



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

March 5, 2018

AANDC reference
CIDM# 1212403

NWB reference
#2BE-LUX1618

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

Re: Indigenous and Northern Affairs Canada's (INAC or the department) Review of North Arrow Mineral's Renewal Application for their Type B Water Licence 2BE-LUX1618 – Luxx Property.

Dear Mr. Dwyer,

Thank you for your email on February 8, 2018, concerning the above mentioned water licence application process.

A memorandum is provided for the Nunavut Water Board's (Board or NWB) consideration. 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 819-953-8988 or email at ian.parsons@canada.ca for further comments or any questions.

Sincerely,

Ian Parsons
A/Manager Water Resources, B.Sc.
Indigenous and Northern Affairs Canada
P.O. Box 100
Iqaluit, NU, X0A 0H0



Memorandum

To: Nunavut Water Board

From: Ian Parsons, Regional Coordinator, Water Resources Division, INAC

CC: Erik Allain (INAC), Christine Wilson, Water Resource Officer (INAC)

Date: March 5, 2018

Re: INAC's Review of North Arrow Mineral's Renewal Application for their Type B Water Licence 2BE-LUX1618 – Lux Property.

Applicant:	North Arrow Minerals Incorporated.
Project:	Luxx Property
Region:	Kivalliq

A. BACKGROUND

On February 8, 2018 the Nunavut Water Board (NWB or Board) provided notification to interested parties that North Arrow Mineral's had submitted a renewal application for their Type "B" water licence # 2BE-LUX1618.

North Arrow Mineral's is proposing a drilling program on North Arrow Minerals Inc.'s ("North Arrow") Luxx Project ("the Property") that will involve the use of up to 50 cubic meters of water per day from viable lakes and streams close to yet to be determined drill locations. The Property is located approximately 60 km west of Chesterfield Inlet and 90 km north of the town of Rankin Inlet.

The Luxx field program will be conducted in two phases. Phase 1 is planned for either spring or summer of 2018 and will involve drill-testing a small number of land-based and lake-based targets. Exact drill hole locations have yet to be determined however it is anticipated that three to four targets will be tested by three to six drill holes (approximately 500-1000 m of drilling). If results of this initial work are positive, a second phase of drilling (Phase 2) may be conducted later in the summer of 2018 or possibly at a later date. Phase 2, if warranted, would likely involve further delineation of targets identified from Phase 1 drilling, as well as drill-testing additional targets.



The proposed drilling will be conducted during the spring and/or summer months in 2018 and would be run out of Chesterfield Inlet – no camp is proposed as crews will stay in town. Personnel working on the project may vary and typical personnel requirements will likely include 1 project geologist (with the possibility of up to 2 geologists/geo-technicians), 1 helicopter pilot, 1 helicopter engineer and 4 or 5 contract drillers. The drill program would run for approximately 1-2 weeks and drilling will be done with a small diamond drill transported by helicopter.

The licence application requests a term of 2 years.

Interested parties were asked to review the information and provide comments by March 9, 2018.

B. RESULTS OF REVIEW

The following comments and recommendations are provided for the consideration of the Water Board:

1. General Comments

Reference:

- North Arrow Mineral's Spill Plan for the Luxx Property

i) Comment:

The applicant has not included any company contact information of their personnel in the case of a spill or an emergency.

Recommendation:

INAC recommends that the applicant provide contact information for the personnel on site in case of a spill or an emergency. Providing the contact information in these plans or applicant materials will make it easy in coordinating any efforts, in the event that it is needed.

ii) Comment

The applicant has only included the contact information for the Manager of the field operations (inspections) unit and the Nunavut Spill Line.

Recommendation

The applicant should include in all relevant plans and documents the name of the Water Resources officer for their licence. In this case the water resource officer is Christine Wilson, contact number 867 645 2830.



iii) Comment

The applicant has stated that contaminated materials (pads, soil/snow, etc) will be contained in barrels and/or drums and removed from site to an appropriate facility.

Recommendation

The applicant should indicate a contingency plan, in the event that a spill is large enough to cause contamination which cannot be contained in barrels or drums at site. (Example you have enough contaminated material to fill 10 drums but only have 7 empty drums on site).

Also just to remind the applicant all hazardous materials including fuel should be in secondary containment to reduce the risk to the environment and stored at least 31 meters away from the high water mark.