



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

Your file - Votre référence
2BE-GRE1314

June 9, 2014

Our file - Notre référence
CIDM# 805034

Phyllis Beaulieu
Manager, Licensing
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU, X0A 1J0

**Re: Application for Water Licence Renewal – Aura Silver Resources Inc. – Greyhound
Project 2BE-GRE1314**

Dear Phyllis Beaulieu:

Aboriginal Affairs and Northern Development Canada (AANDC) has performed a review of the water licence application 2BE-GRE1314 submitted by Aura Silver Resources Inc. to the Nunavut Water Board (NWB). The following advice has been provided pursuant to AANDC's mandated responsibilities under the Nunavut Waters and Nunavut Surface Rights Tribunal Act (NWNSRTA) and the Department of Indian Affairs and Northern Development Act (DIAND Act). In conducting our review, AANDC referred to the documents on the NWB's FTP-site under 2BE-GRE1314.

Should you have any questions or comments, please do not hesitate to contact me at (867) 975-4282 or by e-mail at ian.parsons@aandc-aadnc.gc.ca

Regards,

Sent via Email

Ian Parsons
Regional Coordinator

Cc. David Abernethy, A/Manager of Water Resources, AANDC
Eva Paul, A/Manager of Field Operations, AANDC



Technical Review Memorandum

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

From: Ian Parsons – Regional Coordinator, AANDC

Existing Water Licence: 2BE-GRE1314

Re: Application for Water Licence Renewal – Aura Silver Resources Inc. – Greyhound Project 2BE-GRE1314

1. Project Description

The Nunavut Water Board (NWB) distributed Aura Silver Resources Inc. (“Aura”) licence renewal application for review on May 9th, 2014. Aura is requesting a licence term extension of two years to carry out a small exploration diamond drilling program that consists of 10 drill holes on the Greyhound Property with a requested water use of 100 m³/day.

The Greyhound Project is located 40 km northwest of the community of Baker Lake, Nunavut. Project logistics including accommodations and supplies will be based out of Agnico Eagle Mines Ltd.’s Meadowbank Mine Facility. Field crew will be transported via helicopter to and from the project site while carrying out the drilling program.

2. Results of Review and Recommendations

AANDC Water Resources Division offers the following comments and recommendations for the Board’s consideration.

A. General

- AANDC notes that the application lists May and June as the months in which the licensee would like to commence work. As it is now June 9th, AANDC would like to remind the licensee that work is not to commence until a renewal of the current water licence is issued.
- Any changes in operating plans or conditions associated with this project, Aura shall notify the NWB at least thirty (30) days prior to any such change.
- AANDC recommends that sources of water are submitted on a map (scaled to an appropriate size) with coordinates to the NWB when they are known.

B. Wastes

- AANDC recommends providing to the NWB confirmation that Agnico Eagle Mines Ltd. will be accepting domestic, inert scrap metal and any hazardous material wastes, etc from Aura Silver’s Greyhound Project.
- AANDC recommends that all sumps for the disposal of drilling wastes shall be located a minimum distance of 30 metres from any water body and shall be managed to ensure that there are no adverse effects to the quality, quantity and flow of water.



- It is recommended that the proponent provide all locations of sumps and drill holes (in the Annual reporting or provided to Inspector on request).

C. Spill Contingency Plan

- AANDC notes that the Spill Contingency plan has no contact number for AANDC Field Operations. AANDC recommends updating the spill contingency plan to include the following contact information: Erik Allain Manager of Field Operations, AANDC. Phone number 867 975 4295.

Prepared by Ian Parsons