



## Application for Water Licence Amendment

Application Submission Date: Apr 27, 2012

P.O. BOX 119  
GJOA HAVEN, NUNAVUT  
XOB 1J0  
TEL: (867) 360-6338  
FAX: (867) 360-6369

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NUNAVUT IMALIRIYIN KATIMAYIT  
NUNAVUT WATER BOARD  
OFFICE DES EAUX DU NUNAVUT



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### APPLICATION FOR WATER LICENCE AMENDMENT

The applicant is referred to the NWB's Guide 7: Licensee Requirements Following the Issuance of a Water Licence for more information about this application form.

EXISTING LICENCE NO: 2BE-LEP1217

#### 1. LICENSEE CONTACT INFORMATION

Is the licensee the same as that referred to on the existing licence?

☒ Yes ☐ No

If No, a licence assignment must be completed and approved by the NWB. **An amendment will only be issued in the name of the current licensee in the absence of assignment of the licence.**

If the licensee is the same, but the name of the licensee has changed, attach a certificate of name change.

Name:

**No Change**

Address:

**201-750 West Pender St.  
Vancouver, BC  
V6C 2T7**

Phone: **No change** \_\_\_\_\_

Fax: **No change** \_\_\_\_\_

e-mail: **No change** \_\_\_\_\_

#### 2. LICENSEE REPRESENTATIVE CONTACT INFORMATION – If different from Block 1.

Name:

Address:

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

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

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

(Attach authorization letter.)

### 3. NAME OF PROJECT

Has the name of the project changed?

☐ Yes ☒ No

If Yes, indicate the name of the project including the name of the location: \_\_\_\_\_

### 4. LOCATION OF UNDERTAKING

Does the proposed amendment change the location of the amended undertaking?

☐ Yes ☒ No

Provide the project extents and camp locations. Identify proposed changes.

#### Project Extents

NW: Latitude: ( ° ' " N)

Longitude: ( ° ' " W)

NE: Latitude: ( ° ' " N)

Longitude: ( ° ' " W)

SE: Latitude: ( ° ' " N)

Longitude: ( ° ' " W)

SW: Latitude: ( ° ' " N)

Longitude: ( ° ' " W)

#### Camp Location(s)

Latitude: ( ° ' " N)

Longitude: ( ° ' " W)

### 5. MAP

Does the proposed amendment change the locations of any of the main components of the undertaking?

☐ Yes ☒ No

Attach a topographical map, indicating the main components of the undertaking. Identify proposed changes.

NTS Map Sheet No.: \_\_\_\_\_ Map Name: \_\_\_\_\_ Map Scale: \_\_\_\_\_

## 6. NATURE OF INTEREST IN THE LAND

Does the proposed amendment change the nature of the interest in the land?

☐ Yes ☒ No

If Yes, indicate changes. \_\_\_\_\_

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: \_\_\_\_\_ Date of expiry: See table below \_\_\_\_\_

### Surface

### ☒ Crown Land Use Authorization from Indian and Northern Affairs Canada (INAC)

Date (expected date) of issuance: \_\_\_\_\_ Date of expiry: See table below \_\_\_\_\_

☐ Inuit Owned Land (IOL) Authorization from Kitikmeot Inuit Association (KIA)  
Date (expected date) of issuance: \_\_\_\_\_ Date of expiry: \_\_\_\_\_

