



NIRB File No.: 07EN021

AANDC File Nos.: N2009C0018, N2009C0019

KIA File Nos.: KTL306C031, KTL305C004

NWB File No.: 2BE-CRA1015

August 29, 2012

The Honourable Lorne Kusugak
Minister of Community and Government Services
Government of Nunavut
c/o Ralph Ruediger, Director, Community Development
Community and Government Services
Rankin Inlet, NU X0C 0G0

Via email: rruediger@gov.nu.ca

Re: Application Exempt from the Requirement for Screening pursuant to Section 12.4.3 of the NLCA: North Country Gold Corp.'s "Committee Bay Project - Camp and Airstrip" project

Dear Ralph Ruediger:

On July 19, 2012, the Nunavut Impact Review Board (NIRB or Board) received an application from the Municipality of Rankin Inlet, (on behalf of the Government of Nunavut – Community and Government Services) for a Land Use Permit in support of North Country Gold Corp.'s "Committee Bay Project - Camp and Airstrip" project. On August 15, 2012 the NIRB received a positive conformity determination (Keewatin Regional Land Use Plan) from the Nunavut Planning Commission for this application.

Please be advised that the original project proposal (NIRB File No.: 07EN021) was received by the NIRB from Indian and Northern Affairs Canada (INAC; now Aboriginal Affairs and Northern Development Canada or AANDC) on March 1, 2007. The proposal was screened in accordance with Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA) and on May 11, 2007 the NIRB issued a screening decision to the Minister of INAC which indicated that the proposed project could proceed subject to the NIRB's recommended project specific terms and conditions.

The following table is a summary of the additional amendment, extension and authorization requests associated with this project that have been reviewed by the NIRB following screening of the original project proposal.

Authorization	Application		NIRB Decision	
	Date Received by NIRB	Type	Date	Type
Water Licence (2BE-CRA0710)	Feb. 29, 2008	Amendment	Mar. 28, 2008	Exempt from Screening, reissued May 11, 2007 Screening Decision Report
Land Use Permit (N2007C0001 and N2007C002)	Jan. 26, 2009	Extension	Feb. 11, 2009	Exempt from Screening, reissued May 11, 2007 Screening Decision Report
Land Use Permit (N2009C0018; N2009C0019)	Feb. 2, 2010	Amendment	Feb. 26, 2010	New Screening Decision Report issued with additional terms and conditions
Land Use Permit (N2009C0018)	Dec. 15-16, 2010	Extension	Jan. 28, 2011	New Screening Decision Report with additional terms and conditions
Quarry Permit (056J12002)		New Permit		
Surface Lease (056J11001)		New Permit		
Land Use Permit (N2009C0019)	Jan. 3, 2012	Extension	Feb. 22, 2012	Exempt from Screening, reissued Jan. 28, 2011 Screening Decision Report
Land Use Permit (N2009C0018)	Jan. 25, 2012	Extension/ Amendment		

PREVIOUSLY-SCREENED PROJECT PROPOSAL:

As previously screened by the NIRB (File No. 07EN021), the “Committee Bay Project - Camp and Airstrip” project was located within the Kitikmeot region, approximately 220 kilometres (km) southwest of Kugaaruk, and 235 km west of Repulse Bay near the northern border of Ukkusiksalik National Park. The Proponent indicated that it intended to explore potential gold deposits along the Committee Bay Greenstone Belt seasonally from March 2007 to March 2009.

Project components/activities included the following:

- Use of existing seasonal exploration camps at Ingot, Crater, Hayes and Bullion camps between March and September;
- Construction of temporary ice strip on lake at Hayes Camp;
- Use of existing airstrip at Crater Lake Camp;
- Landing of aircraft with tundra tires on an esker at Ingot Camp;
- Exploration activities as well as transport of personnel and supplies supported by snow machines, helicopters and Twin Otter aircraft;
- Exploration and drilling on ice and on land;
- 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; and,
- Baseline environmental work at Hayes Camp.

The activities and components associated with the previous February 29, 2008 water license 2BE-CRA0710 amendment included:

- Additional domestic water use for camps and new drill sites for 2008 field season.

The January 26, 2009 extension requests for INAC Land Use Permits N2007C0001 and N2007C0002 involved activities in support of continued exploration at the Committee Bay Greenstone Belt for an additional two years, between March 2009 and March 2011.

The activities and components associated with the previous February 2, 2010 amendment application to the INAC Land Use Permits N2009C0018 and N2009C0019 included:

- Exploration activities to continue between March 1, 2010 and October 30, 2011;
- Increase the number of drills from 3 to 6;
- 6 drills to be used concurrently with 2 of the 4 camps open at any one time; and,
- Construction of a temporary winter road approximately 10 kilometres long from Hayes Camp to the Three Bluffs deposit for hauling water, drills and related equipment and personnel to the deposit to enable spring exploration drilling.

