



SCREENING DECISION REPORT NIRB FILE NO.: 07EN021

NIRB File No.: 07EN021
INAC File No.: N2007C0001
INAC File No.: N2007C0002
NWB File No.: 2BE-CRA0710

May 11, 2007

Honourable Jim Prentice, PC., MP.
Minister of Indian Affairs and Northern Canada
Ottawa, ON

Via email: Prentice.J@parl.gc.ca

Re: Screening Decision for Committee Bay Resources' Campsites and Exploration Project Proposal

Dear Honourable Mr. Prentice:

The primary objectives of the Nunavut Land Claims Agreement are set out in section 12.2.5 of the Land Claims Agreement. This section reads:

In carrying out its functions, the primary objectives of NIRB shall be at all times to protect and promote the existing and future well-being of the residents and communities of the Nunavut Settlement Area, and to protect the ecosystemic integrity of the Nunavut Settlement Area. NIRB shall take into account the well-being of the residents of Canada outside the Nunavut Settlement Area.

Section 12.4.4 of the Nunavut Land Claim Agreement states:

Upon receipt of a project proposal, NIRB shall screen the proposal and indicate to the Minister in writing that:

- a) the proposal may be processed without a review under Part 5 or 6; NIRB may recommend specific terms and conditions to be attached to any approval, reflecting the primary objectives set out in Section 12.2.5;
- b) the proposal requires review under Part 5 or 6; NIRB shall identify particular issues or concerns which should be considered in such a review;
- c) the proposal is insufficiently developed to permit proper screening, and should be returned to the proponent for clarification; or
- d) the potential adverse impacts of the proposal are so unacceptable that it should be modified or abandoned.

NIRB Assessment and Decision

After a thorough assessment of all material provided to the Board (please see Procedural History and Project Activities in Appendix A), in accordance with the principles identified within section 12.4.2 of the NLCA, the decision of the Board as per section 12.4.4 of the NLCA is:

12.4.4 (a): the proposal may be processed without a review under Part 5 or 6; NIRB may recommend specific terms and conditions to be attached to any approval, reflecting the primary objectives set out in Section 12.2.5

Recommended Terms and Conditions, pursuant to 12.4.4(a) of the NLCA

The Board is recommending the following or similar project-specific terms and conditions be imposed upon the Proponent through all relevant legislation:

1. Committee Bay Resources Ltd. (the Proponent) shall operate the project in accordance with all commitments and mitigation measures stated in all correspondence and documents submitted to the Nunavut Impact Review Board (NIRB), Indian and Northern Affairs Canada (INAC), and the Nunavut Water Board (NWB).
2. The Proponent shall maintain a copy of this Screening Decision at the site of operation at all times.
3. The Proponent shall forward copies of all authorizations obtained for this project to NIRB prior to the commencement of the project.
4. The Proponent shall operate the site in accordance with all applicable Acts, Regulations and Guidelines.
5. The Proponent shall contact NIRB and Environment Canada (EC) if on-ice drilling will occur. The Proponent will submit the number and location all holes to be drilled prior to the activity.
6. The Proponent shall submit a comprehensive annual report with copies provided to the NIRB, KIA, INAC, EC and Government of Nunavut, Department of Environment (GN-DOE) by January 31st of each year following the calendar year reported. Annual reports must be provided until the project has been completed. The report must contain, but not be limited to, the following information:
 - a. A summary of activities undertaken for the year, including any progressive reclamation work undertaken, and a work plan for the following year –site photos should be provided where relevant;
 - b. A summary of how the Proponent has complied with NIRB conditions contained within the Screening Decision, and the conditions associated with all authorizations for the project proposal;
 - c. Wildlife monitoring observations, including:
 - i. description of any wildlife encounters and actions/mitigation taken
 - ii. maps of location of any sensitive wildlife sites
 - iii. timing of critical life history events
 - iv. potential impacts from the project
 - d. The results of environmental studies undertaken and plans for future studies;
 - e. A summary of local hires and initiatives;

- f. A summary of community consultations undertaken and follow-up actions required to resolve any concerns expressed about the project proposal (if relevant);
 - g. A summary of site-visits by Land Use inspectors with results and follow-up actions;
 - h. A summary of site-visits with community members (if conducted); and
 - i. Efforts made to achieve compliance with the *Canada-Wide Standards for Dioxins and Furans*, and the *Canada-Wide Standards for Mercury*.
- 7. During the period of May 15th to July 15th, if caribou are observed calving in the project area, the Proponent must suspend all project activity (i.e. blasting, low-altitude flights, use of ATV's and snowmobiles, and the movement of equipment) until the caribou and calves have moved one (1) kilometre (km) away from project area. Furthermore, if caribou are observed within 1 (one) km of the project area, prior to May 15th or after July 15th, then drilling activities will be suspended until the caribou leave the area.
- 8. The Proponent shall cease activities such as airborne geophysics surveys or movement of equipment that may interfere with caribou migration. Furthermore, the Proponent shall not conduct any exploration activities within ten (10) km of any important caribou crossings.
- 9. The Proponent shall take care not to disturb nesting raptors from April 15th to September 1st, and stay at least 1.5 (one and half) km away from them while in transit by aircraft and to avoid approaching them closely while on foot.
- 10. The Proponent must ensure that all aircraft maintain a flight altitude of at least 610 metres (m) during horizontal (point to point) flights at all times, particularly in bird nesting areas and when there are observed groups of caribou, and maintain a vertical distance of 1000 m and minimum horizontal of 1500 m from any observed concentrations of birds.
- 11. The Proponent shall ensure that there is no damage to wildlife habitat in conducting this operation. Deliberate feeding of any wildlife is absolutely prohibited. The Proponent shall ensure that there is not hunting or fishing, unless proper Nunavut authorizations have been acquired.
- 12. In accordance with GN procedures and sections 5.6.52 and 5.6.55 of the Nunavut Land Claims Agreement, the Proponent shall contact the nearest Government of Nunavut Wildlife Office in the event of a defence kill of a Polar Bear, foxes, wolves or wolverine.
- 13. The Proponent shall comply with *Transportation of Dangerous Goods Regulations*, the *Environmental Protection Act*, and the Part 3.6 of the *Guideline for the General Management of Hazardous Waste in Nunavut* when handling, storing, and managing hazardous wastes, fuel and contaminated material. A waste manifest must accompany all movements of hazardous waste. The Proponent must register with GN-DOE by contacting Robert Eno at 867-975-7748 or reno@gov.nu.ca.
- 14. The Proponent shall be advised that calcium chloride (CaCl) is listed as a toxic substance under the *Canadian Environmental Protection Act* and the Proponent shall ensure that if CaCl is used as a drill additive; all sumps containing CaCl are properly constructed and located to ensure that the contents will not enter any water body.
- 15. The Proponent shall ensure that disposal of combustible wastes comply with the *Canada-wide Standards for Dioxins and Furans* and the *Canada-wide Standard for Mercury*. Efforts made to achieve compliance shall be reported to the NIRB as part of the annual report.

