General Water Licence Application
(Application for a new Water Licence)

April 2010

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OFFICE DES EAUX DU NUNAVUT

DOCUMENT MANAGEMENT

Original Document Date: April 2010

DOCUMENT AMENDMENTS

	Description	Date
(1)		
(2)		
(3)		
(4)		
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GENERAL WATER LICENCE APPLICATION
(APPLICATION FOR NEW WATER LICENCE)

The applicant is referred to the NWB's Guide 4: *Guide to Completing and Submitting a Water Licence Application for a New Licence* for more information about this application form.

LICENCE NO:
(for NWB use only)

1. APPLICANT (PROPOSED LICENSEE) CONTACT INFORMATION (name, address)

Guyana Precious Metals Inc.
Suite 1201- 141 Adelaide St. West
Toronto Ontario M5H 3L5
Phone: 416 628 5936
Fax: 416 628 5935
Email - apo@guygold.com

2. APPLICANT REPRESENTATIVE CONTACT INFORMATION if different from Block 1 (name, address)

Project Supervisor - Alexander Y. Po, P.Geo.
Cell: 647 202 5936
Email - apo@guygold.com

3. NAME OF PROJECT (including the name of the project location)

Nunavut Project, Dismal Lakes

4. LOCATION OF UNDERTAKING

Nunavut Water Board
APR 08 2011
Public Registry

Project Extents

NW corner	67° 38.8' N	116° 34.6'W
SE Corner	67° 17.7' N	116° 03'W

Camp Location(s)

67° 26' 14.6"N, 116° ~~211'~~ 21' 33"W (NTS 86N/8)

5. MAP - Attach a topographical map, indicating the main components of the undertaking.

NTS Map Sheet No.: 86N07, 86N08, 86N09, 86N10, 86O05, 86O12 Map Scale:1:50:000 (See Figure 2)

6. **NATURE OF INTEREST IN THE LAND** - 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

☐ Mineral Lease from Nunavut Tunngavik Incorporated (NTI)
Date (expected date) of issuance: _____ Date of expiry: _____

× Mineral Lease from Indian and Northern Affairs Canada (INAC)
Date (expected date) of issuance: **1976-04-22** Date of expiry: **2018-04-22**

Surface

× Crown Land Use Authorization from Indian and Northern Affairs Canada (INAC)
Date (expected date) of issuance: May1, 2011 Date of expiry: April30,2013

× Inuit Owned Land (IOL) Authorization from Kitikmeot Inuit Association (KIA)
Date (expected date) of issuance: May 1, 2011 Date of expiry: April 30, 2013

☐ 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: **Mineral Claims**

CLAIM_NUM	MINCLAIM. CLAIM NAME	MINCLAIM. RECORD DATE
F97941	RC 1	9/19/2005
F97942	RC 2	9/19/2005
F97943	RC 3	9/19/2005
F97945	RC 5	9/19/2005
F97946	RC 6	9/19/2005
F97948	RC 8	9/19/2005
F97949	RC 9	9/19/2005
F97950	RC 10	9/19/2005
F97952	RC 12	9/19/2005
F97953	RC 13	9/19/2005
F97959	RC 19	9/19/2005
F97957	RC 17	9/19/2005
F97963	RC 23	9/19/2005
F97965	RC 25	9/19/2005
F97966	RC 26	9/19/2005
F97967	RC 27	9/19/2005
F97956	RC 16	9/19/2005
F97955	RC 15	9/19/2005
F97968	RC 28	9/19/2005
F97944	RC 4	9/19/2005
F97947	RC 7	9/19/2005
F97951	RC 11	9/19/2005
F97954	RC 14	9/19/2005
F97964	RC 24	9/19/2005
F97962	RC 22	9/19/2005

7. NUNAVUT PLANNING COMMISSION (NPC) DETERMINATION

Indicate the land use planning area in which the project is located.

☐ North Baffin
☐ South Baffin
☐ Akunniq
☐ Keewatin
☐ Sanikiluaq
☒ West Kitikmeot

Is a land use plan conformity determination required?

☐ Yes ☒ No

If Yes, indicate date issued and attach copy _____
If No, provide written confirmation from NPC confirming that a land use plan conformity review is not required.

