Crown-Indigenous Relations and Northern Affairs Canada
Relations Couronne-Autochtones et Affaires du Nord Canada

Water Resources Division
Resource Management Directorate
Nunavut Regional Office
918 Nunavut Drive
Iqaluit, NU, X0A 3H0

Your file - Votre référence
2BE-CPM2527
Our file - Notre référence
145380645

April 10, 2026

Robert Hunter
Licensing Administrator
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU, X0B 1J0
E-mail: licensing@nwb-oen.ca

Re: Crown-Indigenous Relations and Northern Affairs Canada's Review of Reply to the Licence Amendment Application for Coppermine Project, Type B Water Licence No. 2BE-CPM2527

Dear Robert,

Thank you for the April 07, 2026 invitation to review the reply to the referenced licence amendment, submitted by Lockett Consultation Services Inc. on behalf of 1501253 B.C. Ltd. (Somerset Minerals Ltd), for Type B Water Licence No. 2BE-CPM2527.

Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) examined the application pursuant to its mandated responsibilities under the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Department of Crown-Indigenous Relations and Northern Affairs Act* and provides the following Technical Review Memorandum for the Board's consideration.

The applicant shall provide confirmation from the Nunavut Water Board that all outstanding water license fees have been paid in full prior to approval of this application.

If there are any questions or concerns, please contact me at (873) 800-5240 or Pauline.Firmin@rcaanc-cirnac.gc.ca or Andrew Keim at (867) 975-4550 or Andrew.Keim@rcaanc-cirnac.gc.ca.

Sincerely,

Pauline Firmin, M. Sc,
Regional Coordinator

Canada

Technical Review Memorandum

Date: April 10, 2026

To: Robert Hunter-Licensing Administrator, Nunavut Water Board

From: Pauline Firmin – Regional Coordinator, CIRNAC

Subject: Crown-Indigenous Relations and Northern Affairs Canada's Review of Reply to the Licence Amendment Application for Coppermine Project, Type B Water Licence No. 2BE-CPM2527

Region: ☒ **Kitikmeot** ☐ Kivalliq ☐ Qikiqtani

A. BACKGROUND

The Coppermine Project is located approximately 60 km southwest of the community of Kugluktuk, within the Kitikmeot Region of Nunavut. The project area covers 1,665 km² of prospective copper and silver-bearing geology within the Copper Creek Formation basalts.

The proponent, 1501253 B.C. Ltd. (operating as Somerset Minerals Ltd.), has applied to amend Water Licence 2BE-CPM2527 to allow establishment of two temporary exploration camps, up to 100 additional drillholes, and water use increases. The proposed program includes diamond drilling, reverse-circulation drilling, geophysics, sampling, and prospecting, using helicopter and fixed wing airplane support as well as land-based transportation.

The amendment application proposes a maximum total daily water use of up to 299 m³/day, from the allowed maximum total daily water use of 20 m³/day under the current licence, although the proponent notes typical use will be significantly lower. Withdrawals will be sourced from nearby lakes and streams using screened intakes, with lakes limited to 0.10 m seasonal drawdown and streams to ≤10% of instantaneous low flow. The use of two temporary camps is planned at Inuit Owned Land parcel CO 58 (Jura) and on Crown Land near the Hope Lake airstrip. Greywater will be discharged into constructed or natural sumps located more than 31 m from the ordinary high-water mark, and sewage will be managed through sealed containment systems or incinerating toilets with off-site disposal. The licence expiry date of April 13, 2027 will not be changed.

CIRNAC provides the following comments and recommendations pertaining to the application package. A summary of the subjects of recommendations can be found in Table 1. Documents reviewed as part of this submission can be found in Table 2 of Section B. Detailed technical review comments can be found in Section C.

Table 1: Summary of Recommendations

Recommendation Number	Subject	Status
R-01	Basis for Lake Withdrawal Limit Methodology.	Not resolved
R-02	Clarification on equipment and infrastructure used for water withdrawal.	Resolved
R-03	Inconsistency Of Requested Water Use Volumes.	Resolved
R-04	Basis for Wastewater Volume Estimates.	Resolved
R-05	Confusion about the Camp Population Used To Determine Water Use and Waste Estimates.	Resolved
R-06	Clarification on the establishment of Winter Tracks/Ice Road.	Not Resolved
R-07	Missing Spill-response measures in case of fuel transfer or spill during transport.	Not Resolved
R-08	Inconsistency In Incineration Practices Across Submitted documentation.	Resolved
R-09	Legacy Use of Camp Areas and Potential Existing Liabilities.	Resolved
R-10	Confirmation Whether The Exploration/Remote Questionnaire Submitted Is The Intended Final Version.	Resolved
R-11	Missing Attachment Number for Wildlife Management Plan in the Application document.	Resolved
R-12	Inconsistent Camp Identification in Map 5 Description.	Resolved

R-13	Missing date In The Application For Water Licence Amendment Document.	Resolved

B. DOCUMENTS REVIEWED AND REFERENCED

The following table (Table 2) provides a list of the documents reviewed under the submission and reference during the review.

