



P.O. Box 119  
GJOA HAVEN, NU X0B 1J0  
TEL: (867) 360-6338  
FAX: (867) 360-6369

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NUNAVUT WATER BOARD  
NUNAVUT IMALIRIYIN KATIMAYINGI

File: NWB2KIR0507

April 7, 2006

Ross McElroy  
Senior Geologist  
Triex Minerals Corporation  
P.O. Box 11584  
Vancouver, BC V6B 4N8

**RE: NWB2KIR0507 Type "B" – Amendment 1**

Dear Mr. McElroy:

Please find attached Amendment 1 to License NWB2KIR0507 Type "B" issued to Triex Minerals Corporation by the Nunavut Water Board (**Motion 2006-02**) pursuant to its authority under Article 13 of the *Agreement between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in Right of Canada* and the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*. The terms and conditions of the original Licence related to water use and waste disposal remain an integral part of this approval.

Sincerely,

*Original Signed By:*

Philippe di Pizzo  
Executive Director

Enclosure: Licence No. **NWB2KIR0507 Type "B"-Amendment 1**

Cc:	Colette Spagnuolo	EC
	Derrick Moggy	DFO
	Earle Baddaloo	GN-DOE
	George Taptuna	INAC
	Jack Kaniak	KIA
	Jim Rogers	INAC
	Peter Kusugak	INAC
	Tania Gordanier	DFO

# LICENCE AMENDMENT No. 1

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<b>Licensee:</b>	<b>Triex Minerals Corporation</b>
<b>License No:</b>	<b>NWB2KIR0507    Type “B”</b>
<b>License Issued:</b>	<b>September 15, 2005</b>
<b>Effective Date:</b>	<b>April 7, 2006</b>

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Pursuant to its authority under Article 13 of the *Agreement between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in Right of Canada* and the *Nunavut Waters* and the *Nunavut Surface Rights Tribunal Act*, the Nunavut Water Board hereby grants the following license amendment.

The License issued September 15<sup>th</sup>, 2005 with a licence expiry date of October 30<sup>th</sup>, 2007 shall be amended to include the following terms and conditions, with respect to use of water and deposit of waste during camp and drilling operations, to allow Triex Minerals Corporation to allow for support of exploration drilling in the West Kitikmeot Region (contained within the general latitudes 67.18°N-67.33°N; 116.53°W-117°W).

## Spill Contingency Planning (SCP)

The Board generally requires that all Licensees prepare a comprehensive Spill Contingency Plan to establish a state of readiness to ensure prompt and effective response to possible spills or system failure events. The site-specific Spill Contingency Plan will assist the Licensee in responding to emergencies such that the impacts to water in particular, the environment, and public health in general are minimized. The Plan entitled “*Triex Minerals Corporation – Spill Contingency Plan Exploration Properties, Nunavut, November 2005*” has been approved by the Board, with the requirement that additional information be submitted as an addendum to the approved Plan as per Part G, Item 6 of this amended Licence.

## Abandonment and Restoration (A&R)

To ensure that all future abandoned facilities are reclaimed in an appropriate manner upon abandonment, the NWB requires Licensees to submit an Abandonment and Restoration Plan. The Plan entitled “*Triex Minerals Corporation – Abandonment & Restoration Plan Kirwan Lake Camp, Nunavut, March 2006*” has been approved by the Board, with the requirement to provide additional information as per Part H, Item 13 of this amended Licence.

## **PART A:    SCOPE, DEFINITIONS & ENFORCEMENT**

Amend Item 1	This Licence allows for the use of water and the disposal of waste for an undertaking classified as Mining and Milling at/near Kirwan Lake, located approximately 100km southwest of Kugluktuk on the west side of Kirwan
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Lake, within the West Kitikmeot Region, Nunavut (latitude 67.18°N-67.33°N and longitude 116.53°W-117°W);

Amend Item 2                      Insert the following definitions:

**“ICP Scan”** means the laboratory method for determining trace metals in water through Emission Spectroscopy using inductively coupled plasma (including up to approximately 32 elements depending on the laboratory performing the analysis);

**“Regulations”** means the Northwest Territories Water Regulations sor/903-303 8<sup>th</sup> June, 1993;

**“Sump”** means a man-made pit, trench hollow or cavity in the earth's surface used for the purpose of depositing waste material therein.