16. The Proponent shall incinerate all combustible wastes daily, and remove the ash from incineration activities and non-combustible wastes from the project site to an approved facility for disposal.
17. The Proponent shall consult with community residents of the Kitikmeot region, conduct regular information meetings to ensure that residents are kept aware of the activities and progress of the project and its phases.
18. The Proponent shall confirm to EC's, INAC's and GN-DOE's satisfaction that the entire site has been reclaimed, as much as possible, to its previous condition during the abandonment and restoration stage of the project. Depending on the results of confirmation sampling, the need for post closure monitoring will be re-evaluated.

Other NIRB Concerns and Recommendations

In addition to the project-specific terms and conditions, the Board is recommending the following:

Indian and Northern Affairs

Indian and Northern Affairs Canada (INAC) impose mitigation measures, conditions and monitoring requirements pursuant to the Federal Land Use Permit, which require the Proponent to respect the sensitivities and importance of the area. These mitigation measures, conditions and monitoring requirements should be in regard to the location and area; type, location, capacity and operation of facilities; use, storage, handling and disposal of chemical or toxic material; wildlife and fisheries habitat; and petroleum fuel storage.

INAC should also consider the importance of conducting regular Land Use Inspections, pursuant to the authority of the Federal Land Use Permit, while the project is in operation. The Land Use Inspections should be focused on ensuring the Proponent is in compliance with the conditions imposed through the Federal Land Use Permit.

Regulatory Requirements

On February 27, 2007, the Nunavut Water Board (NWB) approved the renewal of water licence NWB2BE-CRA0710 (attached as Appendix B). This water license addresses the following:

- Submission of an annual report
- Conditions applying to:
 - Water use
 - Waste disposal
 - Camps, access infrastructure and operation
 - Drilling operations
 - Spill contingency planning
 - Abandonment and Restoration
 - Monitoring program

The Proponent is also advised that the following legislation may apply to the project:

1. Section 36(3) of the *Fisheries Act* (<http://laws.justice.gc.ca/en/showtdm/cs/F-14///en>) which states that no person shall deposit or permit the deposit of a deleterious substance in any type in water frequented by fish or in any place under any conditions where the deleterious substance may enter such a water body.

2. The *Migratory Birds Convention Act* (<http://laws.justice.gc.ca/en/showtdm/cs/M-7.01>) which states that no person disturb or destroy the nests or eggs of migratory birds. If nests containing eggs or young are encountered, the Proponent shall avoid these areas until nesting is complete and the young have left the nest.
3. The *Species at Risk Act* (<http://laws.justice.gc.ca/en/showtdm/cs/S-15.3>). Attached in **Appendix C** is a list of Species at Risk in Nunavut. The Proponent should consult the Species at Risk Public Registry (<http://www.sararegistry.gc.ca/>) to identify any Species at Risk within the project location. Further, the Proponent shall develop monitoring plans for each relevant Species at Risk in accordance with any applicable status reports, recovery strategies, action plans, and management plans posted on the Species at Risk Public Registry and in consultation with the Government Organization with Primary Management Responsibility. Monitoring plans should record the locations and frequency of observing species of special concern and note any actions taken to avoid contact or cause disturbance to the species, its residence, or its critical habitat.
4. The *Nunavut Act* (<http://laws.justice.gc.ca/en/showtdm/cs/N-28.6>) which requires that no person alter or disturb any archaeological or palaeontological sites in Nunavut unless permission is first granted through the permitting process. If any archaeological or palaeontological sites are found they should remain undisturbed and their location should be reported to the Government of Nunavut Department of Culture, Language, Elders and Youth. The Proponent must comply with the proposed terms and conditions listed in the attached **Appendix D**.
5. The *Transportation of Dangerous Goods Regulations, Transportation of Dangerous Goods Act* (<http://www.tc.gc.ca/tdg/menu.htm>), and the *Environmental Protection Act* (<http://laws.justice.gc.ca/en/C-15.31/text.html>) which present the requirements for the handling, storing, managing and transportation of dangerous goods, including hazardous wastes, fuel and contaminated material. The Proponent must ensure that proper shipping documents accompany all movements of dangerous goods. The Proponent must register with GN-DOE by contacting Robert Eno at 867-975-7748 or reno@gov.nu.ca.

Validity of Land Claims Agreement

Section 2.12.2

Where there is any inconsistency or conflict between any federal, territorial and local government laws, and the Agreement, the Agreement shall prevail to the extent of the inconsistency or conflict.

Dated May 11, 2007 at Sanikiluaq, NU.



Lucassie Arragutainaq, Acting Chairperson

APPENDIX A

PROCEDURAL HISTORY AND PROJECT ACTIVITIES

File History

On February 28, 2007, the Nunavut Impact Review Board (NIRB or Board) received two separate project proposals for Committee Bay Resources (Committee Bay) Campsite and Mining Exploration from Indian and Northern Affairs Canada. One project proposal was for Hayes Camp and the other project proposal for Bullion Camp. NIRB also received one conformity determination from the Nunavut Planning Commission (NPC) for the two project proposals on this date.

After a pre-screening review it was determined that NIRB required additional information from Committee Bay prior to commencing the Part 4 Screening for both project proposals.

On March 14, 2007, NIRB advised Committee Bay that due to the similarity of the two project proposals (covers the same mineral claims and exploration work) and as per Section 12.3.1 in relation to project proposals, NIRB will be screening the two projects together (as one). NIRB again requested that Committee Bay submit the additional information by March 16, 2007 in order for the Board to complete the screening process pursuant to Article 12.4.4.

