

## Application for Water Licence Amendment Inukshuk Exploration Inc. 2BE-HRP1924

Application Submission Date: 03/20/2022

Month/Day/Year

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

Tel: (867) 360-6338 FAX: (867) 360-6369 kNK5 wmoEp5 vtmpq NUNAVUT IMALIRIYIN KATIMAYIT NUNAVUT WATER BOARD OFFICE DES EAUX DU NUNAVUT



P.O. Box 119

GJOA HAVEN, NU X0B 1J0 NUNAVUT WATER BOARD
TEL: (867) 360-6338 NUNAVUT IMALIRIYIN KA'

FAX: (867) 360-6369

kNK5 wmoEp5 vtmp5 NUNAVUT WATER BOARD

NUNAVUT IMALIRIYIN KATIMAYIT OFFICE DES EAUX DU NUNAVUT

## APPLICATION FOR WATER LICENCE AMENDMENT

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

Where possible, provide background information regarding the original licence application or attach previously submitted information.

EXISTING LICENCE NO: 2BE-HRP1924
1. LICENSEE CONTACT INFORMATION
Is the licensee the same as that referred to on the existing licence?
x Yes □ No
The Licensee remains unchanged, being Inukshuk Exploration Inc. (Inukshuk), a wholly owned subsidiary of Blue Star Gold Corp. (Blue Star).
If No, a licence assignment must be completed and approved by the NWB. An amendment 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: Darren Lindsay
Address: 507-700 W. Pender St. Vancouver, BC V6C 1G8
Phone: 778-379-1433 Fax:
e-mail: d.lindsay@bluestargold.ca
2. LICENSEE REPRESENTATIVE CONTACT INFORMATION – If different from Block 1.
Name: Sharleen Hamm
Address: 102-17910 55 Ave Surrey, BC
Phone: <b>604.996.1110</b> Fax:
e-mail: Sharleen.hamm@bluestargold.ca
(Attach authorization letter.)

3. NAME OF PROJECT
Has the name of the project changed?
x Yes □ No
If Yes, indicate the name of the project including the name of the location:
The Project still applies to the Hood River area. By way of this amendment, Inukshuk is seeking to amend its project extents to include its Roma project, located north of Hood River and as illustrated in the attachments.
4. LOCATION OF UNDERTAKING
Does the proposed amendment change the location of the amended undertaking?
x Yes □ No
Provide the project extents and camp locations. Identify proposed changes.
Inukshuk wishes to modify the licence extents to allow for exploration of its newly acquired mineral tenure in the Roma area.
Project Extents
Long Min: 111° 13' 46" W Long Max: 110° 38' 41" W Lat Min: 67° 36' 51" N Lat Max: 66° 48' 37" N
Camp Location(s)
Latitude: ( ° ' "N) Longitude: ( ° ' "W)
A camp may be set up in this area, however the location is to be determined, following engagement with the Kugluktuk Angoniatit Association (ongoing), archeological impact assessment and a field reconnaissance.
5. MAP
Does the proposed amendment change the locations of any of the main components of the undertaking?
x Yes □ No
Attach a topographical map, indicating the main components of the undertaking. Identify proposed changes.
Map is attached. Proposed changes include new project extents.
NTS Map Sheet No.: 076L14, 076L15, 76M10, 76M7 Map Name: No title, High Lake Map Scale: 1:50,000  6. NATURE OF INTEREST IN THE LAND
Does the proposed amendment change the nature of the interest in the land?
☐ Yes × No
If Yes, indicate changes
Check any of the following that are applicable to the proposed undertaking (at least one box under the 'Surface' header must be checked).

