

May 25, 2017  
Karén Kharatyan  
Senior Technical Advisor / Acting Licensing Manager  
Nunavut Water Board  
P.O. Box 119  
Gjoa Haven, NU X0B 1J0  
Phone: (867) 360-6338 ext. 35

**Re: Water Licence 2BE-MDP1520 Amendment Application**

Mr. Kharatyan,

Please accept this application for an amendment to water licence 2BE-MDP1520 for water use at the Muskox Diamond Property ("the Property").

Mineral exploration activities on the Property are currently authorized on Crown Land and Inuit Owned Land ("IOL") within Prospecting Permits P-18, P-19, P-21, P-22, P-23, P-24 and P-25. The mineral exploration activities are currently authorized by: an Indigenous and Northern Affairs Canada ("INAC") Land Use Permit ("LUP"), number N2015C0020; a Nunavut Water Board ("NWB") Water Licence, number 2BE-MDP1520; a Kitikmeot Inuit Association ("KIA") Land Use Licence, number KTL315C011; and a Nunavut Impact Review Board ("NIRB") Screening Decision, number 15EN024. The authorized mineral exploration activities include geological mapping, till sampling, prospecting, ground geophysical surveys and diamond drilling (diamond drilling will be authorized on IOL as soon as a Reclamation Security Deposit is received by the KIA).

Exploration on the Property to date has included a Property visit and ground-truthing of geophysical and Kimberlite Indicator Mineral ("KIM") targets, which resulted in the collection of one rock sample in 2015 and prospecting, till sampling, mapping, and ground geophysical surveying in 2016. No drilling has been completed on the Property thus far. In add addition, no temporary field camps have been built as all exploration activities have been supported by the pre-existing Lupin Mine Camp.

The purpose of the requested amendment is to expand the authorized area for which the mineral exploration activities may occur. The "Proposed New Area of Exploration" Figure illustrates the current authorized land package (Prospecting Permits) and the proposed new area, which includes three mineral claims and one lease. Nothing else in the authorizations is to change.

Documents submitted in this amendment/renewal application include:

- Water Licence 2BE-MDP1520 Amendment Application
- Muskox Diamond Property Exploration-Remote Camp Questionnaire

- Water Licence 2BE-MDP1520 Compliance Assessment
- Water Licence 2BE-MDP1520 Compliance Assessment Status Report
- Certificate of Incorporation
- Statement of financial security
- Figure 1 Muskox Proposed New Exploration Area
- Figure 2 Muskox Cotwoyto Camp Google Earth
- Figure 3 Muskox James River (Hood) Camp Google Earth
- Figure 4 Muskox Camp Google Earth
- Crystal Exploration Authorization Letter
- 2016 Technical Report for the Muskox and Hood River Properties
- NPC notification letter
- Historic NIRB Screening Decision
- Cheque for \$30.00 for application fee payable to the Receiver General
- Cheque for \$30.00 for water use deposit payable to the Receiver General
- Muskox 2017 Amendment Non-Technical Summary – English
- Muskox 2017 Amendment Non-Technical Summary – Inuktitut
- Muskox 2017 Amendment Non-Technical Summary – Inuinnaqtun

Please do not hesitate to contact me if you have any questions or concerns or if you require any additional information.

Best Regards,



**Tara Gunson, B.Sc., P.Geo**  
APEX Geoscience Ltd.