☐ 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 \_\_\_\_\_

Date (expected date) of issuance: \_\_\_\_\_ Date of expiry: \_\_\_\_\_

Name	Type	Description	Expiry
2428	Mining Lease	Lot 1, Group 1216 Quad 76E/14	July 12, 2013
3275	Mining Lease	Lot 1003 Quad 76E/14	Sept 27, 2030
3276	Mining Lease	Lot 1002 Quad 76E/14	Sept 27, 2030
3277	Mining Lease	Lot 1004 Quad 76E/14	Sept 27, 2030
3278	Mining Lease	Lot 1001 Quad 76E/14	Sept 27, 2030
76E/14-1-9	Surface Lease	Minesite, TCA	March 13, 2012*
76E/14-2-10	Surface Lease	Airstrip	March 13, 2012*
76E/11-2-3	Surface Lease	Fingers Lake Quarry, access road	March 13, 2012*
76E/11-3-4	Surface Lease	Fingers Lake Waterlot – dock	March 13, 2012*
76E/14-10-3	Surface Lease	VOR Navigation aid site	March 13, 2012*
N2011C0026	Land Use Permit	Permit Class A	December 11, 2013

*\*renewal has been applied for, fees paid.*

Is the name of the entity(s) holding authorizations the same as that considered in the existing water licence?

☒ Yes ☐ No

If No, a licence assignment must be completed and approved by the NWB.

Name of entity(s) holding authorizations:

\_\_\_\_\_

## 7. NUNAVUT PLANNING COMMISSION (NPC) DETERMINATION

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

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

Does the proposed amendment change the land use planning area?

☐ Yes ☒ No

If yes, indicate the land use planning area in which the amended undertaking is located.

☐ North Baffin ☐ Keewatin  
☐ South Baffin ☐ Sanikiluaq  
☐ Akunnig ☐ West Kitikmeot

Was a land use plan conformity determination required from NPC prior to the issuance of the existing water licence?

☐ Yes ☒ No

If Yes, indicate date issued and attach copy. \_\_\_\_\_

Does the proposed amendment change the original NPC conformity determination or the need to obtain one?

☐ Yes ☒ No

If Yes, indicate date issued (or expected) and attach a copy. \_\_\_\_\_

If No, provide written confirmation from NPC confirming that a land use plan conformity review is not required.

[See Appendix 1.](#)

## 8. NUNAVUT IMPACT REVIEW BOARD (NIRB) DETERMINATION

Was a screening determination required from NIRB prior to the issuance of the existing water licence?

☒ Yes ☐ No

If Yes, indicate date issued and attach copy. December 2, 2011-See Appendix 2

Does the proposed amendment change the original NIRB screening determination or the need to obtain one?

☐ Yes ☒ No

If Yes, indicate date issued (or expected) and attach a copy. \_\_\_\_\_

If No, provide written confirmation from NIRB confirming that a screening determination is not required.

**This application is submitted to the NIRB concurrent with the submission to the NWB, for screening determination.**

## 9. DESCRIPTION OF UNDERTAKING

Does the proposed amendment change the description of the undertaking?

☐ Yes ☒ No

List and attach plans and drawings or project proposal. Identify proposed changes.

## 10. OPTIONS

Does the proposed amendment change any of the alternative methods and locations that were considered to carry out the project?

☐ Yes ☒ No

Provide a brief explanation of the alternative methods or locations that were considered to carry out the project. Identify proposed changes.

## 11. CLASSIFICATION OF PRIMARY UNDERTAKING

Indicate the primary classification of undertaking for the existing licence by checking one of the following boxes:

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

Does the proposed amendment change the classification of primary undertaking?

☐ Yes ☒ No

If Yes, indicate the primary undertaking of the amendment: \_\_\_\_\_

Information in accordance with applicable Supplemental Information Guidelines (SIG) must be updated and submitted with an Application for Amendment. 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

**X Mineral Exploration / Remote Camp**

- ☐ Advanced Exploration  
☐ Mine Development  
☐ Municipal  
☐ General Water Works  
☐ Power

**12. WATER USE**

Indicate, using the boxes below, the types of water use(s) approved in the existing licence.

- ☐ To obtain water for camp/ municipal purposes (approved under 2AM-LUP0914)  
**X To obtain water for industrial purposes (exploration drilling)**  
☐ To cross a watercourse  
☐ To alter the flow of, or store water  
☐ Other: \_\_\_\_\_  
☐ To divert a watercourse  
☐ To modify the bed or bank of a watercourse  
☐ Flood control

Does the proposed amendment change the type(s) of water use(s)?