By March 21, 2007, NIRB proceeded with the Part 4 Screening without receiving all the supplemental information requested.

This application was distributed to Kitikmeot Hunters and Trappers Organization (HT), Kugaaruk Hamlet, Kugaaruk HTO, World Wildlife Fund (WWF), and to interested Federal and Territorial Agencies. NIRB also requested copies of any draft authorizations that the Proponent may be subject to be provided to the Board.

On April 10, 2007, NIRB requested an extension from the Minister of Indian and Northern Affairs Canada (INAC) in order to complete the screening process for this project.

On or before April 11, 2007, NIRB received comments from the following interested Parties (see Comments):

- Nunavut Tunngavik Inc.
- Kitikmeot Inuit Association
- Environment Canada
- Government of Nunavut, Department of Environment
- Government of Nunavut, Department of Culture, Language, Elders and Youth

On April 16, 2007, NIRB provided an opportunity for the Proponent to respond to the Parties' concerns. The Proponent provided a response to the Parties' concerns on April 23, 2007, and the information provided was reviewed and found to be inadequate. NIRB suggested that Committee Bay provide an appropriate response to the Parties concerns as well as the supplemental information previously requested in order to complete the environmental screening for this project.

On April 30, 2007, NIRB received the Proponent's responses including the supplemental information requested.

Project Activities

Committee Bay is proposing an extensive mining exploration program and camp operation. Four camps (Hayes, Bullion, Ingot, and Crater) will be maintained along the Committee Bay Greenstone Belt to support the exploration activities. The camps will be occupied off-and-on between March and September. Exploration activities will be supported by snow machines, helicopters and Twin Otter aircraft that can land on the frozen lakes at all four camps. An ice strip will be constructed on the lake at Hayes camp in order to accommodate larger fixed-wing aircraft for the purpose of mobilizing larger pieces of equipment and supplies and to demobilize empty fuel drums (from 2006 activities) and miscellaneous equipment.

The project is located in the Kitikmeot Region, approximately 260 kilometres (km) south of Kugaaruk and 270 km west of Repulse Bay.

The proposed major activities for the program involve the following components:

- Delivery of equipment, fuel and supplies required for program
- Ice strip construction for temporary airstrip on lake at Hayes Camp
- Exploration and drilling on ice and on land
- Repositioning of drill equipment
- Use of existing airstrip at Crater Lake Camp
- Landing of aircraft with tundra tires on an esker at Ingot Camp
- Use of existing seasonal exploration camps at Ingot, Crater, Hayes and Bullion camps
- Chemical storage of drilling fluids
- Fuel transportation and storage
- Geochemical soil sampling
- Gridding and ground geophysical surveys
- Geological mapping and prospecting, sampling (rock, till and water) and stacking
- Consumption of water for drilling purposes
- Generation of waste and wastewater
- Preparation of landing site for helicopter
- Baseline environmental work at Hayes Camp

Comments and Concerns

Concerns and recommendations regarding the project proposal were expressed by all interested Parties.

The following is a *summary* of the main concerns:

- potential impacts to sensitive wildlife sites
- potential impacts to North-East Mainland (Barren-Ground) caribou and Peary caribou
- Project activities occurring near lands used by North-East Mainland caribou herds for calving and post-calving
- potential impacts to caribou crossing and migrating route
- potential human-wolf, wolverine and fox encounters resulting in injury or death to either animal or human(s)
- potential human-polar bear encounters
- potential impacts to raptor nesting areas
- potential impacts to migratory birds
- disruption to wildlife, including caribou, muskoxen, and birds from aircraft activities
- lack of information regarding caribou Mitigation and Monitoring
- lack of information in the Spill Contingency Plan, such as training for employees, treatment of spilled material; locations of fuel caches

- potential for soil contamination from fuel storage and proper disposal
- fuel and chemical storage, handling of hazardous materials
- potential impacts to water bodies from land based drilling
- omission of site maps for Hayes and Bullion camps
- potential for archaeological site disruption
- potential for impacts to air quality related to incineration of wastes
- waste management strategies
- use of calcium chloride (CaCl) as a drill additive and potential runoff into water bodies
- lack of description of Ingot Lake and Crater Lake camps

Nunavut Tunngavik Inc. (NTI) supports the project and recommends that the proponent comply with NIRB's terms and conditions. NTI provided general recommendations for the project proposal, including community consultation, hiring local residents, stopping work during caribou calving or crossing.

Kitikmeot Inuit Association (KIA) supports the project proposal provided that Committee Bay provides the additional information requested by NIRB within 6 months to KIA.

Environment Canada (EC) recommends several conditions that the Proponents should abide by throughout all stages of the project. The conditions are related to disposal of hazardous waste, fuel storage, drilling, general waste disposal, migratory birds and species at risk.

Government of Nunavut, Department of Environment (GN-DOE) believes the project will not result in significant adverse effects on the environment although the potential for negative environmental impacts exist.

The Government of Nunavut, Department of Culture, Language, Elders and Youth (GN-CLEY) supports the project proposal on the condition that the proponent's activities avoid the known archaeological sites listed. Unknown sites are to be reported to GN-CLEY. GN-CLEY provided archaeological and palaeontological resources terms and conditions for land use permit holders.

Proponent Commitments

In correspondence submitted to NIRB in response to concerns raised by Parties and additional information requested, Committee Bay has committed to the following:

1. Submission of an Abandonment and Restoration Plan which includes:
 - a. Backfilling of greywater sumps and sewage pits
 - b. Incineration of remaining garbage
 - c. All wood to be removed from site to an approved landfill site or burned along with other combustible materials,
 - d. Camp materials, fuel drums and drilling equipment will be removed from site,
 - e. Drilling sumps will be backfilled, burying the unused cutting and drill waters,
 - f. Soils tests will be conducted near fuel and/or chemical storage for contamination and treated onsite or removed for proper disposal, and
 - g. Final inspection to be completed of entire site by lead agencies and Committee Bay.
2. Implementation of Spill Contingency Plan at all field camps operated by Committee Bay.
3. Location of all temporary fuel caches to be provided to Environment Canada once known.
4. Installation of fuel containment berms at the main generator shed, the incinerator and tent drums.
5. Ensure fuel will not be stored closer than regulated distance from the high water mark of any water body.
6. Daily inspection of fuel caches larger than 20 drums.

