



Water Resources
Nunavut Regional Office
P.O. Box 100
Iqaluit, NU, X0A 0H0

February 3, 2017

INAC reference
CIDM# 1129732

NWB reference
#2BE-KIK0608

Karén Kharatyan
A/Manager of Licencing
Nunavut Water Board
Gjoa Haven, NU, X0E 1J0

**Re: Indigenous and Northern Affairs Technical Review of DeBeers Exploration
Canada Cancellation Type B Application # 2BE-KIK0608**

Dear Mr. Kharatyan,

Thank you for email received on January 03, 2017, from the Nunavut Water Board (NWB), concerning the above mentioned water licence application process.

A memorandum is provided for the consideration of the Nunavut Water Board. Comments have been provided pursuant to the Department's mandated responsibilities under the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Department of Indian Affairs and Northern Development Act*.

Please do not hesitate to contact me by telephone at 867-975-4568 or email at Lisa.Bachellier@aandc-aadnc.gc.ca for further comments or any questions.

Sincerely,

Lisa Bachellier
Water Resource Technician

c.c.: Ian Parsons, A/Manager Water Resources, Nunavut Regional Office (NRO),
Indigenous and Northern Affairs Canada (INAC)
Erik Allen, Manager of Field Operations, NRO, INAC



Technical Memorandum

**Re: Indigenous and Northern Affairs Technical Review of DeBeers Exploration
Canada Cancellation Type B Application # 2BE-KIK0608**

Applicant: DeBeers Exploration Canada
Project: Kikerk/Knife Lake Project Cancellation Type 'B' Water licence
Region: Kitikmeot Region

A. BACKGROUND

On January 03, 2017 the Nunavut Water Board (NWB or Board) provided notification to interested parties that DeBeers Exploration Canada had submitted a Type "B" cancellation water licence application, # 2BE-KIK0608.

The Kikerk/Knife project is located 67°00'2"-N, 113°09'01"W, the water licence application expired December 31, 2008. Last activities reported are contained in DeBeers 2004 Annual Report.

The Licensee has submitted a cancellation licence application, DeBeers Exploration Canada reason to cancel their licence is they do not plan to return to the area and are requesting to cancel licence #2BE-KIK0608. An inspection of the camp by a INAC inspector dated 07/16/2015 finds that the camp was not removed, wooden/garbage debris remain at location of camp and some fuel drums on site had begun to leak. The INAC inspector has requested the licensee to undertake reclamation of all sites associated with the project, including review of all drill holes to ensure compliance with licence conditions.

A response letter from DeBeers Canada Inc. dated September 28 2015 to the Inspection of licence #2BE-KIK0608, indicated that DeBeers Canada Inc. had begun actions to remediate the area in two Phases. Phase 1 was completed September 28, 2015 and included the removal of 8 drums, stacking of wooden debris and the removal of plastic from lake and garbage of camp area. In a letter dated September 19, 2016 from DeBeers that Phase 2 remediation of area was completed September 2016 and included the removing of any garbage/debris/casting and removing of non-combustibles and burning lumber.

Interested parties were asked to review the water licence cancellation application and provide technical comments by February 3, 2017.



B. RESULTS OF REVIEW

INAC Water Resource Division submits the following comment to the Nunavut Water Board for consideration:

1. A final site inspection

Comment

We have no concerns with the licence cancellation; however a final inspection by a Water Resource Officer is required to verify that the site has been adequately remediated.

Prepared by Lisa Bachellier