☐ Yes **X No**

If Yes, indicate using the boxes below, the proposed change(s) to the type(s) of water use(s) noting any water use(s) that are to be added, continued, or removed.

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

**13. QUANTITY OF WATER INVOLVED**

Does the proposed amendment change the source of water?

☐ Yes **X No**

Indicate the water source(s). Identify proposed changes.:

\_\_\_\_\_  
(show location(s) on map)

Does the proposed amendment change the quality of the water source and/or its available capacity?

☐ Yes **X No**

Describe the quality of the water source(s) and the available capacity(s). Identify any changes.: \_\_\_\_\_

Does the proposed amendment change the overall quantity of water to be used?

**X Yes** ☐ No

Provide the overall estimated quantity to be used. Identify proposed changes. : additional 195 m<sup>3</sup>/day, for a total of 240 m<sup>3</sup>/day

Does the proposed amendment change the quantity of water to be used from each source?

☒ Yes ☐ No

Provide the estimated quantity(s) of water to be used from each source. Identify proposed changes. :

**Contwoyto Lake is the current water source for the exploration program. As the exploration program progresses and drill targets are identified, additional water sources, as identified in licence 2BE-LEP1217, will be utilized. Accordingly, up to 240 m<sup>3</sup>/day may be withdrawn from all sources.**

Does the proposed amendment change the quantity of water to be used for each purpose?

☒ Yes ☐ No

Provide the estimated quantities to be used for each purpose (camp, drilling, etc.). Identify proposed changes:

Additional quantities will be used for drilling purposes only

Does the proposed amendment change the method(s) of extraction? ☐ Yes ☒ No

Describe the method(s) of extraction. Identify proposed changes. : \_\_\_\_\_

Does the proposed amendment change the quantity(s) of water returned to source(s)?

☐ Yes ☒ No

Estimated quantity(s) of water returned to source(s). Identify proposed changes. : \_\_\_\_\_ m<sup>3</sup>/day

Does the proposed amendment change the quality(s) of water returned to source(s)?

☐ Yes ☒ No

Describe the quality(s) of water(s) returned to source(s). Identify any changes. : \_\_\_\_\_



#### 14. WASTE

Check the appropriate box(s) to indicate the types of waste(s) approved in the existing licence.

- |  |   |
|--|---|
| <input type="checkbox"/> Sewage  | <input type="checkbox"/> Waste oil                      |
| <input type="checkbox"/> Solid Waste                                     | <input type="checkbox"/> Greywater                      |
| <input type="checkbox"/> Hazardous                                       | <input type="checkbox"/> Sludges                        |
| <input type="checkbox"/> Bulky Items/Scrap Metal                         | <input type="checkbox"/> Contaminated soil and/or water |
| <input type="checkbox"/> Animal Waste                                    |   |
| <input checked="" type="checkbox"/> Other (describe): <u>Drill Waste</u> |   |

Does the proposed amendment change the type(s) of waste(s) to be generated or deposited?

☐ Yes ☒ No

If Yes, indicate using the boxes below, the proposed change(s) to the type(s) of waste(s) to be generated and/or deposited noting the addition, removal or continued generation and/or disposal of waste(s).

- |  |   |
|--|---|
| <input type="checkbox"/> Sewage                  | <input type="checkbox"/> Waste oil                      |
| <input type="checkbox"/> Solid Waste             | <input type="checkbox"/> Greywater                      |
| <input type="checkbox"/> Hazardous               | <input type="checkbox"/> Sludges                        |
| <input type="checkbox"/> Bulky Items/Scrap Metal | <input type="checkbox"/> Contaminated soil and/or water |
| <input type="checkbox"/> Animal Waste            |   |
| <input type="checkbox"/> Other (describe): _____ |   |

#### 15. QUANTITY AND QUALITY OF WASTE INVOLVED

Does the proposed amendment change the quantity(s) of the types of wastes involved?

