



Crown-Indigenous Relations  
and Northern Affairs Canada

Relations Couronne-Autochtones  
et Affaires du Nord Canada

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

Your file - Votre référence  
2BE-GMB----

August 13, 2018

Our file - Notre référence  
CIDM#1225236

Ida Porter  
Licensing Administrator  
Nunavut Water Board  
P.O. Box 119  
Gjoa Haven, NU, X0B 1J0

**Re: Crown-Indigenous Relations and Northern Affairs Canada's comments on  
North Canada Gold Corp.'s new application for water licence #2BE-GMB---- –  
Gibson MacQuoid Project**

Dear Ms. Porter,

Thank you for your July 12, 2018 invitation for technical review comments on the above referenced application.

The Water Resources Division of Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) examined the application and the results of our review are provided in the enclosed memorandum for the Nunavut Water Board's consideration. Comments have been provided pursuant to CIRNAC's mandated responsibilities under the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Department of Indian Affairs and Northern Development Act*.

CIRNAC appreciates the opportunity to participate in this review. If there are any questions or concerns, please contact me at (867) 975-3876 or by e-mail at [sarah.forte@canada.ca](mailto:sarah.forte@canada.ca).

Sincerely,

Sarah Forté  
Water Management Specialist

## **Technical Review Memorandum**

To: Ida Porter, Licensing Administrator, Nunavut Water Board

From: Sarah Forté, Water Management Specialist, Water Resources Division, CIRNAC

Date: August 13, 2018

Re: Review of New Application for Type B Water Licence 2BE-GMB----

Applicant: North Country Gold Corp.  
Project: Gibson MacQuoid Project  
Region: Kivalliq

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### **A. BACKGROUND**

On July 12, 2018, the Nunavut Water Board (NWB) provided notification of North Country Gold Corp.'s submission of a new application for Type B water licence 2BE-GMB---- for the Gibson MacQuoid Project (GMP). North Country Gold is wholly owned by Auryn Resources.

The site is located approximately 115 km Southeast of Baker Lake and there is no past project in the area. A land package of 57 mineral claims and 19 prospecting permits currently comprise the GMP. This land package lies within a 120-km long corridor of greenstone belt positioned sub-parallel to greenstone belts hosting Agnico Eagle's Meadowbank and Meliadine Mines, within the Kivalliq region of Nunavut Territory. The GMP covers approximately 387,461 hectares with several gold occurrences in close proximity. Historic sampling in the area has returned values up to 230 g/t of gold. No camp sites were established on the GMP in 2017. The 2017 exploration program was based out of Baker Lake only.

Auryn's exploration strategy for the GMP is to identify deposits within the Gibson MacQuoid Belt via regional grassroots exploration. The undertaking proposed consist of the operation of a 30-40 person camp and exploration activities including prospecting, geological mapping, geophysical surveys, and till sampling. They are requesting authorization to use 5 m<sup>3</sup>/day of water from an unnamed lake next to the proposed camp location.

The NWB requested interested parties review the application and make representations by August 13, 2018.

## **B. RESULTS OF REVIEW**

On behalf of Crown-Indigenous and Relations Northern Affairs Canada (CIRNAC) Water Resources, the following comments and recommendations are provided for the Board's consideration.

### **1. Licence term**

#### Reference:

- General Water Licence Application – Gibson MacQuoid Project, North Country Gold Corp., July 2018, Boxes 24 and 25

#### Comment:

North Country Gold is requesting a 5 year licence term, however the proposed schedule for construction, operation and closure only lasts one year.

It is not clear why a five year term is necessary for completing one year of work. If the five year term is requested because further work is planned after 2018, this work should be described in the application.

#### Recommendation:

CIRNAC recommends the applicant clarify its licence term needs.

### **2. Contact information in Spill Prevention and Response Plan**

#### Reference:

- Spill Prevention and Response Plan, North Country Gold Corp., July 2018, Sections 1, 6 and 10

#### Comment:

The contact information in Section 1.1 of the Spill Prevention and Response Plan does not include an individual's contact information. Step 7 in the spill response procedures described in Section 6.0 involves contacting the "*Environmental Coordinator, Project Manager or other designated person.*" This is not specific enough because in event of a spill, someone following this plan needs to know who to contact and how to reach them.

Our department is currently using the acronym CIRNAC, and we request the Plan be updated to integrate this change. The old acronym AANDC is used in Figure 6.1 on page 7. Another old acronym, INAC, should also be replaced throughout the document.

Section 10.2 includes the name and phone number of the inspector previously on this file. This should be replaced with the manager of Field Operations, who can be reached at 867-975-4295.

#### Recommendation:

The applicant should be required to update the Spill Prevention and Response Plan to address the comment above.

### **3. Grease traps for grey water**

#### Reference:

- General Water Licence Application – Gibson MacQuoid Project, North Country Gold Corp., July 2018, Box 13
- Waste Management Plan, North Country Gold Corp., July 2018
- Community consultation/community log, Auryn Resources/North Country Gold, June 2018

#### Comment:

The Waste Management Plan and a reply in the Project Consultation log describe kitchen grease traps for the grey water before it is sent to the sump. The application simply states “*Filters will be installed on the kitchen drains to ensure solid wastes do not enter sumps.*”

#### Recommendation:

CIRNAC is seeking clarification and recommends the applicant clarify if the filters to be installed in the kitchen include grease traps.

### **4. Inconsistent reclamation estimate**

#### Reference:

- General Water Licence Application – Gibson MacQuoid Project, North Country Gold Corp., July 2018, Box 21
- Abandonment and Reclamation Plan, North Country Gold Corp., July 2018

#### Comment:

The estimate for third party reclamation costs includes cost for 2 people for 2 days in the Abandonment and Reclamation Plan. In the Application, the cost estimate is for 4 people for 2 days. The 8 person-day schedule seems more realistic given the infrastructure to take down and clean up.

#### Recommendation:

CIRNAC recommends the applicant update their Abandonment and Reclamation Plan to make it consistent with their application.

### **5. Missing signature**

#### Reference:

- General Water Licence Application – Gibson MacQuoid Project, North Country Gold Corp., July 2018, Box 28

#### Comment:

CIRNAC has noted that this application has not been signed.