Amend the following definitions:

**“Waste Disposal Facilities”** means all facilities designated for the disposal of waste, and includes all sumps, latrine pits, and approved incinerators, as referenced in the Application for Water Licence originally filed on June 9, 2005 and the Application for Water Licence Amendment originally filed January 23<sup>rd</sup>, 2006.

**“Water Supply Facilities”** means the area and associated intake infrastructure at the proposed freshwater source as described in the Application for Water Licence originally filed on June 9, 2005 and the Application for Water Licence Amendment originally filed January 23<sup>rd</sup>, 2006.

## **PART B:        GENERAL CONDITIONS**

Amend Item 2 (iii)              Revisions to the Spill Contingency Plan, Abandonment and Restoration Plan, and Uranium Exploration Plan.

Insert Item 9                      This Licence is not assignable except as provided in Section 44 of the *Act*.

## **PART C:        CONDITIONS APPLYING TO WATER USE**

Amend Item 1                      The Licensee shall obtain water for domestic use from Kirwan Lake located adjacent to the camp, up to a maximum of 5 cubic metres per day.

Total water use for drilling operations shall be obtained from nearby lake(s), proximal to the drilling targets and is not to exceed 15 cubic meters per drill per day.

Insert Item 6      If the drilling requires water in sufficient volume that the source water body may be drawn down the Licensee shall, at least 30 days prior to commencement of drilling, submit to the Board for approval the following: volume required, hydrological overview of the water body, details of impact, and proposed mitigation measures. The use of streams is not recommended as a water source.

#### **PART D:      CONDITIONS APPLYING TO WASTE DISPOSAL**

Insert Item 6      The use of an alternative treatment (incineration toilets) for sewage is recommended and is to be considered if the camp population results in greater than 2000 man days per year or 5000 man days for the project. Where this method is utilized, the Licensee shall contain and dispose of all sewage by incineration on a daily basis. Ashes and any remaining residue generated through the course of the operation are to be backhauled and disposed of in an approved waste disposal site.

#### **PART G:      CONDITIONS APPLYING TO SPILL CONTINGENCY PLANNING**

Insert Item 6      The Licensee shall within thirty (30) days of issuance of this amendment, submit to the Board an addendum to the approved Spill Contingency Plan that is to include the following:

- i.    As per GN Department of Environment's intervener statement, discussion on fuel storage methods indicated in the plan and any revisions to the Spill Contingency Plan that accommodates any conclusions from this discussion; and
- ii.   As per GN Department of Environment's intervener statement, a site map to illustrate the facility relationship to other areas that may be affected by a spill.

Insert Item 7      If the addendum referred to in Part G, Item 6 is not accepted, the Licensee shall make the necessary changes and resubmit the addendum within thirty (30) days following notification of the Board.

## **PART H: CONDITIONS APPLYING TO ABANDONMENT AND RESTORATION**

- Amend Item 1            The Licensee shall annually review the approved Plan and if needed, modify the Plan to reflect changes in operation and/or technology. Revisions shall be submitted with the Annual Report in accordance with Part B, Item 2 as an addendum to the Plan for the approval of the Board.
- Insert Item 9            Any drill hole that encounters mineralization with a uranium content greater than 1.0 percent over a length greater than 1.0 meter, and with a meter percent concentration greater than 5.0%, will be grouted over the entire length of the mineralization zone and not less than 10.0 meters above or below each mineralization zone.
- Insert Item 10           Drill holes are to be sealed by cementing (grouting) the upper 30 meters of bedrock or the entire depth of the hole, whichever is less or as otherwise approved by the Board.
- Insert Item 11           For the long term storage of drill core, radiation levels must be reduced to less than 1.0 microsievert measured at 1.0 meter below the surface and in no instance is this level allowed to exceed 2.5 microsieverts.
- Insert Item 12           If the radiation levels for the stored core exceed the levels identified in Part H, Item 11, the Licensee shall submit to the DIAND Water Resources Inspector, a detailed report of the test results and the proposed long term core handling and mitigation measures for long term storage or removal.
- Insert Item 13           The Licensee shall submit to the Board for approval, within thirty (30) days of issuance of this amendment, an addendum to the approved Abandonment and Restoration Plan that addresses the following:
- i.    As per GN Department of Environment's intervener statement, information of fuel and chemical quantities brought on site; and
  - ii.   As per GN Department of Environment's intervener statement, discussion of a Waste Manifest procedure.
- Insert Item 14           If the addendum referred to in Part H, Item 13 is not accepted, the Licensee shall make the necessary changes and resubmit the addendum within thirty (30) days following notification of the Board.