7. Use of waste manifest during transportation of hazardous materials.
8. Training of personnel involved with fuel and hazardous material transportation.
9. Sightings of wildlife (including caribou, muskoxen, polar bears) near the camps will be recorded and submitted annually to GN-DOE.
10. Record and submit new bird nest locations to the GN-DOE Conservation Officer on an annual basis.
11. Comply with Caribou protection measures
12. Contact Conservation Officer in the event of a defence kills.
13. Undertake the following with respect to air traffic:
 - a. Minimize the number of flights;
 - b. Implement a 610 m flight altitude minimum and 1,000 m flight altitude minimum near concentrations of birds with exceptions where required;
 - c. Avoid a large concentration of wildlife (i.e., Migratory Bird Sanctuaries, breeding colonies and caribou calving grounds), and stay at least 1.5 kilometres (km) away; and,
 - d. Plan routes that are likely to have least occurrences of wildlife.
14. Sumps will be constructed appropriately to ensure that calcium chloride (CaCl) (drill additive) will not enter any water body.
15. Installation of dual chamber, forced air incinerator at Hayes Camp once secured by Committee Bay. Potential installation by 2008.

In other correspondence, Committee Bay has committed to a number of operational procedures, as outlined in Committee Bay's submissions to NIRB, namely:

1. Application to Indian and Northern Affairs Canada for a Land Use Permit, Class A – Hayes Camp
2. Application to Indian and Northern Affairs Canada for a Land Use Permit, Class A – Bullion Camp
3. Spill Contingency Plan – revised April 2007
4. Environmental Procedure Plan for Exploration and Remote Camps – revised April 2007
5. Abandonment and Restoration Plan – April 2007

APPENDIX B
NUNAVUT WATER BOARD LICENCE - NWB2BE-CRA0710



P.O. BOX 119
GJOA HAVEN, NU X0B 1J0
TEL: (867) 360-6338
Fax: (867) 360-6369

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NUNAVUT IMALIRIYIN KATIMAYINGI
NUNAVUT WATER BOARD
OFFICE DES EAUX DU NUNAVUT

File No: 2BE-CRA0710

February 27, 2007

Attention: Alan Vosburgh
Committee Bay Resources Ltd.
Suite 220, 9797-45th Avenue
Edmonton AB T6E 5V8
Email: alanv@committeeBay.com

RE: NWB Licence No. 2BE-CRA0710

Dear Mr. Vosburgh:

Please find attached Licence No. 2BE-CRA0710 issued to Committee Bay Resources Ltd. by the Chief Administrative Officer of the Nunavut Water Board pursuant to Article 13 of the *Agreement between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in Right of Canada*. The terms and conditions of the attached Licence related to water use and waste disposal are an integral part of this approval.

Sincerely,

Original signed by:

Philippe di Pizzo
Executive Director

PDP/rqd
Enclosure: Licence No. **2BE-CRA0710**

cc: Jim Rogers, DIAND Iqaluit
Peter Kusugak DIAND Inspector
Geoff Clark, Kitikmeot Inuit Association
Luis Manzo, Kivalliq Inuit Association
Erin Calder, Nunavut Wildlife Management Board
Colette Spagnuolo, Environment Canada
Earle Baddaloo, GN-DOE
Tania Gordanier, Department of Fisheries and Oceans
Carson Gillis, NTI
Doug Sitland, CGS



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NUNAVUT WATER BOARD
NUNAVUT IMALIRIYIN KATIMAYINGI
OFFICE DES EAUX DU NUNAVUT

DECISION

LICENCE NUMBER: 2BE-CRA0710

This is the decision of the Nunavut Water Board (NWB) with respect to an application for a renewal of a Water Licence dated December 15, 2006 made by:

COMMITTEE BAY RESOURCES LTD.

to allow for the use of water and disposal of waste during camp activities and exploration drilling operations at the Crater Lake Project located within the Kitikmeot, & Kivalliq, Region, Nunavut contained within the geographical coordinates Hayes camp site (66°39'30" N; 91°33'11"W); Ingot camp site (66°35'40" N; 92°37'34"W); Inuk camp site (67°22'19" N; 88°51'21"W); Bullion camp site (66°23'30" N; 93°07'30"W) and Dore camp site (66°30'20" N; 93°00'02"W).

DECISION

After having been satisfied that the application was in conformity with the applicable Land Use Plan and exempt from the requirement for screening by the Nunavut Impact Review Board in accordance with Schedule 12.1, Paragraph 5 of the *Nunavut Land Claim Agreement* (NLCA), the NWB decided that the application could proceed through the regulatory process. In accordance with S.55.1 of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* (NWNSRTA) and Article 13 of the NLCA, public notice of the application was given and interested persons were invited to make representations to the NWB.

After reviewing the submission of the Applicant and considering the representations made by interested persons, the NWB, having given due regard to the facts and circumstances, the merits of the submissions made to it and to the purpose, scope and intent of the NLCA and of the NWNSRTA, waived the requirement to hold a public hearing and furthermore delegated its authority to approve the application to the Chief Administrative Officer pursuant to S. 13.7.5 of the NLCA and S. 49(a) of the NWNSRTA, and determined that:

Licence Number 2BE-CRA0710 be issued subject to the terms and conditions contained therein. (Motion #: 2006-62)

SIGNED this 27th day of February 2007 at Gjoa Haven, NU.

Original signed by :

Philippe di Pizzo
Chief Administrative Officer

LICENCE 2BE-CRA0710

Pursuant to the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Agreement Between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in Right of Canada*, the Nunavut Water Board, hereinafter referred to as the Board, hereby grants to

COMMITTEE BAY RESOURCES LTD.

(Licensee)

of

SUITE 220, 9797-45th Ave.

(Mailing Address)

hereinafter called the Licensee, the right to alter, divert or otherwise use water for a period subject to restrictions and conditions contained within this Licence:

2BE-CRA0710

Licence Number

NUNAVUT 06 & 07

Water Management Area

CRATER LAKE, KITIKMEOT & KIVALLIQ REGION, NUNAVUT

Location

WATER USE AND WASTE DISPOSAL

Purpose

MINING AND MILLING – TYPE “B”

Classification of Undertaking

80 CUBIC METRES PER DAY

Quantity of Water Not to Exceed

FEBRUARY 23, 2007

Date of Licence

SEPTEMBER 31, 2010

Expiry Date of Licence

Dated this 27th day of February 2007 at Gjoa Haven, NU.