Table 2: Documents Reviewed and Referenced

Document Title	Author, File No., Rev., Date
Application for water licence amendment	1501253 B.C. Ltd (Somerset Minerals Ltd), April 2013
Spill and Fuel Management Plan	1501253 B.C. Ltd (Somerset Minerals Ltd), V1, October 2, 2025
Waste Management Plan	1501253 B.C. Ltd (Somerset Minerals Ltd), September 4, 2025
Appendix A	Unknown, no date
Closure and Reclamation Plan	1501253 B.C. Ltd (Somerset Minerals Ltd), September 4, 2025
Exploration/ remote camp Supplementary questionnaire	Unknown, no date
NWB Water Licence No: 2BE-CPM2527	Nunavut Water Board, April 14, 2025
260330 2BE-CPM2527 CIRNAC_RESPONSES-IMLE	1501253 B.C. Ltd (Somerset Minerals Ltd), March 30, 2026
Method for Determining Available Winter Water Use Capacity for Small-Scale Projects	Land and Water Boards of the Mackenzie Valley, April 7, 2021

C. RESULTS OF REVIEW

1. Basis for Lake Withdrawal Limit Methodology.

Comment:

CIRNAC notes that the applicant proposes to limit withdrawals from any individual lake to no more than 0.10 m (10 cm) of lake surface elevation, with available seasonal withdrawal volume calculated as *lake surface area (m²) × 0.10 m* (Application for Water Licence Amendment, Block 13) .

This approach is presented as a conservative limit to protect aquatic habitat in the application, however the application does not identify the technical or regulatory basis for selecting the 10 cm drawdown threshold. As a result, it is unclear how this calculation aligns with accepted best practices for lake withdrawals in Nunavut.

Recommendation:

(R-01) CIRNAC recommends that the applicant clarify the rationale and source documentation supporting the use of the 0.10 m lake-drawdown method, to support understanding of how this withdrawal limit is in line with Nunavut water management best practices.

Proponent Response:

The Proponent advises that the proposed 0.10 m maximum lake drawdown method is based on the Land and Water Boards of the Mackenzie Valley's Method for Determining Available Winter Water Use Capacity for Small-Scale Projects (April 7, 2021), which applies a conservative 10 cm drawdown across the total surface area of a waterbody as an estimate of available water use capacity for qualifying small-scale projects. The Proponent will verify source suitability in the field prior to use. For each proposed lake source, the Applicant will provide the source location, calculated surface area, methods of measurement of lake elevation, resulting water use capacity calculation, and the proposed withdrawal volume relative to that capacity. Prior to seasonal use, the Applicant will confirm minimum depth at representative locations and record the results. The Applicant will also record actual daily withdrawals by source and will suspend or reduce pumping if field observations indicate the source is not suitable or that site conditions differ materially from the assumptions used in the estimate.

Response to Reply:

CIRNAC has reviewed the Land and Water Boards of the Mackenzie Valley's Method for Determining Available Winter Water Use Capacity for Small-Scale Projects (April 7, 2021). CIRNAC notes that this method was developed for application in the Mackenzie Valley as an alternative to detailed bathymetry where specific applicability criteria are met, including a minimum under-ice water depth of 1.5 m and a minimum total water depth of 3 m.

CIRNAC further notes that the method requires field verification of under-ice water depth prior to each season of use, to be conducted outside of freshet conditions and measured at a minimum of three locations per waterbody, located more than 20 m from shore and approximately 20 m apart.

As this method is not identified as a standard approach of the Nunavut Water Board, CIRNAC recommends that the proponent seeks clarification as to whether the Board considers the use of this method appropriate in the Nunavut regulatory context. CIRNAC also recommends that, should the method be considered by the Nunavut Water Board, the proponent include the full submission requirements in the annual report, as outline in the Submission Requirements section of the Land and Water Boards of the Mackenzie Valley's Method for Determining Available Winter Water Use Capacity for Small-Scale Projects (April 7, 2021).

6.Clarification on the establishment of Winter Tracks/Ice Road.

Comment:

CIRNAC notes references to winter tracks/ice road and overland access in the Application for Water Licence Amendment, block 9 (refers to "winter trails" and camp mobilization via snowcat and sled) and the equipment lists for the establishment of ice road/overland winter property access (e.g., snow cats, sleds, graders, plough trucks, water truck) in the supporting plans . There is also mention in the KIA Appendix A.1 that "Experienced members of the community will be engaged for winter track design".