Sub-surface
<ul> <li>Mineral Lease from Nunavut Tunngavik Incorporated (NTI)</li> <li>Date (expected date) of issuance: June 1, 2013 Date of expiry: May 31, 2034</li> <li>Date (expected date) of issuance: January 1, 2022 Date of expiry: December 31, 2041</li> </ul>
☐ Mineral Lease from Indian and Northern Affairs Canada (INAC)  Date (expected date) of issuance: Date of expiry:
Surface
Crown Land Use Authorization from Indian and Northern Affairs Canada (INAC) Date ( <u>expected date</u> ) of issuance: <u>May 15, 2022</u> Date of expiry: <u>May 15, 2024</u> Application in process
★Inuit Owned Land (IOL) Authorization from Kitikmeot Inuit Association (KIA) Date (expected date) of issuance: June 26, 2021 Date of expiry: June 25, 2022 Renewal in process
☐ IOL Authorization from Kivalliq Inuit Association (KivIA)  Date (expected date) of issuance: Date of expiry:
☐ IOL Authorization from Qikiqtani Inuit Association (QIA)  Date (expected date) of issuance: Date of expiry:
Commissioner's Land Use Authorization  Date (expected date) of issuance: Date of expiry:
☐ Other
Date (expected date) of issuance: Date of expiry:
Is the name of the entity(s) holding authorizations the same as that considered in the existing water licence?
× Yes × No
If No, a licence assignment must be completed and approved by the NWB.
Name of entity(s) holding authorizations:
Inukshuk Exploration Inc. is a wholly owned subsidiary of Blue Star Gold Corp. In addition to the Hood River project, Blue Star also owns the adjacent Ulu Project; Ulu, Hood River and Roma are operated together. Accordingly, some authorizations are in Blue Star's name and some are Inukshuk's name:
Blue Star Gold Corp.: KitlA Land Use Licence KTL311C013 CIRNAC Land Use Permit (in process) NTI Mineral Exploration Agreement CO-29-21-001 CIRNAC Mineral claims
Inukshuk Exploration Inc. NTI Mineral Exploration Agreement HOODRIVER-001
Given this, an assignment is not considered to be necessary.

7. NUNAVUT PLANNING COMMISSION	(NPC) DETERMINATION
Indicate the land use planning area in which th	e existing project is located.
<ul><li>☐ North Baffin</li><li>☐ South Baffin</li><li>☐ Akunniq</li></ul>	<ul><li>☐ Keewatin</li><li>☐ Sanikiluaq</li><li>☐ West Kitikmeot</li></ul>
Project is located in the Kitikmeot region, o	utside of a land use planning area.
Does the proposed amendment change the lar	nd use planning area?
	☐ Yes × No
If yes, indicate the land use planning area in w	hich the amended undertaking is located.
<ul><li>☐ North Baffin</li><li>☐ South Baffin</li><li>☐ Akunniq</li></ul>	<ul><li>☐ Keewatin</li><li>☐ Sanikiluaq</li><li>☐ West Kitikmeot</li></ul>
Project is located in the Kitikmeot region, o	utside of a land use planning area.
Was a land use plan conformity determination licence?	required from NPC prior to the issuance of the existing water
	x Yes □ No
If Yes, indicate date issued and attach copy.	larch 18, 2019
Does the proposed amendment change the or	iginal NPC conformity determination or the need to obtain one?
	☐ Yes × No
If Yes, indicate date issued (or expected) and If No, provide written confirmation from NPC c	attach a copyonfirming that a land use plan conformity review is not required.
See attached.	
8. NUNAVUT IMPACT REVIEW BOARD	(NIRB) DETERMINATION
Was a screening determination required from	NIRB prior to the issuance of the existing water licence?
	x Yes ☐ No
If Yes, indicate date issued and attach copy. J	une 14, 2019
Does the proposed amendment change the or one?	iginal NIRB screening determination or the need to obtain
	☐ Yes XNo
If Yes, indicate date issued (or expected) and If No, provide written confirmation from NIRB of	attach a copyconfirming that a screening determination is not required.
Refer to the attached letter from the NPC.	