Original Signed By:

Philippe di Pizzo, Chief Administrative Officer

Table 1.1
Supplemental information to be submitted by Licensee

Licence Condition	Report Title	Timeline for Submission
Part B, Item 1	Water Use Fee	The water use fees of \$30, payable to the Receiver General for Canada, shall be sent to the Board annually in advance of any use in accordance with Section 9 of the <i>Regulations</i> .
Part B, Item 2	Annual Report	To be submitted March 31 st of the year following the calendar year.
Part B, Item 3	Changes to Operations/Conditions	The Licensee shall notify the NWB of any changes in operating plans or conditions associated with this project at least thirty (30) days prior to any such change.
Part B, Item 5	Expiry of Licence	The NWB recommends that an application for the renewal of this Licence be filed at least four months before the Licence expiry date.
Part G, Item 1	Spill Contingency Plan	To be kept on site thirty (30) days following the issuance of licence.
Part H, Item 1	Abandonment and Reclamation Plan	The Licensee shall complete all restoration work prior to the expiry of this Licence.

PART A: SCOPE, DEFINITIONS AND ENFORCEMENT

1. Scope

This Licence allows for the use of water and the disposal of waste for an undertaking classified as Mining and Milling as per the geographical coordinates indicated in the application.

- i. This Licence is issued subject to the conditions contained herein with respect to the taking of water and the depositing of waste of any type in any waters or in any place under any conditions where such waste or any other waste that results from the deposits of such waste may enter any waters. Whenever new Regulations are made or existing Regulations are amended by the Governor in Council under the Nunavut Waters and Nunavut Surface Rights Tribunal Act, or other statutes imposing more stringent conditions relating to the quantity or type of waste that may be so deposited or under which any such waste may be so deposited, this Licence shall be deemed, upon promulgation of such Regulations, to be subject to such requirements; and;
- ii. Compliance with the terms and conditions of this Licence does not absolve the Licensee from responsibility for compliance with the requirements of all applicable Federal, Territorial and Municipal legislation.

2. Definitions

“Act” means the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*;

“Amendment” means a change to original terms and conditions of this Licence requiring correction, addition or deletion of specific terms and conditions of the Licence; modifications inconsistent with the terms of the set terms and conditions of the Licence;

“Appurtenant Undertaking” means an undertaking in relation to which a use of water or a deposit of waste is permitted by a licence issued by the Board;

“Board” means the Nunavut Water Board established under the *Nunavut Land Claims Agreement* and the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*;

“Engineer” means a professional engineer registered to practice in Nunavut in accordance with the Engineering, Geological and Geophysical Act (Nunavut) S.N.W.T. 1998, c.38, s.5;

“Greywater” means all liquid wastes from showers, baths, sinks, kitchens and domestic washing facilities, but does not include toilet wastes;

“Inspector” means an Inspector designated by the Minister under Section 85 (1) of the *Act*;

“Licensee” means the holder of this Licence;

“Modification” means an alteration to a physical work that introduces a new structure or eliminates an existing structure and does not alter the purpose or function of the work, but does not include an expansion;

“Nunavut Land Claims Agreement” (NLCA) means the *“Agreement Between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in right of Canada”*, including its preamble and schedules, and any amendments to that agreement made pursuant to it;

“Regulations” means the *Northwest Territories Water Regulations* sor/93-303 8th June, 1993, omitting Section 5, Water Use or Waste Deposit Without a Licence;

“Sewage” means all toilet wastes and greywater;

“Spill Contingency Plan” means a Plan developed to deal with unforeseen petroleum and chemical events that may occur during the operations conducted under the Licence;

“Sump” means an excavation in impermeable soil for the purpose of catching or storing water or waste;

“Toilet Wastes” means all human excreta and associated products, but does not include greywater;

“Waste” means, as defined in S.4 of the *Act*, any substance that, by itself or in combination with other substances found in water, would have the effect of altering the quality of any water to which the substance is added to an extent that is detrimental to its use by people or by any animal, fish or plant, or any water that would have that effect because of the quantity or concentration of the substances contained in it or because it has been treated or changed, by heat or other means.

3. Enforcement

- i. Failure to comply with this Licence will be a violation of the *Act*, subjecting the Licensee to the enforcement measures and the penalties provided for in the *Act*;
- ii. All inspection and enforcement services regarding this Licence will be provided by Inspectors appointed under the *Act*; and
- iii. For the purpose of enforcing this Licence and with respect to the use of water and deposit or discharge of waste by the licensee, Inspectors appointed under the *Act*,

hold all powers, privileges and protections that are conferred upon them by the *Act* or by other applicable law.

PART B: GENERAL CONDITIONS

1. The fee payable on the submission of an application for a licence or for the amendment, renewal, cancellation or assignment of a licence or of an application under section 31 of the *Act* is \$30. The water use fees of \$30, payable to the Receiver General for Canada, shall be sent to the Board annually in advance of any use in accordance with Section 9 of the *Regulations*.
2. The Licensee shall file an Annual Report on the appurtenant undertaking with the Board no later than March 31st of the year following the calendar year being reported which shall contain the following information:
 - i. A summary report of water use and waste disposal activities,
 - a) including the GPS coordinates and photographic records of any camp, water supply and waste disposal facilities, drill sites, and all sumps used for the disposal of camp greywater and drill cuttings; and
 - b) summary of volumes of water used on a daily, monthly and annual basis, detailing the location of all water sources.
 - ii. A list of unauthorized discharges and a summary of follow-up actions taken;
 - iii. An up-to-date copy of the Spill Contingency Plan, including contact information;
 - iv. A description of all progressive and or final reclamation work undertaken, including photographic records of site conditions before, during and after completion of operations;
 - v. Results of the Monitoring Program; and
 - vi. Any other details on water use or waste disposal requested by the Board by November 1 of the year being reported.
3. The Licensee shall notify the NWB of any changes in operating plans or conditions associated with this project at least thirty (30) days prior to any such change.
4. The Licensee shall install flow meters or other such devices, or implement suitable methods required for the measuring of water volumes, to be operated and maintained to the satisfaction of an Inspector.
5. If the Licensee contemplates the renewal of this Licence, the Licensee is responsible to apply to the NWB for its renewal. The past performance of the Licensee, new documentation and information, and issues raised during a public hearing, if the NWB is

required to hold one, will be used to determine the terms and conditions of the Licence renewal. Note that if the Licence expires before the NWB issues a new one, then water use and waste disposal must cease, or the Licensee will be in contravention of the Nunavut Land Claims Agreement. However, the expiry or cancellation of a licence does not relieve the holder from any obligations imposed by the licence. The NWB recommends that an application for the renewal of this Licence be filed at least three months before the Licence expiry date.