However, the use of broad language such as winter trails and ice road and the inclusion of a water truck and heavy machinery in the equipment list make it unclear if the applicant intends only over-snow travel or the construction of an ice road requiring water to build or maintain, which may require separate licensing beyond what is described in the current application.

Recommendation:

(R-06) CIRNAC recommends that the applicant clarify the intended approach to overland access by indicating what type of ice road and/or winter trail is proposed and ensure that the proper licensing is in place according to what is planned. This clarification will help ensure that the method used are appropriately within the scope of the current Water Licence Amendment.

Proponent Response:

The proponent agrees that this needs better clarification. Overland access for many stages of exploration during winter, spring, and fall may be supported in different ways depending on season, snow conditions, program scale, and inspector direction. Access

will consist of winter trails utilizing natural snow suitable for snowmobiles or snowcat supported mobilization, or modified natural snow to support heavier snowcat-supported mobilization. Some phases may require a more formal seasonal winter access route (as approved by the inspector), which is why heavier support equipment such as a water truck appears in the equipment list. Any water used for creating a more robust winter track would be within the 299 m³/day. Existing local tracks will always be used as a priority, and the winter mobilization will strictly follow permit regulations. No all-weather road or permanent access infrastructure is proposed under this amendment. Any seasonal road construction requiring water use beyond the scope of the current amendment would require the appropriate approvals before proceeding.

Response to Reply:

CIRNAC acknowledges the proponent's intent to minimize transport-related impacts by prioritizing the use of existing local tracks and by not constructing all-weather roads.
CIRNAC seeks clarification on the proponent's use of the term "modified natural snow", as this terminology is not clearly defined. Further information would assist in understanding whether this refers solely to snow packing and leveling practices consistent with winter trails, or whether it includes the application of water to build up ice layers for a winter access road.

CIRNAC also notes the statement that certain phases of the project may require a more formal seasonal winter access route and that water within the proposed maximum of 299 m³/day could be used for this purpose. CIRNAC notes that winter roads and ice roads that require water application represent a separate activity that may trigger additional licensing and assessment considerations due to the volumes of water involved and the range of site-specific factors that must be evaluated. Clarification on these points would support a clearer understanding of the scope of access infrastructure contemplated under the current amendment and its alignment with the existing water-licensing framework.

7. Missing Spill-response measures in case of fuel transfer or spill during transport.

Comment:

CIRNAC notes that the applicant plans to transport personnel, fuel, and materials by both air and land, including helicopter, fixed-wing aircraft, snowcats, ATVs, and other equipment (Spill and Fuel Management Plan). The Spill Plan provides details on spill response at camp, fuel caches, and drill rigs, and confirms the presence of 20 L spill kits for on-site fuel transfers, but it does not describe spill-response procedures specific to in-transit fuel transfer or fuel spills, nor does it specify whether spill kits are carried on vehicles or aircraft during travel (Spill and Fuel Management Plan, Section 2.0).
This introduces uncertainty regarding how spills would be contained and managed while travelling between sites.

Recommendation:

(R-07) CIRNAC recommends that the applicant clarify the spill-response measures applicable during transport, including whether spill kits are provided on vehicles and aircraft and how spills occurring in transit would be contained and ensure that all measures are included within the Spill and Fuel Management Plan.

Proponent Response:

Spill-response measures for transport activities form part of the spill management approach. Small spill kits will be carried on ground vehicles involved in fuel transport and transfer, and spill-response equipment appropriate to the mode of transport and quantity of fuel will be maintained at camps, drill sites, fuel caches, and transfer points. All aircraft operating within the project have spill kits as part of their standard health and safety and emergency equipment. In the event of a spill during transport, personnel will stop the source where safe to do so, contain the spill, protect nearby water and drainage pathways, recover contaminated materials, and complete all required notifications. These measures apply to in-transit fuel movement as well as stationary fuel storage and transfer.

Reply to Response:

CIRNAC notes that, in its response, the proponent indicates that “small spill kits will be carried on ground vehicles involved in fuel transport and transfer.” CIRNAC supports the availability of spill-response equipment during transportation activities. However, CIRNAC notes that this specific measure is not clearly described in the current Spill and Fuel Management Plan, which indicates that spill kits will be located at camps, drill rigs, and fuel caches, and that smaller 20 L spill kits will be used for fuel-transfer activities, without explicit reference to their presence on transport vehicles (Spill and Fuel Management Plan, s. 2 “Resource Inventory”). CIRNAC recommends that the proponent update and re-issue the Spill and Fuel Management Plan to explicitly reflect this measure, to ensure consistency between the plan and the commitments outlined in the response.