



WATER USE INSPECTION REPORT

Date: July 8 and 9, 2013	Licensee Rep. (Name/Title): Katsky Venter
Licensee: TMAC Resources	Licence No.: 2BE-HOP1222

WATER SUPPLY

Source(s): Windy Lake and water bodies proximal to drills.	Quantity used: Drills - up to 15m <sup>3</sup> per day (down-hole only) 402 m <sup>3</sup> pumped from Windy for camp use in June
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Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected

Intake Facilities: NI	Storage Structure: NI	Treatment Systems: NI	Chemical Storage: NI
Flow Meas. Device: A	Conveyance Lines: NI	Pumping Stations: NI	Screen : NI

Comments: Windy Lake Camp is currently inactive but drilling is occurring under this licence. Water management activities are ongoing. Water is currently pumped from Windy Lake and trucked to Doris North for camp use. Water bodies proximal to drills are used for drill water.

The water meter at the drills is currently placed after the return water line. By definition of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*:

“USE”, in relation to waters, means a direct or indirect use of any kind, including, but not limited to,

- (a) any use of water power and geothermal resources;
- (b) any diversion or obstruction of waters;
- (c) any alteration of the flow of waters; and
- (d) any alteration of the bed or banks of a river, stream, lake or other body of water, whether or not the body of water is seasonal.

As such, tracking and reporting of water usage should include all water being pumped from the source. I would recommend at this time a dual metering system to track both figures, while AANDC and the NWB continue this discussion.

WASTE DISPOSAL

Sewage: Sewage Treatment System (Prim./Sec/Ter.): Not in use

Natural Water Body: -	Continuous Discharge (land or water): -	
Seasonal Discharge: -	Wetlands Treatment: -	Trench:-

Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected

Discharge Quality: -	Decant Structure: -	Erosion:-
Discharge Meas. Device: -	Dyke Inspection: -	Seepages: -
Dams, Dykes: -	Freeboard: -	Spills: A
Construction: -	O&M Plan: A	A&R Plan: A
Discharge: -	Effluent Discharge Rate: NA	

Comments: No sewage is currently being produced at Windy Lake.

Solid Waste:

Landfill: -	Burn & Landfill: -	Other: Backhaul
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Comments: Waste from any reclamation activities is backhauled to Doris North to the waste management facilities.

Drill waste:

Drill activities in the Hope Bay belt are currently being undertaken under this licence by Geotech Drilling. Four drills were active at the time of the inspection. Drill sites were found to be very clean, with extremely effective water recycling and cuttings management systems in place. Innovative solutions are being employed to minimize the amount of water and cuttings that come in contact with the tundra. Heating the drill water allows for minimal salt usage; Geotech and TMAC were tracking activities to determine the most effective balance.



FUEL STORAGE:

Waste Oil Storage: NA

Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected

Berms & Liners: A	Water within Berms: A	Evidence of Leaks: A
Drainage Pipes: NA	Pump Station & Catchments Berm: A	
Pipeline Condition: NI	Condition of Tanks: A	

Comments: All fuel and hazardous waste was removed from Windy Lake in 2012. Fuel/oil/chemicals at drill sites were all within secondary containment. Hoses and nozzles were stored within containment with drip pads.

GENERAL CONDITIONS

Ore & Waste Rock Stockpiles: A	Mine Water Discharge: A	Geotechnical Inspection: A
Erosion: A	Seepages: A	Records & Reporting: A
Restoration Activities: A	Chemical Storage: A	Spills: A
A&R Plan: A	Contingency Plan: A	

Comments: Reclamation activities at Windy Lake since the last inspection includes the removal of all the core racks from the water’s edge, removal of fuel and hazardous materials, and removal of several tents to Doris Camp for dismantling. Revegetation and slope stabilization activities are ongoing at Windy Lake, and appear to be going well. Reclamation of historic drill holes (cutting of casings) is being undertaken on an opportunistic basis. Site monitoring is being done as per licence requirements.

Current drill sites are being reclaimed immediately upon completion of drilling. Sites were found to be clean with little evidence of the drilling activity.

Patch Lake: vegetation die-off is evident from the cuttings dump to the nearby lake, presumably from dispersal of saline water from cuttings. Measures are to be put in place to reduce impacts to the lake, as monitoring of the site continues through 2013. Monitoring of this site should be used to inform decisions about cuttings placement in the future.

SURVEILLANCE NETWORK PROGRAM (SNP)

Samples Collected:		Owner /Operator: -	
		AANDC:.Windy Lake	
Signs Posted	SNP: NI		Warning: NI
Records & Reporting: A			

General Comments: Noticeable improvements have been made at Windy Lake. Regular monitoring is occurring. The site is in Care and Maintenance until further notice. Reclamation of historic drill sites should continue as per Part I item 10 of the licence. I am very impressed with the work of TMAC and Geotech at drill sites; by far the cleanest and best-managed drill sites I have encountered in the Kitikmeot!

Non-Compliance of Act or Licence: -

Action Required:

- Adjustment to metering system at the drills by July 31, 2013.
- Recommendations for mitigation measures to reduce impacts to water from Patch Lake cuttings dump by September 30, 2013. Implementation of measures, if possible, before freeze-up.

LEA-MARIE BOWES-LYON

Licensee Representative's Name

EVA PAUL

Inspector's Name

Licensee Representative's Signature

Inspector's Signature

July 10, 2013

Date

July 10, 2013

Date