☒ Yes ☐ No

Does the proposed amendment change the composition(s) of the types of wastes involved?

☐ Yes ☒ No

Does the proposed amendment change the method(s) of treatment for the types of waste involved?

☐ Yes ☒ No

Does the proposed amendment change the method(s) of disposal for the types of waste involved?

☐ Yes ☒ No

If Yes to any of the above, describe the proposed changes:

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	Composition	Quantity Generated	Treatment Method	Disposal Method
Drill waste	Cuttings	Varies	None	Cuttings will be directed toward and allowed to

				<p>settle in natural depressions in the tundra, located a minimum of thirty one (31) metres from the ordinary high water mark.</p> <p>A portable containment system may also be used to allow sediment to settle out.</p>	

#### 16. OTHER AUTHORIZATIONS

Does the proposed amendment change the need for other authorizations in addition to the sub-surface and surface land use authorizations provided in Block 6?

☐ Yes ☒ No

If Yes, indicate any additional authorizations required, which authorizations are no longer required, and which authorizations continue to be required.

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

Does the proposed amendment change the predicted environmental impacts of the undertaking or the mitigation measures?

☐ Yes ☒ No

Describe direct, indirect, and cumulative impacts related to water and waste. Identify any changes.

#### 18. WATER RIGHTS OF EXISTING AND OTHER WATER USERS

Was compensation paid and/or an agreement(s) for compensation been entered into with any existing or other users of water during consideration of the existing licence?

☐ Yes ☒ No

If Yes, provide the names, addresses and the nature of water use by those persons or properties.

Does the proposed amendment adversely affect any known persons or property including those that hold licences for water use in precedence to the application, domestic users, in-stream users, authorized waste depositors, owners of property, occupiers of property, and/or holders of outfitting concessions, registered trapline holders, and holders of other rights of a similar nature?

☐ Yes ☒ No

If Yes, provide the names, addresses and the nature of water use of those persons or properties.

Advise the Board if compensation has been paid and/or an agreement(s) for compensation has been reached with any existing or other water users with respect to the proposed amendment.

## 19. INUIT WATER RIGHTS

Was compensation paid/ or an agreement(s) for compensation been entered into with any Designated Inuit Organization (DIO) during consideration of the existing licence?

☐ Yes ☒ No

If Yes, which DIO(s) \_\_\_\_\_

Does the proposed amendment substantially affect the quality, quantity or flow of waters flowing through Inuit Owned Land (IOL)?

☐ Yes ☒ No

If Yes, advise the Board if negotiations have commenced or an agreement to pay compensation for any loss or damage has been reached with one or more DIO(s) with respect to the proposed amendment.

## 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.

None.

## 21. SECURITY INFORMATION

Does the proposed amendment change the financial security assessment?

☐ Yes ☒ No

Does the proposed amendment change the estimate of the total financial security for final reclamation?

☐ Yes ☒ No

Provide an estimate of the total financial security for final reclamation equal to the total outstanding reclamation liability for land and water combined sufficient to cover the highest liability over the life of the undertaking. Estimates of reclamation costs must be based on the cost of having the necessary reclamation work done by a third party contractor if the operator defaults. The estimate must also include contingency factors appropriate to the particular work to be undertaken. Identify any changes in the financial security assessment resulting from the proposed amendment.

Where applicable, the financial security assessment should be prepared in a manner consistent with the principals respecting mine site reclamation and implementation found in the *Mine Site Reclamation Policy for*

*Nunavut*, Indian and Northern Affairs Canada, 2002.

## 22. FINANCIAL INFORMATION

Is the statement of financial security the same as that considered in the existing water licence?

☒ Yes ☐ No

Provide an updated statement of financial security.

