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KATIMAYINGI

Effective January 1, 2004

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NUNAVUT WATER BOARD  
NUNAVUT IMALIRIYIN

## WATER LICENCE APPLICATION FORM

Application for: (check one)

☐ New ☐ Amendment ☒ Renewal ☐ Assignment

### LICENCE NO:

(for NWB use only)

#### 1. NAME AND MAILING ADDRESS OF APPLICANT/LICENSEE

Twin Mining Corporation  
Suite 1250, 155 University Avenue  
Toronto, Ontario M5H 3B7  
Attention: Hermann Derbuch, Chairman,  
President and CEO

Phone: 416-777-0013

Fax: 416-777-0014

e-mail: info@twinmining.com

#### 2. ADDRESS OF CORPORATE OFFICE IN CANADA (if applicable)

(same as in item #1)

Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

e-mail: \_\_\_\_\_

#### 3. LOCATION OF UNDERTAKING (describe and attach a topographical map, indicating the main components of the Undertaking) (see map attachment)

Twin Mining's Jackson Inlet mineral claims cover an area of 2,962 square kilometers in the mid-portion of the Brodeur Peninsula of Baffin Island. The first diamond-bearing kimberlite pipe discovered to date ("Freightrain") is located on the west side of the Brodeur Peninsula within 10 kilometres of Jackson Inlet, a natural deep-sea harbour accessible from the regular shipping lane. In 2001, a second pipe, Cargo 1, was discovered by drilling at a site approximately 4.5 kilometers north north east of Freightrain. Evaluation of these pipes and exploration of the overall claim group has been ongoing since the summer of year 2000.

##### Project camp site:

Latitude: N 73°16'36.2" Longitude: W 88°16'15.5" NTS Map No. 58 D/8 Scale 1:250,000

#### 4. DESCRIPTION OF UNDERTAKING (attach plans and drawings)

The project camp was erected in 2001 and in 2006 will remain the same size and with the same facilities, i.e. 8 wood frame canvass tents capable of housing 20 persons. Exploration has consisted of a 37,448-line km airborne magnetic survey (2001, -4 & -5), 6,641-line km airborne electromagnetic survey (2001), pitting to excavate a total of 248 t of kimberlite from the Freightrain pipe (2000, -1 & -2), 341 line km ground magnetic surveys (2001, -02 & -03), soil sampling over two thirds of the mineral claims, diamond core drilling - 17 holes/1108 m at Freightrain in 2001, 5 holes/669 m at Cargo 1 (2001-2) and 8 holes/951 m at 4 other sites, and reverse circulation drilling 32 holes/863m (2005).

Work planned in 2006 will include reconnaissance mapping, drilling, trenching and mini-bulk sampling in the immediate Freightrain and Cargo-1 areas, as well as soil sampling, geological and geophysical surveys over the remaining property

area as warranted.

**5. TYPE OF PRIMARY UNDERTAKING** (A supplementary questionnaire must be submitted with the application for undertakings listed in “**bold**”)

- |   |  |
|---|--|
| <input type="checkbox"/> <b>Industrial</b>                        | <input type="checkbox"/> Agricultural  |
| <input type="checkbox"/> <b>Mining and Milling</b>                | <input type="checkbox"/> <b>Conservation</b>   |
| <input type="checkbox"/> <b>Municipal</b> (includes camps/lodges) | <input type="checkbox"/> Recreational  |
| <input type="checkbox"/> Power                                    | <input checked="" type="checkbox"/> <b>Miscellaneous</b> (includes exploration/drilling) |
|   | (describe): <u>Exploration/Drilling</u>  |

See Schedule II of *Northwest Territories Waters Regulations* for Description of Undertakings

**6. WATER USE**

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> To obtain water                 | <input type="checkbox"/> To divert a watercourse |
| <input type="checkbox"/> To modify the bed or bank of a watercourse | <input type="checkbox"/> Flood control           |
| <input type="checkbox"/> To alter the flow of , or store, water     | <input type="checkbox"/> Other (describe): _____ |
| <input type="checkbox"/> To cross a watercourse                     |  |

**7. QUANTITY OF WATER INVOLVED** (cubic metres per day including both quantity to be used and quality to be returned to source)

Domestic use at an average of approximately 20 litres per day per person (total of about 300 litres per day).

Diamond drilling program of two months with temporary camp within 5 kilometers of main drill targets. Water used for drilling. Is 10,000 litres per day. Drilling water will be recycled throughout the program.