9.	DESCRIPTION OF UNDERTAKING
Does th	ne proposed amendment change the description of the undertaking?
	☐ Yes ×No
	d attach plans and drawings or project proposal. Identify proposed changes.
10.	OPTIONS
	ne proposed amendment change any of the alternative methods and locations that were considered out the project?
	☐ Yes <b>×</b> No
project.	e a brief explanation of the alternative methods or locations that were considered to carry out the location locations that were considered to carry out the location proposed changes.
11.	CLASSIFICATION OF PRIMARY UNDERTAKING
Indica boxes	te the primary classification of undertaking for the existing licence by checking one of the following:
	<ul> <li>☐ Industrial</li> <li>☐ Agricultural</li> <li>X Mining and Milling (includes exploration/drilling/exploration camps)</li> <li>☐ Conservation</li> <li>☐ Municipal (includes camps/lodges)</li> <li>☐ Recreational</li> <li>☐ Power</li> <li>☐ Miscellaneous (describe below):</li> </ul>
Does t	the proposed amendment change the classification of primary undertaking?
	☐ Yes ×No
If Yes,	indicate the primary undertaking of the amendment:
	nation in accordance with applicable Supplemental Information Guidelines (SIG) must be updated and tted with an Application for Amendment. Indicate which SIG(s) are applicable to your application.
	□ Tannery   □ Tourist / Remote Camp   □ Landfarm & On-Site Storage of Hydrocarbon Contaminated Soil   □ Onshore Oil and Gas Exploration Drilling   ★ Mineral Exploration / Remote Camp   □ Advanced Exploration   □ Mine Development   □ Municipal   □ General Water Works   □ Power
12.	WATER USE
Indicat	te, using the boxes below, the types of water use(s) approved in the existing licence.

<ul> <li>X To obtain water for camp/ municipal purposes</li> <li>X To obtain water for industrial purposes</li> <li>☐ To cross a watercourse</li> <li>☐ To alter the flow of, or store water</li> <li>☐ Other:</li> </ul>	<ul><li>☐ To divert a watercourse</li><li>☐ To modify the bed or bank of a watercourse</li><li>☐ Flood control</li></ul>
Does the proposed amendment change the type(s) of	water use(s)?
☐ Yes	s × No
If Yes, indicate using the boxes below, the proposed cuse(s) that are to be added, continued, or removed.	hange(s) to the type(s) of water use(s) noting any water
☐ To obtain water for camp/ municipal purpose ☐ To obtain water for industrial purposes ☐ To cross a watercourse ☐ To alter the flow of, or store water ☐ Other:	es To divert a watercourse To modify the bed or bank of a watercourse Flood control
13. QUANTITY OF WATER INVOLVED	
Does the proposed amendment change the source of	water? X Yes No
Indicate the water source(s). Identify proposed chang	es.:
Additional lakes within the expanded licence area will be used. Once a camp location is chosen and notify the NWB.	proximal to drill target locations and a future camp the camp water source determined, lnukshuk will
(show location(s) on map)	
Does the proposed amendment change the quality of	the water source and/or its available capacity?
☐ Yes	s × No
Describe the quality of the water source(s) and the available changes proposed.	ailable capacity(s). Identify any changes.:
Does the proposed amendment change the overall qu	antity of water to be used?
× Yes	s
Provide the overall estimated quantity to be used. Ide	ntify proposed changes. : increase to 299 m3/day
Does the proposed amendment change the quantity of	f water to be used from each source?
☐ Yes	s × No
Provide the estimated quantity(s) of water to be used to No changes proposed.	rom each source. Identify proposed changes:

Does the proposed amendment change the quantity of water to be used for each purpose?
x Yes □ No
Provide the estimated quantities to be used for each purpose (camp, drilling, etc.). Identify proposed changes.: The current licence allocates a specific volume of water for each camp and drilling uses: Part C Item 1 indicates the following:
The Licensee shall obtain all Water for domestic camp use from the source proximal to the camp. Total camp Water use shall not exceed sixty (60) cubic metres per day. Drill Water shall be obtained from local Water source(s), proximal to the drilling targets as outlined in the Application and shall not exceed ninety (90) cubic metres per day. The volume of Water for all purposes under this Licence shall not exceed one hundred and fifty (150) cubic metres per day.
Inukshuk wishes to amend the licence to allow flexibility in allocation per use: in the event that there is no camp operational in any given season (activities would be based out of the adjacent Ulu camp, which is licenced separately) it wishes to use the entire licenced water volume for drilling.  Accordingly, Inukshuk proposes the following revised wording for Part C Item 1:
The Licensee shall obtain all Water for domestic camp use from the source proximal to the camp.  Total camp Water use shall not exceed sixty (60) cubic metres per day. Drill Water shall be obtained  from local Water source(s), proximal to the drilling targets as outlined in the Application. and shall  not exceed ninety (90) cubic metres per day. The volume of Water for all purposes under this  Licence shall not exceed one hundred and fifty (150) two hundred and ninety nine (299) cubic  metres per day.
Does the proposed amendment change the method(s) of extraction?
Describe the method(s) of extraction. Identify proposed changes. : No changes proposed.
Does the proposed amendment change the quantity(s) of water returned to source(s)?
☐ Yes X No
Estimated quantity(s) of water returned to source(s). Identify proposed changes. : m³/day No changes proposed.
Does the proposed amendment change the quality(s) of water returned to source(s)?
☐ Yes ×No
Describe the quality(s) of water(s) returned to source(s). Identify any changes. :

14.	WASTE	
Check	the appropriate box(s) to indicate the ty	rpes of waste(s) approved in the existing licence.
	<ul> <li>X Sewage</li> <li>X Solid Waste</li> <li>X Hazardous</li> <li>X Bulky Items/Scrap Metal</li> <li>☐ Animal Waste</li> <li>X Other (describe): Drill cuttings</li> </ul>	<ul> <li>XWaste oil</li> <li>X Greywater</li> <li>☐ Sludges</li> <li>X Contaminated soil and/or water</li> </ul>
Does	the proposed amendment change the ty	pe(s) of waste(s) to be generated or deposited?
		☐ Yes X No
		oposed change(s) to the type(s) of waste(s) to be generated or continued generation and/or disposal of waste(s).
	Sewage Solid Waste Hazardous Bulky Items/Scrap Metal Animal Waste Other (describe):	<ul><li> Waste oil</li><li> Greywater</li><li> Sludges</li><li> Contaminated soil and/or water</li></ul>
No ch	anges proposed.	
15.	QUANTITY AND QUALITY OF WAST	E INVOLVED
Does	the proposed amendment change the q	uantity(s) of the types of wastes involved?
		☐ Yes × No
Does	the proposed amendment change the c	omposition(s) of the types of wastes involved?
		☐ Yes × No
Does	the proposed amendment change the m	nethod(s) of treatment for the types of waste involved?
		☐ Yes × No
Does	the proposed amendment change the m	nethod(s) of disposal for the types of waste involved?
		☐ Yes XNo
If Yes	to any of the above, describe the propo-	sed changes:
strea		tion, treatment method and disposal method for wastes a change to Part D Item 12, being the compliance point econdary containment (not bulk).
fuel s	torage secondary containment area;	cumulated water prior to discharge from its drummed compliance criteria are applied to this discharge point.  s. Inukshuk notes that it appears to be the only 2BE

licence with a compliance point associated with its drummed fuel storage secondary containment area. Drummed fuel storage in secondary containment is a routine and well understood component of an exploration program.

In addition, the criteria applied, in particular the Total Lead criterium (1 ug/L, consistent with the CCME Environmental Quality Guidelines (EQG) for the Protection of Aquatic Life (PAL; freshwater) wherein hardness is <= 60 mg/L), are overly conservative for this facility and inconsistently applied to other licenced fuel storage facilities: the EQG PAL are intended to protect aquatic life from anthropogenic stressors, while the facility discharge is to tundra, not surface water; discharge criteria related to bulk fuel storage facilities in five (5) other BE licences vary by licence, inconsistently including phenols, total lead and dissolved lead.

