

Water Licence Application Form

Nunavut Water Board

NUNAVUT IMALIRIYIN KATIMAYINGI

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Application For (check one)

☒ New ☐ Amendment ☐ Renewal ☐ Assignment

Licence Number NWB

(NWB use only)

1. Name and mailing address of applicant/licensee

5050 Nunavut Limited (a subsidiary of Adriana Resources Inc.)
Gordon Addie, President
Suite 1818 - 701 West Georgia Street
Vancouver, BC
Canada V7Y 1C6

Phone 604 629 0250

Fax 604 629 0923

E-mail gaddie@adiranaresources.com

2. Address of corporate office in Canada (if applicable)

Adriana Resources Inc.
Suite 1818 - 701 West Georgia Street
Vancouver, BC
Canada V7Y 1C6

Phone 604 629 0250

Fax 604 629 0923

E-mail infor@adiranaresources.com

3. Location of undertaking

(describe and attach a topographic map indicating the main components of the undertaking)

5050 Nunavut Limited's (5050 Nunavut) MIE property is approximately 540 km² in size and is centered over the northern half of the exposed portion of the Muskox Intrusion, 90 km south of Kugluktuk. See attached maps.

4. Description of undertaking

(attach plans and drawings)

5050 Nunavut proposes to set up a camp on the southwest shore of McGregor lake to support their staking, prospecting and exploration work covered under KIA Land Use License KTL104C033, as well as to conduct a drilling program on their MIE property. Once all permits are in place 5050 Nunavut would like to begin fuel mobilization, set up a camp, etc., and start a spring geophysical program with drilling to take place in the summer. The project would be helicopter-supported drilling in summer, and snowmobile-supported in the winter. Access to their property would be by float plane in summer, ski plane in winter.

5. Type of primary undertaking

(A supplementary questionnaire must be submitted with the application for undertakings marked with an asterisk. See Schedule II of the Northwest Territories Waters Regulations for description of undertakings)

___ Industrial *

___ Agricultural

___ Mining and Milling *

___ Conservation *

___ Municipal (includes camps / lodges) *

___ Recreational

___ Power

X Miscellaneous
(includes exploration / drilling) *

(describe): Construction of a new camp site.

6. Water use

X To obtain water

___ To divert a watercourse

___ To modify the bed or bank of a watercourse

___ Flood control

___ To alter the flow of, or store, water

___ Other (describe):

___ To cross a watercourse

7. Quantity of water involved

(cubic metres per day including both quantity to be used and quantity to be returned to source)

For camp use, it is estimated that 1.5 cubic meters of water will be used per day for a camp population of 15 people. The grey water will be returned to a sump to be biologically treated.

For drill use it is estimated that 132.49 cubic meters will be used for the whole drill program. Drill water will be re-circulated; therefore actual amount will depend on the friability of the rock.

8. Waste

(for each type of waste describe: composition, quantity [cubic metres per day],

methods of treatment and disposal, etc.)

☒ Sewage

☒ Waste oil

☒ Solid waste

☒ Greywater

☐ Hazardous

☐ Sludges

☐ Bulky items/scrap metal

☐ Other (describe): _____

Grey water – all camp discharge water; estimated for 15 people at 1.5 cubic metres per day of wash water, shower water and kitchen water, will be biologically treated in a sump. The Sump will be located 100m from the high water mark.

Sewage – All sewage will be collected with the PACTO toilet system. The resultant encapsulated waste will be burned in the incinerator.

Waste oil – Waste oil volumes from the camp and related activities will be less than 0.04 cubic metres per week. Waste oil will be incinerated or used for heating purposes.

Solid wastes – Volumes of solid waste will vary with the daily population of the camp and project activities. All combustible solid waste will be burned daily in an incinerator. The non-combustible solid waste will be packaged up and flown out to Yellowknife on the return flight that brought in supplies.

Hazardous Waste – In the chance of encountering Uranium in the drill cores, a Waste Generator Number will be attained to document hazardous waste that may occasionally be transported from the Project area for proper disposal. The same individual in charge of documenting the hazardous wastes will have completed a course in the Transportation of Dangerous Goods specifically designed to train geologists in the safe transport of nuclear substances.

For the long term storage of drill core, radiation levels will be reduced to less than 1.0 µSv measured at 1.0 meter from the surface and in no instance will the level be allowed to exceed 2.5 µSv. In practice, it is anticipated that major uranium intersections will be transported to the Saskatchewan Research Council for testing and storage at their nuclear materials storage facility.

