

Application for Water Licence Renewal

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P.O. BOX 119 GJOA HAVEN, NUNAVUT XOB 1J0

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DOCUMENT MANAGEMENT

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DOCUMENT AMENDMENTS

	Description	Date
(1)	Updated for public distribution as separate document from NWB Guide 7	June 2010
(2)	Updated NWB logos and reformatted table to allow rows to break across page	May 2011
(3)		
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(5)		
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APPLICATION FOR WATER LICENEC RENEWAL

Your application may be classified as a **renewal** only if all operations remain the same as previously licensed and only the term of the licence requires change. If your application contemplates:

- a change to the volume of water authorized for use;
- a new activity related to water use or waste disposal;
- a new component related to water use or waste disposal;
- a change in predicted environmental impacts(s); and/or
- a change to any term or condition of the original licence

your application is **NOT** classified as a renewal but rather an amendment and will require submission of an Application for Water Licence Amendment. Licensees applying for combined renewal / amendment are also referred to the Application for Water Licence Amendment.

The applicant is referred to the NWB's Guide 7: <u>Licensee Requirements Following the Issuance of a Water Licence</u> for more information about this application form.

EXISTING LICENCE NO: 2BE – HIG0712
1. LICENSEE CONTACT INFORMATION
Is the licensee the same as that referred to on the existing licence?
■ Yes □ No
If No, a licence assignment must be completed and approved by the NWB. A renewal will only be issued in the name of the current licensee in the absence of assignment of the licence.
If the licensee is the same, but the <u>name</u> of the licensee has changed, attach a certificate of name change.
Name: MINERALS AND METALS GROUP CANADA (MMG)
Address: SUITE 555 – 999 CANADA PLACE VANCOUVER, BC, V6C 3E1
Phone: 778 373 5600 Fax: 778 373 5598 e-mail: TED.MURARO@MMG.COM

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2. LICENSEE REPRESENTATIVE CONTACT INFORMATION – If different from Block 1.	
Name: THEODORE J. MURARO	
Address: AS ABOVE	
Address. Ad ABOVE	
Phone: 778 373 5589 Fax: 778 373 5589	
e-mail: TED.MURARO@MMG.COM	
(Attach authorization letter.)	
3. NAME OF PROJECT	
Is the name of the project the same as that considered in the existing water licence?	
Yes No	
Indicate the name of the project including the name of the location: HIGH LAKE	
4. LOCATION OF UNDERTAKING	
Is the location of the undertaking the same as that considered in the existing water licence?	
■ Yes □ No	
Project Extents	
NW: Latitude: (68° 00' 00" N) Longitude: (111° 30' 00" W) NE: Latitude: (68° 00' 00" N) Longitude: (109° 30' 00" W)	
SE: Latitude: (66° 45' 00" N) Longitude: (109° 30' 00" W) SW: Latitude: (66° 45' 00" N) Longitude: (111° 30' 00" W)	
Camp Location(s)	
HIGH LAKE CAMP Latitude: (67° 22' 42" N) Longitude: (110° 55' 30" W) HIGH LAKE EAST Latitude: (67° 08' 38" N) Longitude: (109° 52' 02" W)	
5. MAP	_
Are the locations of the main components of the undertaking the same as those considered in the existing licence?	
Yes No	
Attach a topographical map, indicating the main components of the undertaking. – SEE ATTACHED MAPS	
NTS Map Sheet No.: 76M / 76N Map Name: HEPBURN ISLAND Map Scale: 1:150,000	

