Affaires autochtones et du Nord Canada

Water Resources Division Nunavut Regional Office Iqaluit, NU X0A 0H0 NWB File # 2BE-HAK0915 CIDMS # 1026434

February 4, 2016

Karen Kharatyan A/Manager of Licensing Nunavut Water Board PO Box 119 Gjoa Haven NU X0B 1J0

Re: 2BE-HAK0915 – Renewal Application – Hackett River – Glencore Canada Corporation (Glencore).

Please be advised that Indigenous and Northern Affairs Canada (INAC) have completed a review of the renewal application for water licence 2BE-HAK0915 (Hackett River) submitted by Glencore. The NWB circulated the renewal application for comments on January 4, 2016. All documents related to the request posted on the NWB ftp site under 2BE-HAK0915 were included in the review (See attached Technical Review Memo).

Should you have any questions or comments, please do not hesitate to contact me at (867) 979-4282 or by email at lan.Parsons@aandc.gc.ca.

Sincerely,

Original signed by

lan Parsons Regional Coordinator

Cc. Scott Burgess, Manager, Water Resources – INAC, Nunavut Regional Office (NRO)
Amanda Winegardner, Water Management Specialist, INAC, NRO Erik Allain, Manager, Field Operations – INAC, NRO Eva Paul, Water Resources Officer, INAC, NRO



Technical Review Memorandum

Re: <u> 2BE-HAK0915 – Renewal Application – Hackett River – Glencore</u> **Canada Corporation (Glencore)**

Background

The Hackett River Project is located in the Kitikmeot Region of Nunavut 104km south of Bathurst Inlet. Glencore currently has facilities and infrastructure to support operation and maintenance of an advanced exploration drilling operation that can accommodate approximately 120 people.

Glencore has put the Hackett River Project into a Care and Maintenance Phase with a possibility of some exploration taking place during the five year renewal of this licence.

Results of Review

On behalf of INAC's Water Resources Division, the following comments and recommendations are provided:

1. Water Use

Source: Water Licence Renewal Application. Question 13/Block 13: Quantity of Water.

Comment: The applicant has provided a number of different water quantity calculations to reach a cumulative total of 299 m³/day (30m³/day - Domestic Camp Use and 269 m³/day for industrial drill use) for the Hackett River Project. In reviewing these calculations it is unclear how a total of 269 m³/day was attained.

Recommendation #1: The applicant provide a more detailed breakdown of the water use calculations and assumptions, so it is clear on how the 269m³/day of water use for drilling purposes was determined. As well, at this time INAC suggests that the applicant review thoroughly the new water use definition that has been adopted by the Nunavut Water Board as this may affect the number of drills that can be used simultaneously.



2. Abandonment and Restoration Plan (A&R Plan)

Source: A&R Plan

Comment: The plan indicates that, in the event of final abandonment and restoration the applicant intends to leave all of their wooden structures in place.

Recommendation #2: INAC advises the applicant that final abandonment and restoration of a project site involves the removal of all structures. This would typically be indicated in your land use permit as well as the water licence. Below are the relevant clauses from both the water licence and land use permit indicating the removal of all structures.

Part I Item 6 of the Water Licence "The Licensee shall remove from the site, all infrastructure and site materials, including all fuel caches, drums, barrels, buildings and contents, docks, water pumps and lines, material and equipment prior to the expiry of this Licence".

Land Use Permit N2013F0022 Part 31 (1) a Item 5 "The Permittee shall remove from territorial lands, all scrap metal, discarded machinery and parts, barrels and kegs, buildings and building material".

Recommendation #3: INAC recommends that the A&R plan not be approved until the sentence, "Wooden frames and structures would remain in place", is either removed or changed to indicate that all structures will be removed upon final abandonment and restoration.

3. Waste Disposal

Source: Water Licence Renewal Application. Question 15/Block 15: Quantity and Quality of Waste Involved/Composition and Disposal Method.

Comment: As this section reads the applicant indicated that plastics are a burnable solid waste.

Recommendation #4: INAC realizes that this may be an oversight, however the applicant is advised that plastic is **not** burnable solid waste. As such, plastic waste should be disposed of in an environmentally safe way.



4. Expiration of Water Licence

Source: Water Licence 2BE-HAK0915.

Comment: Water Licence expired on December 31, 2015

Recommendation #5: INAC realizes that the documentation associated with the water licence renewal was submitted in October 2015, however INAC advises that the applicant follow the NWB guideline of applying for a type b water licence renewal six months in advance. This timeframe allows for any delays in the renewing of the water licence.

5. Expiration of Permits

Source: Water Licence Renewal Application. Question 6/Block 6: Nature of Interest in the Land.

Comment: INAC has noticed that the applicant has several expired land use permits.

Recommendation #6: The applicant should renew any expired land use permits before undertaking any activities at site, including Care and Maintenance activities. INAC also recommends that the applicant renew the land use permits before expiry, as was suggested in past inspection reports.

6. Contact Information

Source: All relevant application documentation

Comment: There contact information for Eva Paul – Water Resources Officer has changed. Please see updated information listed below.

Eva Paul, Water Resource Officer

Phone 867 669 2438 Fax 867 669 2702