6. If the Licensee contemplates or requires an amendment to this licence, the NWB may decide, in the public interest, to hold a public hearing. The Licensee should submit applications for amendment as soon as possible to give the NWB sufficient time to go through the amendment process. The process and timing may vary depending on the scope of the amendment requested but 30 days from time of acceptance of the request by the NWB is the minimum time required.
7. The Licensee shall ensure a copy of this Licence is maintained at the site of operations at all times. Any communication with respect to this Licence shall be made in writing to the attention of:

(i) Manager of Licensing:

Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU X0B 1J0
Telephone: (867) 360-6338
Fax: (867) 360-6369

(ii) Inspector Contact:

Water Resources Officer, INAC
Nunavut District, Nunavut Region
P.O. Box 100
Iqaluit, NU X0A 0H0
Telephone: (867) 975-4295
Fax: (867) 979-6445

8. The Licensee shall submit one paper copy and one electronic copy of all reports, studies, and plans to the Board. Reports or studies submitted to the Board by the Licensee shall include a detailed executive summary in Inuktitut.
9. The Licensee is responsible to ensure that any documents or correspondence submitted by the Licensee to the Board have been received and acknowledged by the Manager of Licensing.
10. This Licence is not assignable except as provided in Section 44 of the *Act*.

PART C: CONDITIONS APPLYING TO WATER USE

1. The volume of water for the purposes of this Licence shall not exceed **80** cubic metres per day.
2. Streams cannot be used as a water source unless authorized and approved by the Board.
3. If the Licensee requires water in sufficient volume that the source water body may be drawn down the Licensee shall, at least 30 days prior to commencement of use of water, submit to the Board for approval the following: volume required, hydrological overview of the water body, details of impacts, and proposed mitigation measures.
4. The Licensee shall equip all water intake hoses with a screen of an appropriate mesh size to ensure that fish are not entrained and shall withdraw water at a rate such that fish do not become impinged on the screen.
5. The Licensee shall not remove any material from below the ordinary high water mark of any water body unless authorized.
6. The Licensee shall not cause erosion to the banks of any body of water and shall provide necessary controls to prevent such erosion.
7. Sediment and erosion control measures shall be implemented prior to and maintained during the operation to prevent entry of sediment into water.

PART D: CONDITIONS APPLYING TO WASTE DISPOSAL

1. The Licensee shall locate areas designated for waste disposal at a minimum distance of thirty (30) metres from the ordinary high water mark of any water body such that the quality, quantity or flow of water is not impaired, unless otherwise authorized by the Board.
2. Unless otherwise approved by the Board, the Licensee shall not practice open burning or on-site land filling of domestic waste.
3. The Licensee may incinerate all food waste, paper waste and wood products in an incinerator capable of meeting the emission limits established under the Canada-wide Standards for Dioxins and Furans the Canada-wide Standards for Mercury Emissions. In such case, the Licensee shall insure that the waste is burned in a device that promotes efficient combustion and reduction of emissions, and shall as much as possible reduce the amount of waste to be incinerated. The use of appropriate waste incineration technology shall be combined with a comprehensive waste management strategy, especially waste segregation, that is designed to reduce and control the volumes of wastes produced, transported, and disposed of.

4. The Licensee shall backhaul and dispose of all hazardous wastes, waste oil and non-combustible waste generated through the course of the operation in an approved waste disposal site.
5. Unless otherwise approved by the Board, the Licensee shall contain all greywater in a sump located at a distance of at least thirty (30) metres above the ordinary high water mark of any water body, at a site where direct flow into a water body is not possible and no additional impacts are created.
6. Unless otherwise approved by the Board, the Licensee shall contain all toilet wastes in latrine pits or use incineration, chemical, portable or composting toilets for any camp with a design population under 300 person days per year and less than 1,000 person days for the life of the camp. Latrine pits shall be located at a distance of at least thirty (30) metres above the ordinary high water mark of any water body, treated with lime and covered with native material to achieve the pre-existing natural contours of the land prior to abandonment.
7. Unless otherwise approved by the Board the Licensee shall dispose of all toilet wastes through incineration, chemical or composting toilets for any camp with a design population over 300 and less than 2,000 person days per year, and less than 5,000 person days per year for the life of the camp. Any remaining residue generated through the course of the operation shall be backhauled and disposed of in an approved waste disposal site.
8. The proponent shall ensure that any hazardous materials, including waste oil, receive proper treatment and disposal at an approved treatment facility.

PART E: CONDITIONS FOR CAMPS, ACCESS INFRASTRUCTURES AND OPERATIONS

1. The Licensee shall not erect camps or store material on the surface of frozen streams or lakes including immediate banks except what is for immediate use. Camps shall be located such as to minimize impacts on surface drainage.
2. All activities shall be conducted in such a way as to minimize impacts on surface drainage and the Licensee shall immediately undertake any corrective measures in the event of any impacts on surface drainage.
3. Winter lake and stream crossings, including ice bridges, shall be constructed entirely of water, ice or snow. The Licensee should minimize disturbance by locating ice bridges at an area that requires the minimum approach grading and the shortest crossing route. Stream crossings shall be removed or the ice notched prior to spring break-up.
4. With respect to access road, pad construction or other earthworks, the deposition of

debris or sediment into or onto any water body is prohibited. These materials shall be disposed a distance of at least thirty (30) metres from the ordinary high water mark in such a fashion that they do not enter the water.