6. NATURE	OF INTEREST IN THE LAND	
Is the nature of th	e interest in the land the same as that con	nsidered in the existing water licence?
	Yes	□No
Check any of the 'Surface' header	following that are applicable to the propos must be checked).	sed undertaking (at least one box under the
Sub-surfa	ace	
	Lease from Nunavut Tunngavik Incorporected date) of issuance: OCTOBER 2001	
Date (exp	I Lease from Indian and Northern Affairs (ected date) of issuance: 2008/2009/2010 ACHED TABLE SHOWING MINERAL LEA	Date of expiry: 2018/2019/2020
Surface		
	Land Use Authorization from Indian and Nected date) of issuance: 26 MARCH 2007	
	wned Land (IOL) Authorization from Kitikn ected date) of issuance: 15 FEBRUARY 2	neot Inuit Association (KIA) 2009 Date of expiry: 15 FEBRUARY, 2012
	thorization from Kivalliq Inuit Association ected date) of issuance:	(KivIA) Date of expiry:
	thorization from Qikiqtani Inuit Association ected date) of issuance:	n (QIA) Date of expiry:
☐ Comm Date (exp	issioner's Land Use Authorization ected date) of issuance:	Date of expiry:
Other_		
Date (exp	ected date) of issuance:	Date of expiry:
Is the name of the	e entity(s) holding authorizations the same	e as that considered in the existing water licence?
	Yes	□No
If No, a licence a	ssignment must be completed and approv	red by the NWB.
Name of entity(s)	holding authorizations: MMG - MINERA	LS AND METALS GROUP

7. NUNAVUT PLANNING COMMISSION (NPC) DETERMINATION		
Is the undertaking located in the same land use planning area as that considered in the existing licence?		
Yes No		
Indicate the land use planning area in which the project is located.		
North Baffin ☐ Keewatin South Baffin ☐ Sanikiluaq Akunniq ☐ West Kitikmeot		
Was a land use plan conformity determination required from NPC prior to the issuance of the existing water licence?		
☐ Yes ■ No		
If Yes, indicate date issued and attach copy		
Does the proposed renewal change the original NPC conformity determination or the need to obtain one?		
☐ Yes ■ No		
If Yes, indicate date issued (or expected) and attach a copy		
8. NUNAVUT IMPACT REVIEW BOARD (NIRB) DETERMINATION		
Was a screening determination required from NIRB prior to the issuance of the existing water licence?		
Yes No		
If Yes, indicate date issued and attach copy.		
Does the proposed renewal change the original NIRB screening determination or the need to obtain one?		
☐ Yes ■ No		
If Yes, indicate date issued (or expected) and attach a copy. SEE ATTACHED SCREENING EXEMPTION If No, provide written confirmation from NIRB confirming that a screening determination is not required.		
9. DESCRIPTION OF UNDERTAKING		
Is the description of the undertaking the same as that considered in the existing water licence?		
■ Yes □ No		
List and attach plans and drawings or project proposal. – SEE ATTACHED		

10. OPTIONS		
Are the alternative methods and locations that were considered to carry out the project the same as those considered in the existing water licence?		
■ Yes □ No		
Provide a brief explanation of the alternative methods or locations that were considered to carry out the project.		
11. CLASSIFICATION OF PRIMARY UNDERTAKING		
Is the primary undertaking the same as that considered in the existing water licence?		
■ Yes □ No		
Indicate the primary classification of undertaking by checking one of the following boxes.		
☐ Industrial ☐ Agricultural Mining and Milling (includes exploration/drilling/exploration camps) ☐ Conservation		
☐ Municipal (includes camps/lodges) ☐ Recreational ☐ Miscellaneous (describe below):		
See Schedule II of the Northwest Territories Waters Regulations for Description of Undertakings.		
12. WATER USE		
Is the type(s) of water use(s) the same as that considered in the existing water licence?		
■ Yes □ No		
Check the appropriate box(s) to indicate the type(s) of water use(s) being applied for.		
To obtain water for camp/ municipal purposes To obtain water for industrial purposes To cross a watercourse To alter the flow of, or store water Other: To obtain water for camp/ municipal purposes To divert a watercourse To modify the bed or bank of a watercourse Flood control		