## **PART I: CONDITIONS APPLYING TO MONITORING PROGRAM**

- Insert Item 8           Where uranium mineralization has been encountered, under Part H, Items 9 and 11 and Part J, Items 5 and 6, the Licensee shall monitor the drill sumps and core storage areas to provide the necessary detailed data needed to assess and ensure that the mitigation measures required for restoration under the Abandonment and Restoration Plan have been completed.
- Insert Item 9           The Licensee shall establish baseline water quality conditions when drilling through lake ice as per Part J, Item 9 and 10. Monitoring shall include but not be limited to the following:
- i.    Total Suspended Solids
  - ii.   pH
  - iii.   Electrical Conductivity; and
  - iv.   Total Trace Metals as determined by a standard ICP Scan (to include at a minimum the following elements: Al, Sb, Ba, Be, Cd, Cr, Co, Cu, Fe, Pb, Li, Mn, Mo, Ni, Se, Sn, Sr, Tl, Ti, U, V, Zn), and Trace Arsenic and Mercury.

## Insert: **PART J: CONDITIONS APPLYING TO DRILLING OPERATIONS**

- Insert Item 1           The Licensee shall submit to the Board for approval, within ninety (90) days of issuance of this Licence, a Uranium Exploration Plan that will address the environmental and water issues related to uranium exploration, drilling, extraction, storage, and remediation.
- Insert Item 2           If the Plan referred to in Part J, Item 1 is not approved, the Licensee shall make the necessary revisions and resubmit the Plan within thirty (30) days following notification from the Board.
- Insert Item 3           The Licensee shall implement the Plan as approved by the Board
- Insert Item 4           The Licensee shall not conduct any land based drilling within thirty (30) meters of the ordinary high water mark of any water body, unless otherwise approved by the Board.
- Insert Item 5           The Licensee shall ensure that all drill cuttings and any return water and sludge that can not be re-circulated, including CaCl in any quantity or concentration, be disposed of in a Sump located at least thirty (30) meters above the ordinary high water mark of any adjacent water body, where

direct flow into a water body is not possible and no additional impacts are created.

- Insert Item 6            Drill mud solids or cuttings with a uranium concentration greater than 0.05 percent is to be collected and then disposed of down the drill hole and sealed.
- Insert Item 7            If artesian flow is encountered, drill holes shall be plugged and permanently sealed upon project termination.
- Insert Item 8            Drilling additives or mud shall not be used in connection with holes drilled through lake ice unless they are re-circulated or contained such that they do not enter the water, or are demonstrated to be non-toxic.
- Insert Item 9            For all on-ice drilling operations, the Licensee shall ensure that any water released is non-toxic and will not result in an increase in total suspended solids in the immediate receiving waters above the *Guidelines for Total Suspended Solids contained in the Canadian Council of Ministers of the Environment's (CCME) Canadian Water Quality Guidelines for the Protection of Freshwater Aquatic Life* (ie: 10mg/L for lakes with background levels under 100mg/L, or 10% for those above 100mg/L).
- Insert Item 10           The Licensee shall establish baseline water quality conditions prior to drilling and the results shall be submitted to the Nunavut Water Board under Part I, Monitoring Program.

**All remaining terms and conditions of the License NWB2KIR0507 Type 'B' dated September 15<sup>th</sup>, 2005 still apply.**

This License Amendment issued and recorded at Gjoa Haven on April 7, 2006

Approved by,

***Original Signed By:***

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Philippe di Pizzo  
Executive Director