PART F: CONDITIONS APPLYING TO DRILLING OPERATIONS

1. The Licensee shall not conduct any land based drilling within thirty (30) metres of the ordinary high water mark of any water body, unless otherwise approved by the Board.
2. The Licensee shall ensure that all drill waste, including water, chips, muds and salts (CaCl_2) in any quantity or concentration, from land-based and on-ice drilling, shall be disposed of in a properly constructed sump or an appropriate natural depression located at a distance of at least thirty (30) metres from the ordinary high water mark of any adjacent water body, where direct flow into a water body is not possible and no additional impacts are created.
3. Drilling additives or mud shall not be used in connection with holes drilled through lake ice unless they are re-circulated or contained such that they do not enter the water, or are demonstrated to be non-toxic.
4. If artesian flow is encountered, drill holes shall be immediately sealed and permanently capped to prevent induced contamination of groundwater or salinization of surface waters. All artesian flows, including location (GPS), should be reported in the annual report to the NWB.
5. If the bottom of the permanently frozen ground, or permafrost, is broken through by the drill, the depth of the bottom of permafrost and location should be reported in the annual report to the Board for data management purposes.

PART G: CONDITIONS APPLYING TO SPILL CONTINGENCY PLANNING

1. In accordance with section 6(2)(g)(i) and (ii) of the Regulations, the Licensee shall, within thirty (30) days of issuance of this Licence, keep on the site of operations a Spill Contingency Plan that will describe how petroleum products and hazardous materials will be handled, stored and disposed of, as well as how they will be contained and cleaned-up in the event of a spill. This Plan shall include, but not be limited to, the following:
 - i. The name, address and contact number for the person in charge, management or control of the contaminant (in this case, fuel oil and any other chemicals associated with the program);
 - ii. The name and address and telephone number of the employer;
 - iii. The name, job title and 24 hour contact number for the person or persons responsible for activating the spill plan;
 - iv. A detailed description of the facility, including size and storage capacity and its geographic location – in UTM coordinates (map sheet number, Eastings and Northings) and in geographic coordinates (Lat/Long) –;

- v. A description of the type and amount of contaminants stored on site;
 - vi. A description of the spill prevention measures to be undertaken in the handling, storage and disposal of petroleum products and hazardous materials;
 - vii. Steps taken to report, contain, clean up and dispose of a spill on applicable topographic conditions, i.e., land, water, snow, and ice;
 - viii. A site map of sufficiently large scale to show the location of buildings, contaminants storage areas, sensitive areas such as water bodies, probable pathways of contaminant flow and general topography;
 - ix. A description of the spill response training provided to employees who will respond to a spill;
 - x. An inventory and location of the response and clean up equipment available to the spill clean up team;
 - xi. The means by which the spill plan is activated; and
 - xii. The date that the spill plan was prepared.
2. The Licensee shall annually review the Plan referred to in this Part and if needed, modify it to reflect changes in operation and/or technology. The Plan and any revisions shall be submitted with the Annual Report.
3. The Licensee shall ensure that any chemicals, petroleum products or wastes associated with the project do not enter water. All sumps and fuel caches shall be located at a distance of at least thirty (30) metres from the ordinary high water mark of any adjacent water body and inspected on a regular basis.
4. The Licensee shall ensure that any equipment maintenance and servicing be conducted only in designated areas and shall implement special procedures (such as the use of drip pans) to manage motor fluids and other waste and contain potential spills.
5. If during the term of this Licence, an unauthorized discharge of waste occurs, or if such a discharge is foreseeable, the Licensee shall:
- i. Employ the Spill Contingency Plan;
 - ii. Report the spill immediately to the 24-Hour Spill Line at (867) 920-8130 and to the Inspector at (867) 975-4295; and
 - iii. For each spill occurrence, submit to the Inspector, no later than thirty (30) days after initially reporting the event, a detailed report that will include the amount and type of spilled product, the GPS location of the spill, and the measures taken to contain and clean up the spill site.

PART H: CONDITIONS APPLYING TO ABANDONMENT AND RESTORATION

1. The Licensee shall complete all restoration work prior to the expiry of this Licence.
2. The Licensee shall carry out progressive reclamation of any components of the project no longer required for the Licensee's operations.
3. When possible to do so, the Licensee shall backfill and restore, to the satisfaction of an Inspector, all sumps to the pre-existing natural contours of the land.
4. The Licensee shall remove from the site infrastructures and site material, including but not limited to, all fuel caches, drums, barrels, buildings and contents, docks, water pumps and lines, material and equipment before the expiry of this License.
5. All roads and airstrip, if any, shall be re-graded to match natural contour to reduce erosion.
6. All culverts shall be removed and the drainage opened up to match the natural channel. Measures shall be implemented to minimize erosion and sedimentation.
7. In order to promote growth of vegetation and the needed microclimate for seed deposition, all disturbed surfaces shall be prepared by ripping, grading, or scarifying the surface to conform to the natural topography.
8. Areas that have been contaminated by hydrocarbons from normal fuel transfer procedures shall be reclaimed to the satisfaction of an Inspector. The use of reclaimed soils for the purpose of back fill or general site grading may be carried out only upon approval by an Inspector.
9. Drill holes and disturbed areas will be restored to natural conditions immediately upon completion of the drilling. The reclamation of drill holes must include the removal of any drill casing materials and the capping of holes with a permanent seal.
10. The Licensee may store drill core produced by the appurtenant undertaking in an appropriate manner and location at least thirty (30) metres above the ordinary high water mark of any adjacent water body, where any direct flow into a water body is not possible and no additional impacts are created, or as directed by an Inspector.
11. All disturbed areas shall be contoured and stabilized upon completion of work and restored to a pre-disturbed state.

PART I: CONDITIONS APPLYING TO THE MONITORING PROGRAM

1. The Licensee shall measure and record, in cubic metres, the daily quantities of water utilized for camp, drilling and other purposes.
2. The Licensee shall provide the GPS co-ordinates (in degrees, minutes and seconds of latitude and longitude) of all locations where sources of water are utilized for all purposes.
3. The Licensee shall determine the GPS co-ordinates (in degrees, minutes and seconds of latitude and longitude) of all locations where wastes associated with camp operations and drilling operations are deposited.
4. An Inspector may impose additional monitoring requirements.
5. All sampling, sample preservation and analyses shall be conducted in accordance with methods prescribed in the current edition of *Standard Methods for the Examination of Water and Wastewater*, or by such other methods approved by the Board.
6. All analyses shall be performed in a laboratory accredited according to ISO/IEC Standard 17025. The accreditation shall be current and in good standing.
7. The Licensee shall include in the Annual Report required under Part B, Item 2 all data and information required by this Part.