13. QUANTITY OF WATER INVOLVED			
Is the source of water the same as that considered in the existing licence?			
Name of water source(s): Source for High Lake camp is High Lake itself, for High Lake East site it is the James River. Sources for drilling will vary depending on drill target location. A map showing areas of interest for mineral exploration is provided.			
Is the quality of the water source and its available capacity the same as that considered in the existing licence?			
Yes No			
Describe the quality of the water source(s) and the available capacity(s): High Lake is the principal source for the High Lake camp. Several years of monitoring by Gartner Lee found the Lake to be void of aquatic life due to the elevated pH levels caused by the surrounding geology. The lake volume is roughly 600,000 cubic meters. Capacities and water quality of sources for drilling will vary.			
Is the overall estimated quantity of water to be used the same as that considered in the existing licence?			
Yes No			
Provide the overall estimated quantity of water to be used: 100 m³/day			
Are the quantity(s) of water to be used from each source the same as those considered in the existing licence?			
■ Yes □ No			
Provide the estimated quantity(s) of water to be used from each source: 5m³ from High Lake or James River depending on which camp is occupied for domestic use. It is not expected that both camps will operate simultaneously. Sources for drilling will be target dependent. Sources for drilling will vary in usage volumes, depending on several factors such as number of holes, depth of hole, and the presence of faults or fractures in the local geology. On average a drill will complete a 300m hole in about 7 days of drilling, and require 150m³ of water during this period, of which only about 35m³ is actually 'consumed'.			
Are the quantity(s) of water to be used for each purpose the same as those considered in the existing licence?			
Yes No			
Provide the estimated quantities to be used for each purpose (camp, drilling, etc.):			
Are the method(s) of extraction the same as those considered in the existing licence?			
Describe the method(s) of extraction: Water for the camp is drawn from High Lake with an electric submersible pump with a screened intake. Water for drilling is drawn from available local sources with a diesel powered piston style or "pedder" pump with a screened intake hose.			
Are the quantity(s) of water returned to source(s) the same as those considered in the existing licence?			
■ Yes □ No			

Estimated quantity(s) of water returned to source(s): It is estimated that about 25% of water involved in drilling is actually "lost" or "consumed" at the bit face, about 6 m³/day/drill. The majority of the water returns to surface in a closed system and passes through settling tanks before being pumped again to the bit face. In domestic use this percentage is much greater. The volume therefore that eventually returns to the environment of the 100m³ is around 80m³.		
Are the quality(s) of water(s) returned to source(s) the same as those considered in the existing licence? Yes \sum No		
Tes Ino		
Describe the quality(s) of water(s) returned to source(s): Excess water is returned to the environment after passing through the settling tanks and is constantly visually inspected. Excess water exiting the system is never is returned directly to the source water body from which it has been drawn, but is rather directed into a natural depression and allowed to percolate into topsoil, eventually returning to water bodies after further natural filtration has taken place.		
14. WASTE		
Are the type(s) of waste(s) to be generated and/ or deposited the same as those considered in the existing licence?		
■ Yes □ No		
Check the appropriate box(s) to indicate the types of waste(s) generated and deposited.		
Sewage Solid Waste Hazardous Bulky Items/Scrap Metal Animal Waste Other (describe): Waste oil Greywater Sludges Contaminated soil and/or water		
15. QUANTITY AND QUALITY OF WASTE INVOLVED		
Are the quantity(s) of the types of wastes involved the same as those considered in the existing licence?		
Yes No		
Are the composition(s) of the types of wastes involved the same as those considered in the existing licence?		
Yes No		
Are the method(s) of treatment for the types of waste involved the same as those considered in the existing licence? Use of KBL Environmental for waste disposal services may be a new addition.		
Yes No		
Are the method(s) of disposal for the types of waste involved the same as those considered in the existing licence?		
Yes No		

For each type of waste indicated in Block 14, describe its composition, quantity in cubic meters/day, method of treatment and method of disposal.

Type of Waste	Composition	Quantity Generated	Treatment Method	Disposal Method
SEWAGE	Human waste	0.5m ³ /day	Incinerated onsite	Remnant ash is transported to YK for disposal with KBL
GREYWATER	Kitchen and shower/washing facility effluent	2.0m ³ /day	Flows through settling tanks and a grease trap	enters a natural sump for further filtration by percolation
SLUDGE	Fine rock dust produced by drill bit	0.5m³/day	Flows through settling tanks with floculent	Enters a natural sump for further filtration by percolation
WASTE OIL	Used engine oil from equipment	0.1m³/day	Collected and sealed in empty 45gal. drums for removal from site	Transported to Yellowknife where proper disposal is carried out by KBL at an Edmonton facility
BULK SCRAP	Scrap metal from failed equipment and remnants from incinerator	0.2m³/day	Collected and sealed in empty 45gal. drums for removal from site	Transported to Yellowknife where proper disposal is carried out by KBL
HAZARDOUS	Used batteries of various sizes from 1.5V to 24V	0.05m³/day	Collected and sealed in appropriate containers for removal from site	Transported to Yellowknife where proper disposal is carried out by KBL at an Edmonton facility