The activities and components associated with the December 2010 extension request for Land Use Permit N2009C0018 and the addition of a quarry permit and surface lease included:

- Intend to upgrade the existing infrastructure in order to facilitate increased exploration activities in the project area from March 1, 2011 to October 15, 2016;
- Increase exploration activities, including use of additional drills, and updating camp accommodation and services at the present Hayes Camp:
 - Use of 7 diamond and 2 RC drills positioned on the Three Bluffs Deposit for drilling of up to 60,000 metres in 2011 and 2012,
 - Airborne and ground geophysics surveys,
 - Geological mapping and prospecting,
 - Infrastructure upgrade to accommodate up to 100 persons,
 - Adding vehicles, heavy equipment, infrastructure, waste water treatment plant, incinerator, and drilling equipment.
- Improve and increase length of Hayes Camp airstrip:
 - Upgrade current esker airstrip to 3000 feet in length through levelling and grading,
 - Quarry approximately 5000 cubic metres of ¾ crush to top coat the airstrip.
- Build an all-weather road from Hayes Camp to the Three Bluffs Gold deposit including a 5000 foot airstrip:
 - Construct approximately 6-10 kilometre (km) of road connecting the Hayes Camp to the Three Bluffs Exploration Gold Deposit.
 - Temporary fuel storage for heavy equipment along the road corridor in 205 Litre drums with a maximum of 19 drums per cache, secured with berms and spill kits.
 - Installation of culverts as required for site drainage. Location of culverts to be determined based on 2011 hydrology survey. Currently no changes in water courses are planned.

- Construction schedule:
 - April to June 2011, and Sept 2011: equipment mobilization
 - June to Sept 2011: Study hydrology and geomorphology of the proposed road corridor to assess the best position of the all-weather road
 - Sept 2011 to Aug 2013: road construction.

The activities and components associated with the January 3 and January 25, 2012 requests included NCG proposing to extend the term of both of its AANDC Land Use Permits (N2009C0019, N2009C0018) from March 2012 to March 2014, as well as to amend AANDC Land Use Permit N2009C0018 to include the following additional components:

- Use of explosives for blasting of gravel and/or work for the purposes of obtaining crushed material and aggregate to complete the upgrades to the all-weather 3000 foot airstrip at Hayes Camp including the addition of 2 explosive magazines and a mini drill which will also require a new quarry permit;
- Addition of new equipment: 2 Huggland personnel carriers, 1 All Track, and 4 additional snow machines;
- Addition of 2 new skid mounted 35,000 litre double walled fuel tanks to compliment the 2 already in place at the Hayes Camp to further reduce the need for drummed fuel; and,
- Total amount of fuel required for the 2012 season will remain at approximately 1,500,000 litres.

CURRENT APPLICATION:

North Country Gold Corp. is currently applying for a Land Use Permit within the Municipality of Rankin Inlet to implement the following additional components/activities:

- Temporary storage of 51,250 litres of diesel fuel secured in an insta-berm;
- Storage of 15 pallets of core boxes and one pallet of core box lids;
- Storage of four lifts of timber; and,
- One sea can

Please note that Section 12.4.3 of the NLCA states that:

“Any application for a component or activity of a project proposal that has been permitted to proceed in accordance with these provisions shall be exempt from the requirement for screening by NIRB unless:

(a) such component or activity was not part of the original project proposal; or

(b) its inclusion would significantly modify the project.”

On August 17, 2012 NIRB distributed the current amendment request to a regional distribution list, requesting submission of any comments or concerns related to the application by August 27, 2012.

The following is a *summary* of comments received from Environment Canada (EC) regarding the proposed amendment:

- EC recommends that, according to the *Fisheries Act*, the Proponent shall not deposit, nor permit the deposit of chemicals, sediment, waste, or fuels associated with the project into any waterbody;
- EC recommends that the Proponent update its Fuel Spill Contingency Plan and the Abandonment and Restoration Plan to reflect the proposed additions of off-site facilities;
- EC recommends a spill kit, that can accommodate 110% of the largest fuel storage container, be available at all fuel transfer locations;
- EC recommends that the Proponent locate fuel caches a minimum of 31 metres from any high water mark; and,
- EC recommends that decanting of snow or water from the berm area should proceed only if appropriate chemical analysis has determined that the contents will not violate the requirements of Section 36.3 of the *Fisheries Act*.

After completing a review of the information provided in support of the current application as well as the comments received from interested parties, the NIRB is of the understanding that the proposed amendment does not change the general scope of the original project activities, and the exceptions noted in NLCA 12.4.3(a) and (b) do not apply. Therefore, this application is exempt from the requirement for screening pursuant to Section 12.4.3 of the NLCA and the activities therein remain subject to the terms and conditions recommended in the original January 28, 2011 Screening Decision Report (enclosed).

If you have any questions or concerns, please contact Tannis Bolt, Assistant Technical Advisor, at (867) 983-4603 or tbolt@nirb.ca.

Sincerely,



Ryan Barry
Executive Director

cc: Kaveh Bajgiran, North Country Gold Corp.
Jo Price, North Country Gold
Jeff Mercer, Aboriginal Affairs and Northern Development Canada
Tracey McCaie, Aboriginal Affairs and Northern Development Canada
Phyllis Beaulieu, Nunavut Water Board
Luis Manzo, Kivalliq Inuit Association
Ashley Ymana, Municipality of Rankin Inlet
Matt Ferris, Government of Nunavut-Community and Government Services

Enclosed: NIRB Screening Decision Report, File No.: 07EN021 (January 28, 2011)