Accordingly, Inukshuk is seeking alignment with other typical licenced practices across the territory and respectfully requests the NWB remove condition D.12 from 2BE-HRP-1924.

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

No changes proposed.

Type of Waste	Composition	Quantity Generated	Treatment Method	Disposal Method

6. OTHER AUTHORIZATIONS	
Does the proposed amendment change the need for or and surface land use authorizations provided in Block (	
x Yes	□No
If Yes, indicate any additional authorizations required, which authorizations continue to be required.	which authorizations are no longer required, and
For each provide the following:	
Authorization: Land Use Licence KTL311C013	
Administering Agency: Kitikmeot Inuit Association	
Project Activity: Exploration, Camp, baseline environ	mental studies

Date (expected date) of issuance: Amendment to existing is in process, expected date: May 1, 2022

Date of expiry: May 1, 2023 (expected)

Authorization: Land Use Permit
Administering Agency: Crown-Indigenous Relations and Northern Affairs Canada
Project Activity: Exploration, Camp, baseline environmental studies
Date (expected date) of issuance: Application for new permit in process, expected date: May 1, 2022 Date of expiry: May 1, 2024 (expected)
17. PREDICTED ENVIRONMENTAL IMPACTS OF UNDERTAKING AND PROPOSED MITIGATION MEASURES
Does the proposed amendment change the predicted environmental impacts of the undertaking or the mitigation measures?
☐ Yes × No
Describe direct, indirect, and cumulative impacts related to water and waste. Identify any changes. <b>No changes expected.</b>
18. WATER RIGHTS OF EXISTING AND OTHER WATER USERS
Was compensation paid and/or an agreement(s) for compensation been entered into with any existing or other users of water during consideration of the existing licence?
□Yes × No
If Yes, provide the names, addresses and the nature of water use by those persons or properties.
Does the proposed amendment adversely affect 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?
☐ Yes × No
If Yes, provide the names, addresses and the nature of water use of those persons or properties.
Advise the Board if compensation has been paid and/or an agreement(s) for compensation has been reached with any existing or other water users with respect to the proposed amendment.
19. INUIT WATER RIGHTS
Was compensation paid/ or an agreement(s) for compensation been entered into with any Designated Inuit Organization (DIO) during consideration of the existing licence?
X Yes No If Yes, which DIO(s) Water use fees paid to the Kitikmeot Inuit Association
Does the proposed amendment substantially affect the quality, quantity or flow of waters flowing through Inuit Owned Land (IOL)?
☐ Yes XNo

If Yes, 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 DIO(s) with respect to the proposed amendment.

**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.

Life of project engagement with interested parties has been ongoing to extent possible. Specific engagements related to the majority of the proposed amendments were undertaken as follows:

- Kitikmeot Inuit Association: virtual meetings held on January 12 and February 14, 2022
- Kugluktuk Angoniatit Association: update was provided by email on February 16, 2022including
  a map of the expanded area of interest and an invitation to meet was extended. Manager
  confirmed receipt, indicated she would bring the matter the Board and set up a virtual meeting if
  they wanted.
- <u>Crown-Indigenous Relations and Northern Affairs Canada</u>: virtual meeting held with representatives from Lands, Waters and Inspectors on February 24, 2022.
- Nunavut Water Board: virtual meeting held with technical advisor on February 11, 2022.
- <u>Hamlet of Kugluktuk</u>: an invitation to meet was extended. Key folks are on annual leave until late March, so no meeting has been held.