16. OTHER AUTHORIZATIONS

In addition to the sub-surface and surface land us authorizations required as considered in the exist	se authorizations provided in Block 6, are the same ting licence?
For each provide the following:	Yes No
Authorization:	
Administering Agency:	
Project Activity:	
Date (expected date) of issuance:	Date of expiry:

17. PREDICTED ENVIRONMENTAL IMPACTS OF UNDERTAKING AND PROPOSED MITIGATION

MEASURES
Are predicted environmental impacts of the undertaking and proposed mitigation measures the same as those considered in the existing water licence?
Yes No
Describe direct, indirect, and cumulative impacts related to water and waste.
18. WATER RIGHTS OF EXISTING AND OTHER WATER USERS
Are the effects of the undertaking on any known persons or property including those that hold licences for water use in precedence to the application, domestic users, in-stream users, authorized waste depositors, owners of property, occupiers of property, and/or holders of outfitting concessions, registered trapline holders, and holders of other rights of a similar nature, the same as those considered in the existing water licence?
Yes No
Provide the names, addresses and nature of use for any known persons or properties that may be adversely affected by the proposed undertaking, including those that hold licences for water use in precedent to the application, domestic users, in-stream users, authorized waste depositors, owners of property, occupiers of property, and/or holders of outfitting concessions, registered trapline holders, and holders of other rights of a similar nature.
Advise the Board if compensation has been paid and/or agreement(s) for compensation have been reached with
any existing or other users. THE UNDERTAKING SHOULD HAVE NO IMPACT ON LOCAL WATER USAGE
19. INUIT WATER RIGHTS
Are the effects of the undertaking on the quality, quantity or flow of waters flowing through Inuit Owned Land (IOL) the same as those considered in the existing water licence?
■ Yes □ No
Advise the Board of any substantial affect of the quality, quantity or flow of waters flowing through Inuit Owned Land (IOL), and advise the Board if negotiations have commenced or an agreement to pay compensation for any loss or damage has been reached with one or more Designated Inuit Organization (DIO).
20. CONSULTATION - Provide a summary of any consultation meetings including when the meetings were held, where and with whom. Include a list of concerns expressed and measures to address concerns.
21. SECURITY INFORMATION
Is the financial security assessment the same as that considered in the existing water licence?
■ Yes □ No
Is the estimate of the total financial security for final reclamation the same as that considered in the existing water licence?
Yes No
Provide an estimate of the total financial security for final reclamation equal to the total outstanding reclamation liability for land and water combined sufficient to cover the highest liability over the life of the undertaking. Estimates of reclamation costs must be based on the cost of having the necessary reclamation work done by a

third party contractor if the operator defaults. The estimate must also include contingency factors appropriate to the particular work to be undertaken.
Where applicable, the financial security assessment should be prepared in a manner consistent with the principals respecting mine site reclamation and implementation found in the <i>Mine Site Reclamation Policy for Nunavut</i> , Indian and Northern Affairs Canada, 2002.
22. FINANCIAL INFORMATION
Is the statement of financial security the same as that considered in the existing water licence?
Yes No
Provide an updated statement of financial security.
If the applicant is a business entity please answer the questions below:
Is the list of the officers of the company the same as those considered in the existing water licence?
Yes No
Provide a list of the officers of the company.
Is the Certificate of Incorporation or evidence of registration of the company name the same?
Yes No
Attach a copy of the Certificate of Incorporation or evidence of registration of the company name.
23. STUDIES UNDERTAKEN TO DATE
List and attach updated studies, reports, research etc.
Provide a compliance assessment and status report including a response to any inspector's reports. The licensee must contact the NWB for licence specific direction in completing the assessment and report.
If in non-compliance, a licence may not be issued until compliance is achieved. If in non-compliance, attach plans/reports for consideration. Application will not be processed if significant issues of non-compliance exist.
SEE ATTACHED SUPPLEMENTARY INFORMATION PACKAGE
24. PROPOSED TIME SCHEDULE
Is the time schedule for all phases of development (construction, operations, closure and post closure) the same as that considered in the existing licence?
☐ Yes No
Indicate the proposed start and completion dates for each applicable phase of development (construction, operation, closure, and post closure).
Construction
Proposed Start Date: Proposed Completion Date: (month/year) (month/year)
(month/year) (month/year)