If the applicant is a business entity please answer the questions below:

Is the list of the officers of the company the same as those considered in the existing water licence?

☐ Yes ☒ No

Provide a list of the officers of the company.

**Patrick Downey, President, CEO and Director**  
**Peter Tam, Chief Financial Officer (new)**

Is the Certificate of Incorporation or evidence of registration of the company name the same?

☒ Yes ☐ No

Attach a copy of the Certificate of Incorporation or evidence of registration of the company name.

## 23. STUDIES UNDERTAKEN TO DATE

List and attach updated studies, reports, research etc.

**None.**

Provide a compliance assessment and status report including a response to any inspector's reports. The licensee must contact the NWB for licence specific direction in completing the assessment and report.

**Daily water withdrawal volumes have intermittently exceeded the permitted daily water use volume of 45 m<sup>3</sup>/day. This is due to the need to draw water from Contwoyto Lake, which was and is, the nearest lake of depth sufficient to supply continuous water to the drill rig. The distances and pumping head from Contwoyto Lake, together with the necessity to avoid freeze up, was cause for higher than estimated daily consumption of water.**

**Drilling water will continue to be obtained from Contwoyto Lake until approximately mid-June when water sources located nearer to the drill rigs are available, and risk of freezing is non-existent. At that point, the daily usage per drill is expected to decrease.**

If in non-compliance, a licence may not be issued until compliance is achieved. If in non-compliance, attach plans/reports for consideration. Application will not be processed if significant issues of non-compliance exist.

**See Appendix 3 for a water licence conformity table.**

## 24. PROPOSED TIME SCHEDULE

Does the proposed amendment change the time schedule considered in the existing licence for any phase of development?

☐ Yes ☒ No

Indicate the start and completion dates for each applicable phase of development (construction, operation, closure, and post closure). Identify proposed changes.

### Construction

Proposed Start Date: \_\_\_\_\_ Proposed Completion Date: \_\_\_\_\_  
(month/year) (month/year)

### Operation

Proposed Start Date: \_\_\_\_\_ Proposed Completion Date: \_\_\_\_\_  
(month/year) (month/year)

### Closure

Proposed Start Date: \_\_\_\_\_ Proposed Completion Date: \_\_\_\_\_  
(month/year) (month/year)

### Post - Closure

Proposed Start Date: \_\_\_\_\_ Proposed Completion Date: \_\_\_\_\_  
(month/year) (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

On what date does the existing licence expire? January 25, 2017

Is the Licensee applying for a combined renewal and amendment of the existing licence?

☐ Yes ☒ No

If Yes, indicate the proposed term of the renewal (maximum of 25 years): \_\_\_\_\_

Requested date of renewal issuance: \_\_\_\_\_ Requested Expiry Date: \_\_\_\_\_  
(month/year) (month/year)

(The requested date of renewal 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

Will the proposed amendment change the content of annual reports or the annual report template?

☐ Yes ☒ No

If Yes, 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 Amendment for the water licensing process to begin.

Completed Application for Water Licence Amendment form.

☒ Yes

☐ No

If no, date expected \_\_\_\_\_

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

☐ Yes

☒ No

If no, date expected \_\_\_\_\_

**Not Applicable. All information regarding this amendment is provided directly in the application form.**

Compliance Assessment / Status Report (see Block 23).

☒ Yes

☐ No

If no, date expected \_\_\_\_\_

Indication of Renewal Requirement (see Block 26)

☒ Yes

☐ No

If no, date expected \_\_\_\_\_

English Summary of Amendment Application.

☒ Yes

☐ No

If no, date expected \_\_\_\_\_

**See application cover letter.**

Inuktitut and/or Inuinnaqtun Summary of Amendment Application.

☐ Yes

☒ No

If no, date expected May 15, 2012

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**

Patrick Downey

President and CEO



April 27/12

Name (Print)

Title (Print)

Signature

Date