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.					
Inukshuk Exploration Inc. Is a wholly owned subsidiary of Blue Star Gold Corp. A list of officers for both Inukshuk and Blue Star is provided as follows:					
<ul> <li>Blue Star         <ul> <li>Grant Ewing, CEO and President</li> <li>Andrea Yuan, Interim CFO and Treasurer</li> <li>Jan Urata, Secretary</li> <li>Peter Kuhn, Technical Advisor</li> <li>Darren Lindsay, VP Exploration</li> </ul> </li> <li>Inukshuk         <ul> <li>Peter Kuhn</li> </ul> </li> </ul>					
Is the Certificate of Incorporation or evidence of registration of the company name the same?					
x Yes □ No					
Attach a copy of the Certificate of Incorporation or evidence of registration of the company name.					
No changes, therefor not provided.					
23. STUDIES UNDERTAKEN TO DATE					
List and attach updated studies, reports, research etc.					
None undertaken, other than required annual reports.					
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.					
See attached.					
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.					
24. PROPOSED TIME SCHEDULE					
When are proposed amendments scheduled to be undertaken:  No changes proposed.					
Does the proposed amendment change the time schedule considered in the existing licence for any phase of development?					
☐ Yes ×No					
Indicate the start and completion dates for each applicable phase of development (construction, operation, closure, and post closure). Identify proposed changes.					

No changes proposed.					
	Construction Proposed Start Date:		Proposed Completion Date:		
	<u>Operation</u>	(month/year)		(month/year)	
	Proposed Start Date:		Proposed Completion Date:		
		(month/year)		(month/year)	
	Closure Proposed Start Date:		Proposed Completion Date:		
Post - Closure		(month/year)	· · · —	(month/year)	
			Proposed Completion Date:(mo		
		(month/year)		(month/year)	
For each applicable phase of development indicate which season(s) activities occur.					
	Construction ☐ Winter ☐ Spring	☐ Summer ☐ Fa	ıll		
	Operation ☐ Winter ☐ Spring	Summer Fa	ıll		
	Closure ☐ Winter ☐ Spring	Summer Fa	ıll		
	Post - Closure  ☐ Winter ☐ Spring	Summer Fa	ıll		
No changes proposed.					
25. PROPOSED TERM OF LICENCE					
On what date does the existing licence expire? July 14, 2024					
Is the Licensee applying for a combined renewal and amendment of the existing licence?					
x Yes □No					
If Yes, indicate the proposed term of the renewal (maximum of 25 years): 10 years					
Requested date of renewal issuance: May 2022 Requested Expiry Date: May 2032 (month/year) (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: Processing Water Licence Applications</i> for more information)					
26. ANNUAL REPORTING					
Will the proposed amendment change the content of annual reports or the annual report template?					
		☐ Ye	es X No		

If Yes, provide details regarding the content of annual reports and a proposed outline or template of the annual report. 27. **CHECKLIST** The following must be included with the application for Amendment for the water licensing process to begin. Completed Application for Water Licence Amendment form. × Yes ∏No If no, date expected \_\_\_\_\_ Information addressing Supplement Information Guideline (SIG), where applicable (see Block 11) × Yes ∏No If no, date expected \_\_\_\_\_ Compliance Assessment / Status Report (see Block 23). × Yes □No If no, date expected Indication of Renewal Requirement (see Block 26) × Yes □No If no, date expected English Summary of Amendment Application. × Yes □No If no, date expected \_\_\_\_\_ Inuktitut and/or Inuinnagtun Summary of Amendment Application. □No × Yes If no, date expected \_\_\_\_\_ Application fee of \$30.00 CDN (Payee Receiver General for Canada). If no, date expected × Yes □No 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. × No If no. date expected Water use fees have been paid to the Kitikmeot Inuit Association 28. SIGNATURE Vice President, **Darren Lindsay** 20 March **Exploration** 2022 Title (Print) Name (Print) Date

## **Attachments**

Cover letter, with authorization for representative

Map

**NPC Conformity determination** 

NPC Letter, no conformity review required

**NIRB Screening Decision** 

**Supplemental Information Guidelines** 

**Compliance Assessment** 

**Summary and translations** 

**Application Fee (sent by mail)**