2. TCC is requesting an increase to the amount of water use from 51 m³ / day (1 m³ / day for camp, 50 m³ / day for drilling) authorized under Part C, Item 1 of water licence 2BE-COP1416 to 70 m³ / day (5 m³ / day for camp, 65 m³ / day for drilling). The justification provided for the increase in water use is to accommodate the addition of a core cutting saw at the camp and slightly more use of the drill. It is unclear why the 2.5 m³ / day of water is no longer sufficient for cutting drill core and whether there are changes proposed to the drilling program. AANDC recommends that TCC a) provide more information to justify the request for increased use of water for domestic and drilling purposes and b) clarify whether recycling of water was considered.