8. NUNAVUT IMPACT REVIEW BOARD (NIRB) DETERMINATION

Is an Article 12 Part 4 screening determination required?

☒ Yes ☐ No

If Yes, indicate date issued and attach copy _____
If No, provide written confirmation from NIRB confirming that a screening determination is not required.

9. DESCRIPTION OF UNDERTAKING – List and attach plans and drawings or project proposal.
Table with undertaking components

Licence Permit	Activity	Issuing Authority
Water Use License	Camp and Diamond Drilling	Nunavut Water Board
Land Use Permit	Camp and Diamond Drilling	INAC
Screening	Camp and Diamond Drilling	Nunavut Impact Review Board
Land Use Licence		KIA

List of Attached Reports

1. Project Description Report, Nunavut Project, Dismal Lakes - December 2010
2. Contingency Plan, Nunavut Project - Dismal Lakes Diamond Drilling Program
3. Abandonment and Restoration Plan, Nunavut Project - Dismal Lakes Diamond Drilling Program, December 2010

10. OPTIONS – Provide a brief explanation of the alternative methods or locations that were considered to carry out the project.

Options are limited because of location and in mineral exploration one must drill the metal anomalies.

11. CLASSIFICATION OF PRIMARY UNDERTAKING - Indicate the primary classification of undertaking by checking one of the following boxes.

- ☐ Industrial
- ☐ Agricultural
- ☒ Mining and Milling (includes exploration/drilling/exploration camps)
- ☐ Conservation
- ☐ Municipal (includes camps/lodges)
- ☐ Recreational
- ☐ Power
- ☐ Miscellaneous (describe below):

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

Information in accordance with applicable Supplemental Information Guidelines (SIG) must be submitted with a New Water Licence Application. Indicate which SIG(s) are applicable to your application.

- ☐ Hydrostatic Testing
- ☐ 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 - Check the appropriate box(s) to indicate the type(s) of water use(s) being applied for.

- ☒ To obtain water for camp/ municipal purposes
- ☒ To obtain water for industrial purposes
- ☐ To divert a watercourse
- ☐ To cross a watercourse
- ☐ To modify the bed or bank of a watercourse
- ☐ To alter the flow of, or store water
- ☐ Flood control
- ☐ Other: _____

13. **QUANTITY AND QUALITY OF WATER INVOLVED** - For each type of water use indicated in Block 12, provide the source of water, the quality of the water source and available capacity, the estimated quantity to be used in cubic meters per day, method of extraction, as well as the quantities and qualities of water to be returned to source.

Name of water source(s) (show location(s) on map):
_See Project Description Report_____

Describe the quality of the water source(s) and the available capacity: _____

Provide the overall estimated quantity of water to be used: **9.5 m^3/day**

Provide the estimated quantity(s) of water to be used from each source:
_____**Not calculated at this time**_____

Indicate the estimated quantities to be used for each purpose (camp, drilling, etc.)
__**Camp use is 1.5 cm/day and drill use is 8cm/day**_____

Describe the method of extraction(s): _Pumps_____

Estimated quantity(s) of water returned to source(s) ___**5 cm/day**_____ m^3/day

Describe the quality of water(s) returned to source(s): _____ See Project Description Report

14. **WASTE** – Check the appropriate box(s) to indicate the types of waste(s) generated and deposited.

- [x] Sewage
- [ ] Solid Waste
- [ ] Hazardous
- [ ] Bulky Items/Scrap Metal
- [ ] Animal Waste
- [ ] Other (describe): _____
- [ ] Waste oil
- [x] Greywater
- [ ] Sludges
- [ ] Contaminated soil and/or water

15. QUANTITY AND QUALITY OF WASTE INVOLVED – For each type of waste indicated in Block 14, describe its composition, quantity in cubic meters/day, method of treatment and method of disposal.