9. Persons or properties affected by this undertaking

(give name, mailing address and location; attach if necessary)

The land affected by the undertaking is administered by the Kitikmeot Inuit Association. It lies within the Inuit land parcels: C053, C060, C061, C062. An amendment to 5050 Nunavut present Land Use License has been submitted to the Kitikmeot Inuit Association to build a new camp. 5050 Nunavut owns or has applied for all the mineral tenures underlying the sites.

Land Use Permit

DIAND Yes ☒

No ☐

If no, date expected: application being processed _____

Regional Inuit Association Yes ☐ No ☒

If no, date expected: application being processed _____

Commissioner Yes ____ No X

If no, date expected: application being processed _____

10. Predicted environmental impacts of undertakings and proposed mitigation measures

(direct, indirect, cumulative impacts, etc.)

NIRB Screening Yes ____ No X

If no, date expected 01/01/06

Little environmental impact is anticipated from the placement of the weatherhaven tent camp. The proposed camp area is located in an area of very little to no vegetation. The camp layout will minimize the area of surface disturbance. Food will be stored inside closed buildings and garbage will be incinerated daily to avoid attracting animals. When the camp is no longer required all imported materials will be burned or removed from the site. Any pits or earthworks will be backfill and recontoured.

Fuel will be stored in 205 liter steel drums in approved containment according to regulations, and will be located 100m from the high water mark. Storage areas will be monitored regularly to detect and manage any leaks. Empty drums will be removed from the site. Spill kits will be maintained in all fuel storage and transfer areas and all staff will be trained regarding the spill contingency plan.

Camp domestic water will be drawn the mouth of Iceberg Creek, on the south west corner of McGregor Lake, in volumes that will not affect lake or creek habitats. All grey water will undergo biological treatment in a sump located 100m from the high water mark.

11. Inuit water rights

Will the project or activity substantially affect the quality, quantity, or flow of water through Inuit Owned Lands and the rights of Inuit under Article 20 of the *Nunavut Land Claims Agreement*?

Yes ____ No X

If yes, has the applicant entered into an agreement with the Designated Inuit Organization to pay compensation for any loss or damage that may be caused by the alteration?

Yes ____ No X

If no compensation agreement has been made, how will compensation be determined?

The construction and operation of the proposed camp will not affect the quality, quantity or flow of water flowing through Inuit Owned Land.

Water from Muskox Intrusion area has been used for drilling and human consumption since the 1950s with no detectable adverse impacts.

12. Contractors and sub-contractors

(name, address and functions)

Rescan Environmental Services (environmental contractors)

Sixth Floor, 111 West Hastings Street
Vancouver, B.C. Canada V6E 2J3

(604)689-9460 ph

(604)687-4277 fx

Attn: Latisha Heilman

1984 Enterprises Inc. (health, safety, camp staffing etc. contractors)

Suite 1000

355 Burrard Street

Vancouver, British Columbia

Canada, V6C 2G8

Phone: +1 604 736 8142

Fax: +1 604 736 8119

Attn: Lise Thompson

Contractors that may be hired once permits are in place:

Diamond Drill: Peak Drilling – Yellowknife, NT

Eric Raume – 867 766 2980 – peakex@theedge.ca

Fixed wing aircraft will be contracted from any of the following (depending on which contractor is available):

Air Tindi – Yellowknife NT, 1-888-545-6794

Adlair Aviation – Yellowknife NT, (867) 873-5161

Air Thelon – Yellowknife NT, (867) 920-7110

Arctic Air – Yellowknife NT, (867) 873-1210

Arctic Sunwest Charters – Yellowknife NT, (867) 873-4464

Buffalo Airways – Yellowknife NT, (867) 873-6112

13. Studies undertaken to date

(list and attach copies of studies, reports, research, etc.)

The Muskox Intrusion has been under exploration since 1956, numerous companies examined the intrusion but no significant deposits were outlined. Studies undertaken on the area include: geophysical and geochemical surveys and geological mapping of the Marginal Series near McGregor Lake; property-wide geophysical included: VLF, magnetics, gravity, UTEM, and HLEM, controlled Source Audiomagnetotelluric, and numerous, highly anomalous grab samples were collected from the Pyrrhotite Lake, Southeast Speers Lake, Sulphide Breccia, Trench 87-1, Chalco Cliffs, and Chromite Reef areas.