Operation Proposed Start Date: 1 MARCH 2012 (month/year) Closure Proposed Start Date: (month/year) Proposed Completion Date: 1 OCTOBER 2012 (month/year) Proposed Completion Date: (month/year) Proposed Completion Date: (month/year) Proposed Completion Date: (month/year) Proposed Completion Date: (month/year)				
For each applicable phase of development indicate which season(s) activities occur.				
Construction ☐ Winter ☐ Spring ☐ Summer ☐ Fall ☐ All season				
Operation Winter Spring Summer Fall All season				
Closure ☐ Winter ☐ Spring ☐ Summer ☐ Fall ☐ All season				
Post - Closure Winter Spring Summer Fall All season				
25. PROPOSED TERM OF LICENCE				
On what date does the existing licence expire? 31 MAY 2012				
Indicate the proposed term of the renewal (maximum of 25 years): 5 YEARS				
Requested date of renewal issuance: APRIL 2012 Requested Expiry Date: APRIL 2017 (month/year)				
(The requested date of renewal issuance must be <u>at least</u> three (3) months from the date of application for a type B water licence and <u>at least</u> one (1) year from the date of application for a type A water licence, to allow for processing of the water licence application. These timeframes are approximate and do not account for the time to complete any pre-licensing land use planning or development impact requirements, time for the applicant to prepare and submit a water licence application in accordance with any project specific guidelines issued by the NWB, or the time for the applicant to respond to requests for additional information. See the NWB's <i>Guide 5:</i> <u>Processing Water Licence Applications</u> for more information)				
26. ANNUAL REPORTING				
Is the annual report template expected to be the same as that considered in the existing licence?				
■ Yes □ No				
If not using the NWB's <u>Standardized Form for Annual Reporting</u> , provide details regarding the content of annual reports and a proposed outline or template of the annual report.				
Annual reporting of exploration activity associated with the current water use license 2BE-HIG0712 has been provided to the Nunavut Water Board.				
2011 annual report is attached with this license renewal application				

27.	CHECKLIST				
The following must be included with the application for renewal for the water licensing process to begin.					
	Completed Application for Water Licence Renewal form.				
	Yes	□No	If no, date expected		
	Updated plans, including designs and reports (see Block 23).				
	Yes	□No	If no, date expected		
	Updated security assessment (see Block 21).				
	Yes	□No	If no, date expected		
	Updated financial statement (see Block 22).				
	Yes	□No	If no, date expected		
	Compliance Assessment / Status Report (see Block 23).				
	Yes	□No	If no, date expected		
	English Summary of Renewal Application.				
	Yes	□No	If no, date expected		
	Inuktitut and/or Inuinnaqtun Summary of Renewal Application.				
	Yes	□No	If no, date expected		
	Application fee of \$30.00 CDN (Payee Receiver General for Canada).				
	Yes	□No	If no, date expected		
	Water Use Fee Deposit of \$30.00 CDN (Payee Receiver General for Canada). The actual water use fee will be calculated by the NWB based upon the amount of water authorized for use in accordance with the Regulations at the time of issuance of the licence.				
	Yes	☐ No	If no, date expected		
28. SIGNATURE					
I, THEODORE J. MURARO (print name)					
certify that the application requires no changes to water use or waste disposal as previously authorized and that the information given on this form is, to the best of my knowledge, correct and complete.					
Signature Date Date					