Type of waste	Projected amount generated	Method of Disposal	Additional treatment procedures
Sewage (human waste)	<.5 cubic meters /day	Latrine pits	
Greywater	<1 cubic meters /day	Discharged to sump	
Combustible wastes	<10 kg/day	Incinerated on site	
Non-Combustible wastes	<5 kg/day	Removed to approved land fill	
Overburden (organic soil, waste material, tailings)	N/A		
Hazardous waste	<5 kg/day	Removed to approved land fill	
Other: Drill recirculating water	<8 cubic meters/day	Depressions near drill sites	

Type of Waste	Composition	Quantity Generated	Treatment Method	Disposal Method
Sewage (human waste)		<.5 cubic meters /day	Age and backfill	Latrine pits
Greywater		<1 cubic meters /day	Evaporation and backfill	Discharge to sump
Combustible wastes		<10 kg/day	Incinerated	Incineration on site
Non-Combustible wastes		<5 kg/day	Removed to approved land fill	Removal to approved land fill
Overburden (organic soil, waste material, tailings)		N/A		
Hazardous waste		<5 kg/day	Removed to approved land fill	Removal to approved land fill
Other: Drill recirculating water		<8 cubic meters/day	Evaporation	Depression near site

16. OTHER AUTHORIZATIONS – In addition to the sub-surface and surface land use authorizations provided in Block 6, indicate any other authorizations required in relation to the proposed undertaking. For each provide the following:

Authorization: _____

Administering Agency: _____

Project Activity: _____

Date (expected date) of issuance: _____ Date of expiry: _____

17. PREDICTED ENVIRONMENTAL IMPACTS OF UNDERTAKING AND PROPOSED MITIGATION MEASURES - Describe direct, indirect, and cumulative impacts related to water and waste.

Noise

There will be an increase in ambient noise levels associated with camp facilities, drilling activities and fixed wing and helicopter operations. These increased noise levels are typically short in duration and limited to small areas. The level of activity will however be low with two drills. Any increase in this level of activity would be addressed in an application for an amendment to the land use permit.

Past and ongoing operations in the area have not created an acoustic impact on wildlife. These operations are not expected to significantly change the existing situation. Periods of more extensive drilling activity, which could disturb wildlife, will be scheduled to minimize the impact on wildlife. For example, if large concentrations of migrating caribou arrive on site during the operations the operating schedule will be adjusted to avoid impacts on their migration.

Water Quality

No discharge of water of water from the camp or the drilling program will enter surface waters. Water used in the drilling process will be collected or channeled away from lakes and watercourses. Disposal of drill cuttings in natural catchments has the potential to drain excess water. These excess waters are not expected to reach existing lakes or watercourses, however, they will be closely monitored and water flow diverted or impounded if any potential discharge to lakes or watercourses is identified.

Sewage will be contained within the pit privies and grey water will be contained in sumps. Both these facilities will be at least 50 meters from water courses and discharge will not occur.

Groundwater Disturbance

The project will take place in a zone of continuous permafrost; consequently groundwater is restricted to deeper parts of the stratigraphy. Geologic units in the area are steeply dipping and this drilling program is designed to intersect these units at an acute angle. This should minimize the potential for artesian water escaping the drill holes. In the event that artesian waters are encountered in a drill hole, abandonment procedures will include plugging off the ground water course and eliminating the discharge of ground water from the drill hole collar.

Wildlife Disturbance

Impact on wildlife in the area are expected to be minimal and of a limited duration. Waste management is an effective tool to minimize encounters with wildlife and GMP enforces a strict regiment to dispose of wastes. Fixed wing and helicopter operators are trained to minimize encounters with wildlife. Staff and contractors on the Project will receive training to reduce wildlife disturbance and ensure safety during drilling operations. Staff members will not be permitted to hunt or fish from the camp.

Vegetation
Drilling operations at the Project are not anticipated to create significant long-term impacts on vegetation. Drill and campsite preparation will be with hand tools creating a minimal disturbance to the natural vegetation. In addition the camp site has been occupied in the past. It is anticipated that this disturbance will be much less significant than mechanical site preparation. After abandoning a site, clean-up work will be designed to promote the restoration of the site compatible with the original undisturbed conditions. A log of all activities at each site will be maintained. This will include a photographic record of the site before and after drilling and a record of the activity during drilling (please refer to the A&R Plan for the project).