APPENDIX C

SPECIES AT RISK IN NUNAVUT

This list includes species listed on one of the Schedules of SARA (*Species at Risk Act*) and under consideration for listing on Schedule 1 of SARA. These species have been designated as at risk by COSEWIC (Committee on the Status of Endangered Wildlife in Canada). This list may not include all species identified as at risk by the Territorial Government.

- Schedule 1 is the official legal list of Species at Risk for SARA. SARA applies to all species on Schedule 1. The term “listed” species refers to species on Schedule 1.
- Schedule 2 and 3 of SARA identify species that were designated at risk by the COSEWIC prior to October 1999 and must be reassessed using revised criteria before they can be considered for addition to Schedule 1.
- Some species identified at risk by COSEWIC are “pending” addition to Schedule 1 of SARA. These species are under consideration for addition to Schedule 1, subject to further consultation or assessment.

Schedules of SARA are amended on a regular basis so it is important to periodically check the SARA registry (www.sararegistry.gc.ca) to get the current status of a species.

Updated: October 17, 2006

Species at Risk	Category of Concern	Schedule of SARA	Government Organization with Primary Management Responsibility¹
Peregrine Falcon (subspecies tundrius)	Special Concern	Schedule 3	Government of Nunavut
Short-eared Owl	Special Concern	Schedule 3	Government of Nunavut
Grizzly Bear	Special Concern	Pending	Government of Nunavut
Wolverine (Western Population)	Special Concern	Pending	Government of Nunavut

¹ Environment Canada is the competent Minister under SARA for terrestrial species and as such, has a national role in the conservation and recovery of these species in Canada. However, day to day management of terrestrial species except migratory birds is primarily under the responsibility of the Territorial Government. Populations that exist in National Parks are also managed under the authority of the Parks Canada Agency.

APPENDIX D
Archaeological and Palaeontological Resources Terms and Conditions for Land Use Permit Holders



BACKGROUND: *Archaeology*

As stated in Article 33 of the Nunavut Land Claims Agreement:

The archaeological record of the Inuit of Nunavut is a record of Inuit use and occupancy of lands and resources through time. The evidence associated with their use and occupancy represents a cultural, historical and ethnographic heritage of Inuit society and, as such, Government recognizes that Inuit have a special relationship with such evidence, which shall be expressed in terms of special rights and responsibilities. [33.2.1]

The archaeological record of Nunavut is of spiritual, cultural, religious and educational importance to Inuit. Accordingly, the identification, protection and conservation of archaeological sites and specimens and the interpretation of the archaeological record is of primary importance to Inuit and their involvement is both desirable and necessary. [33.2.2]

In recognition of the cultural, spiritual and religious importance of certain areas in Nunavut to Inuit, Inuit have special rights and interests in these areas as defined by Article 33 of the Nunavut Land Claims Agreement. [33.2.5]

BACKGROUND: *Palaeontology*

Under the Nunavut Act¹, the federal Government can make regulations for the protection, care and preservation of palaeontological sites and specimens in Nunavut. Under the *Nunavut Archaeological and Palaeontological Sites Regulations*², it is illegal to alter or disturb any palaeontological site in Nunavut unless permission is first granted through the permitting process.

Definitions

As defined in the *Nunavut Archaeological and Palaeontological Sites Regulations*, the following definitions apply:

¹ s. 51(1)

² P.C. 2001-1111 14 June, 2001

“archaeological site” means a place where an archaeological artifact is found.

“archaeological artifact” means any tangible evidence of human activity that is more than 50 years old and in respect of which an unbroken chain of possession or regular pattern of usage cannot be demonstrated, and includes a Denesuline archaeological specimen referred to in section 40.4.9 of the Nunavut Land Claims Agreement.

“palaeontological site” means a site where a fossil is found.

“fossil” includes:

- (a) natural casts
- (b) preserved tracks, coprolites and plant remains; and
- (c) the preserved shells and exoskeletons of invertebrates and the eggs, teeth and bones of vertebrates.

Terms and Conditions

- 1) The permittee shall not operate any vehicle over a known or suspected archaeological or palaeontological site.
- 2) The permittee shall not remove, disturb, or displace any archaeological artifact or site, or any fossil or palaeontological site.
- 3) The permittee shall immediately contact the Department of Culture, Language, Elders and Youth (867) 934-2046 or (867) 975-5500 or 1 (866) 934-2035 should an archaeological site or specimen, or a palaeontological site or fossil be encountered or disturbed by any land use activity.
- 4) The permittee shall immediately cease any activity that disturbs an archaeological or palaeontological site encountered during the course of a land use operation, until permitted to proceed with the authorization of the Department of Culture, Language, Elders and Youth, Government of Nunavut.
- 5) The permittee shall follow the direction of the Department of Culture, Language, Elders and Youth and DIAND in restoring disturbed archaeological or palaeontological sites to an acceptable condition.
- 6) The permittee shall provide all information requested by the Department of Culture, Language, Elders and Youth concerning all archaeological sites or artifacts and all palaeontological sites and fossils encountered in the course of any land use activity.
- 7) The permittee shall make best efforts to ensure that all persons working under authority of the permit are aware of these conditions concerning archaeological sites and artifacts, and palaeontological sites and fossils.
- 8) The permittee shall avoid the known archaeological and/or palaeontological sites listed in Attachment 1.
- 9) The permittee shall have an archaeologist or palaeontologist perform the following functions, as required by the Department of Culture, Language, Elders and Youth:

- a. survey
- b. inventory and documentation of the archaeological or palaeontological resources of the land use area
- c. assessment of potential for damage to archaeological or palaeontological sites
- d. mitigation
- e. marking boundaries of archaeological or palaeontological sites
- f. site restoration

The Department of Culture, Language, Elders and Youth shall authorize by way of a Nunavut Archaeologist Permit or a Nunavut Palaeontologist Permit, all procedures subsumed under the above operations.