

File No.: Licence 2BE-HBP1116/

TR/B2/H2/I2

January 21, 2015

Mike MacMorran North Arrow Mineral Inc. Suite 960 – 789 West Pender Street Vancouver, BC V6C 1H2

E-mail: mmacmorran@northarrowminerals.com

Subject: Licence No. 2BE-HBP1116 - Submission of 2011, 2012, and 2013 Annual

Reports and Addendums to Spill Contingency and Abandonment and

Restoration Plans

Dear Mike MacMorran:

The Nunavut Water Board (NWB or Board) has completed its review of the 2011, 2012, and 2013 Annual Reports (Reports) and accompanying addendums to the original Spill Contingency and Abandonment and Restoration Plans submitted by North Arrow Minerals Inc. for the Hope Bay Project, located approximately 120 kilometres southwest of Cambridge Bay in the Kitikmeot Region, Nunavut.

The review determined that the Reports are generally complete and consistent with the reporting requirements under Part B, Item 2 in Licence 2BE-HBP1116. The review also noted that no field work was carried out for the project during the 2012 and 2013 periods.

With respect to the addendums submitted for the Spill Contingency and Abandonment and Restoration Plans in accordance with relevant conditions in the licence, Part H, Item 2 and Part I, Item 2, respectively, the following items remain outstanding and should be addressed as part of the 2014 Annual Report due by March 31, 2015:

1. Part H, Item 2c – Inclusion of detailed procedures, in the Spill Contingency Plan Addendum, for treating contaminated soil originating from large spills associated with the project.

- 2. Page 8 of the Spill Contingency Plan Addendum indicates pages that followed contained specific instructions on responding to various spill types; however, this information was not seen in the submission.
- 3. Part I, Item 2c Inclusion of details, in the Abandonment and Restoration Plan Addendum, related to procedures for backfilling of sumps and trenches resulting from projects activities.

Copies of the above-mentioned Reports and addendums as well as documents related to the licence are available on the NWB's FTP site, which can be accessed using the following link (**Username**: public and **Password:** registry):

ftp://ftp.nwb-

oen.ca/1%20PRUC%20PUBLIC%20REGISTRY/2%20MINING%20MILLING/2B/2BE%20-%20Exploration/2BE-

<u>HBP1116%20North%20Arrow/3%20TECH/1%20GENERAL%20(B)/2%20ANNUAL%20RP</u>T/

Apart from the above, the NWB takes this opportunity to request that the Licensee include in its 2014 Annual Report a copy of the complete report documenting clean-up activities that the Licensee indicated, in correspondence¹ to Aboriginal Affairs and Northern Development Canada, it intended file prior to March 31, 2014.

If you have any questions related to this correspondence, please contact the NWB's Licensing Department at (867) 360-6338 or by email to licensing@nwb-oen.ca.

Regards,

Original Signed By:

Sean Joseph Technical Advisor

cc: Kitikmeot Distribution List

¹ Letter from K. Armstrong, President &CEO, North Arrow Minerals Inc. to E. Paul, Water Resources Officer, Aboriginal Affairs and Northern Development Canada, Re: Inspection of Water Licence 2BE-HBP1116, October 10, 2013.