Fish Habitat
There is little potential to impact fish habitat from the proposed program. Drilling operations will not use toxic additives and drill fluids will not be discharged into lakes or watercourses. Careful design of sites, placement of petroleum products on sites and limited supplies on drill sites will minimize the potential for contamination from fuels. In conjunction with an effective spill contingency plan and an active training program, drilling activities will have little impact on fish habitat.

Archaeological Impacts
The bulk of the archaeological sites in the area are found on eskers landforms. These areas are not anticipated to be impacted by the proposed project. In the drilling program there will be latitude to adjust drill sites that could conflict with archaeological sites and GPM is committed to minimizing it's impact through re-locating sites where required.

Permafrost
No significant or long-term impact on permafrost is anticipated from the drilling program or the camp. Drill holes penetrating the permafrost layer may degrade the active layer in a local area. After abandonment of the site, all conditions that would inhibit the reversal of this degradation will be eliminated.

Air Quality
The scale of the proposed program at the Project will not significantly impact air quality in the region.

18.	**WATER RIGHTS OF EXISTING AND OTHER USERS OF WATER** N/A
19.	**INUIT WATER RIGHTS** N/A
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.

21. SECURITY INFORMATION

N/A

22. FINANCIAL INFORMATION

Provide a statement of financial responsibility.

If the applicant is a business entity, provide a list of the officers of the company.

If the applicant is a business entity attach a copy of the Certificate of Incorporation or evidence of registration of the company name.

23. STUDIES UNDERTAKEN TO DATE - List and attach copies of studies, reports, research, etc.

N/A

24. PROPOSED TIME SCHEDULE – Indicate the proposed start and completion dates for each applicable phase of development (construction, operation, closure, and post closure).

Construction
Proposed Start Date: _____ (month/year) Proposed Completion Date: _____ (month/year)

Operation
Proposed Start Date: ___May 2011_____ (month/year) Proposed Completion Date: ____April 2013__ (month/year)

Closure
Proposed Start Date: ___April 2013_____ (month/year) Proposed Completion Date: ___April 2013_____ (month/year)

Post - Closure
Proposed Start Date: _____ (month/year) Proposed Completion Date: _____ (month/year)

For each applicable phase of development indicate which season(s) activities occur.

Construction
☐ Winter ☐ Spring ☐ Summer ☐ Fall ☐ All season

Operation
☐ Winter ☐ Spring ☐ Summer ☐ Fall ☒ All season

Closure
☐ Winter ☒ Spring ☐ Summer ☐ Fall ☐ All season

Post - Closure
☐ Winter ☐ Spring ☐ Summer ☐ Fall ☐ All season

25. PROPOSED TERM OF LICENCE

Number of years (maximum of 25 years): _2_____ years

Requested Date of Issuance: ___April 2011___ (month/year) Requested Expiry Date: ____April 2013___ (month/year)

(The requested date of issuance must be at least three (3) months from the date of application for a type B water licence and at least 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 *Guide 5: Processing Water Licence Applications* for more information)

26. ANNUAL REPORTING – If not using the NWB's *Standardized Form for Annual Reporting*, 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 the water licensing process to begin.

Written confirmation from the NPC confirming that NPC's requirements regarding land use plan conformity have been addressed.

☐ Yes ☒ No If no, date expected ____Not required_____

Written confirmation from the NIRB confirming that NIRB's requirements regarding development impact assessment have been addressed.

☐ Yes ☒ No If no, date expected __January 2011_____

Completed General Water Licence Application form.

☒ Yes ☐ No If no, date expected _____

Information addressing Supplemental Information Guideline (SIG) , where applicable (see Block 11)

☒ Yes ☐ No If no, date expected _____

English Summary of Application.

☒ Yes ☐ No If no, date expected _____

Inuktitut and/or Inuinnaqtun Summary of Application.

☒ Yes No If no, date expected _____

Application Fee of $30.00 CDN (Payee Receiver General for Canada).

☒ Yes ☐ No If no, date expected _____

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.

☒ Yes ☐ No If no, date expected _____

28. **SIGNATURE**

ALEXANDER PO	PROJECT MANAGER		MARCH 31/2011
Name (Print)	**Title (Print)**	**Signature**	**Date**