**8. WASTE** (for each type of waste describe: composition, quantity (cubic metres per day), methods of treatment and disposal, etc.)

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Sewage       | <input checked="" type="checkbox"/> Waste oil    |
| <input checked="" type="checkbox"/> Solid Waste  | <input checked="" type="checkbox"/> Greywater    |
| <input type="checkbox"/> Hazardous               | <input checked="" type="checkbox"/> Sludges      |
| <input type="checkbox"/> Bulky Items/Scrap Metal | <input type="checkbox"/> Other (describe): _____ |

**9. PERSONS OR PROPERTIES AFFECTED BY THIS UNDERTAKING** (give name, mailing address and location; attach if necessary)

**Land Use Permit**

- |                            |   |                                 |
|----------------------------|---|---------------------------------|
| DIAND                      | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | If no, date expected _____      |
| Regional Inuit Association | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If no, date expected <u>N/A</u> |
| Commissioner               | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If no, date expected <u>N/A</u> |

**10. PREDICTED ENVIRONMENTAL IMPACTS OF UNDERTAKING AND PROPOSED MITIGATION MEASURES** (direct, indirect, cumulative impacts, etc.)

No environmental impacts

- |                |   |                                 |
|----------------|---|---------------------------------|
| NIRB Screening | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If no, date expected <u>N/A</u> |
|----------------|---|---------------------------------|

**11. INUIT WATER RIGHTS**

Will the project or activity substantially affect the quality, quantity, or flow of water flowing through Inuit Owned Lands and the rights of Inuit under Article 20 of the Nunavut Land Claims Agreement?

No

**11. (Continued)**

If yes, has the applicant entered into an agreement with the Designated Inuit organization to pay compensation for any loss or damage that may be caused by the alteration. If no compensation agreement has been made, how will compensation be determined?

**12. CONTRACTORS AND SUB-CONTRACTORS** (name, address and functions)

Howard J. Coates, MPH Consulting Inc., Suite 501, 133 Richmond Street West, Toronto, Ontario, M5H 2L3.

Function would be supervision and coordination of a drilling and trenching program supervising 20 persons and, possibly, a ground geophysical crew of 2 persons.

Function would be supervision and coordination of a drilling and trenching crew of 20 persons.

Diamond Drill Contactor: George Demers, Longyear Boartz Drilling Co, 310 Niven St., Haileybury, ON, Canada,

Helicopter and Fixed-Wing Airplane contractors and yet to be determined

**13. STUDIES UNDERTAKEN TO DATE** (list and attach copies of studies, reports, research, etc.)

See #4 on previous page.

**14. THE FOLLOWING DOCUMENTS MUST BE INCLUDED WITH THE APPLICATION FOR THE REGULATORY PROCESS TO BEGIN**

Supplementary Questionnaire (where applicable: see section 5) ☒ Yes ☐ No If no, date expected \_\_\_\_\_

Inuktitut/English Summary of Project ☒ Yes ☐ No If no, date expected \_\_\_\_\_

Application fee \$30.00 (Payee Receiver General for Canada) ☒ Yes ☐ No If no, date expected \_\_\_\_\_

Water Use fee (see Section 9 of the *NWT Waters Regulations*; Payee Receiver General for Canada)  
☐ Yes ☐ No If no, date expected \_\_\_\_\_

**15. PROPOSED TIME SCHEDULE**

☒ Annual (or) ☐ Multi Year

Start Date: July 2006

Completion Date: September 2006

Howard J. Coates Exploration Consultant to Twin Mining Corporation

Name (Print)

Title (Print)

Signature

June 28, 2006

Date

For Nunavut Water Board use only

**APPLICATION FEE**

Amount: \$ \_\_\_\_\_ Pay ID No.: \_\_\_\_\_

**WATER USE DEPOSIT**

Amount: \$ \_\_\_\_\_ Pay ID No.: \_\_\_\_\_

**For Section 8:**

- 1) Camp Sewage (blackwater)

Maximum 400 litres: Disposed in a surface hole, filled with dirt after completed

- 2) Camp Greywater

Maximum 200 litres per day: Disposed in a sedimentation basin then through percolation

- 3) Solid Waste

Maximum 5 cubic meters : Transported to Nanisivik Dump

- 4) Sludge

In a sedimentation basin then through percolation