



Operations Directorate
Nunavut Regional Office
Iqaluit, Nunavut X0A 0H0

Our reference
File #9545-2-2.2BE.KAZA
CIDM #421562

August 13, 2010

Richard Dwyer
Licensing Administrator
Nunavut Water Board
Gjoa Haven, Nunavut X0E 1J0

Your reference
2BE-KAZ0609/Application

Sent Via Email

Dear Phyllis,

**Subject Water License #2BE-KAZ0609, Aurora Energy Resources Inc.,
Baker Basin Project, Kivalliq Region, Amendment Application**

Please be advised that on behalf of Indian and Northern Affairs Canada, I have completed a review of the above referenced Aurora Energy Resources Inc. submission to the Nunavut Water Board.

A Technical Review Memorandum (attached) is provided for the Board's consideration.

Should you have any questions regarding this submission feel free to contact me at 867 975-4555 or david.abernethy@inac-ainc.gc.ca.

Regards,

David W. Abernethy
Water Resources Regional Coordinator

Attached.

Cc: Lou-Ann Cornacchio, INAC Water Resources Manager
Peter Kusugak, INAC Field Operations Manager

TECHNICAL REVIEW MEMORANDUM

Date: August 13/10

To: Richard Dwyer, Nunavut Water Board

From: David Abernethy, Indian and Northern Affairs Canada

Re: **Water License #2BE-KAZ0609, Aurora Energy Resources Inc.,
Baker Basin Project, Kivalliq Region, Amendment Application**

A. PROJECT DESCRIPTION

On July 13/10 the Nunavut Water Board (NWB or Board) distributed Aurora-Energy Resources Inc.'s (Aurora-Energy) June 28/10 license amendment application to allow the open-burning of untreated wood under Part D: Conditions Applying to Waste Management, Item #2 of the license and extend the license term. Interested parties were requested to provide representations by Aug. 13/10.

Included in Aurora-Energy's submission was a Final Closure and Reclamation Plan for their Bissett Lake Mineral Exploration Camp dated June 28/10. Appendices include a 2009 Project Status Report, an Environmental Procedures Plan, a Uranium Exploration Procedures Plan, a Field Emergency Response Plan, a Spill Contingency Plan, and a Wildlife Monitoring and Mitigation Plan. This plan was submitted at the request of INAC Field Operations, in their Jan. 28/10 Inspection Report.

Aurora-Energy Resources Inc. has no further interests in exploring the Baker Lake Basin Property and intends to implement their Final Closure and Reclamation Plan pending the Board's approval. The proposed reclamation program will be supported by a three (3) to five (5) day five (5) man camp. Activities consist of the removal of fuel drums, removal of non-combustible waste material, the burning of untreated wood products, and the relocation of Aurora-Energy's drill core to Pacific Ridge Exploration Ltd.'s (the property mineral claim holder) long term core storage site. A daily water use limit of 1.5 m³ and a Sept. 19/11 license term expiry date are requested.

B. RESULTS OF REVIEW

On behalf of Indian and Northern Affairs Canada (INAC), I am providing the following comments / recommendations for the Board's consideration,

1. Open Burning of Untreated Wood

Aurora-Energy wants permission to open-burn untreated wood on site. Materials consist of three (3) wooden shacks, four (4) wooden tent floors, an outhouse, and drill pad lumber. The open burning of untreated wood, paper products, and paperboard packing for progressive and/or final reclamation measures is considered to be an acceptable practice. If approved, conditions should be consistent with other proposals approved by the Board,¹ including the following recommendations,

- Waste-wood treated with preservatives and non-wood wastes should not be burned;
- Whenever possible, open burning should be carried out in a single area that is non-vegetated (i.e., bedrock, gravel, or sand); and,
- Any residual non-combustible wastes (e.g., nails and screws) should be collected and disposed of in an appropriate facility.

2. Waste Management

Section 1.2 of the Final Closure and Reclamation Plan states that combustibles will be burnt on site and Section 3.3 of the Environmental Procedures Plan (Appendix 2) references the use of a burn barrel for waste management purposes. The open burning of any material other than untreated wood, paper products, and paperboard packing should not be permitted. Combustible waste materials that do not meet these criteria should either be brought to an approved waste management facility or be incinerated in accordance with Environment Canada's "Technical Document for Batch Waste Incineration." Due to the scale of Aurora-Energy's proposed reclamation program such waste materials should be brought to an approved waste management facility.

3. Confirmation that the Hamlet of Baker Lake will Accept Waste Materials

The submitted Final Closure and Reclamation Plan states that waste materials, including hazardous wastes, and fuel drums will be backhauled to the Hamlet of Baker Lake. If Aurora-Energy intends to dispose any of their waste material with

¹ Nunavut Water Board letter to Baffinland Iron Mines Corporation. "Baffinland Iron Mines Corporation; Submission of a request for approval of controlled open burning for the Mary River Project; Licence 2BB-MRY0710." File 2BB-MRY0710/D2. January 25, 2010

the Hamlet they should provide a signed letter from the Hamlet which confirms that they accept this activity. Hazardous waste materials must be brought to an approved facility.

4. Final Reclamation Report

The submission of a final reclamation report should satisfy Aurora-Energy's Part B: General Conditions, Item #2 license requirements. INAC will review this report once it is made available. This report should demonstrate how the Final Closure and Reclamation Plan's objectives have been met, i.e., that water quality is safe, no deleterious substances have entered the water, the site is safe for humans and wildlife, and the landscape has been left in a condition that allows traditional use.

5. INAC Field Operations Contact Information

Peter Kusugak, INAC Field Operations Manager, should be included in the Field Emergency Response Plan and Spill Contingency Plan contact lists. He is the primary INAC Field Operations contact for emergency purposes and can be reached by telephone at 867 975-4295 or fax at 867 979-6445.

Prepared by David Abernethy

Cc: Lou-Ann Cornacchio, INAC Water Resources Manager
Peter Kusugak, INAC Field Operations Manager