



Indigenous and  
Northern Affairs Canada

Affaires autochtones  
et du Nord Canada

*Your file - Votre référence*  
2BE-MDP1520

July 10, 2017

*Our file - Notre référence*  
IQALUIT-#1158888

Licensing Department  
Nunavut Water Board  
P.O. Box 119  
GJOA HAVEN, NU, X0B 1J0

*Sent via email:* [licensing@nwb-oen.ca](mailto:licensing@nwb-oen.ca)

**Re: Technical Review of Water Licence Amendment Application (No. 2BE-MDP1520) –  
Muskox Diamond Project (APEX Geoscience Ltd.)**

To Whom It May Concern,

Thank you for the Nunavut Water Board's June 16, 2017 notice of the above mentioned water licence application.

A memorandum is provided for the Nunavut Water Board's consideration. Comments and recommendations have been provided pursuant to Indigenous and Northern Affairs Canada'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 867-975-3877 or email at [Amanda.Winegardner@aandc-aadnc.gc.ca](mailto:Amanda.Winegardner@aandc-aadnc.gc.ca) for further information.

Sincerely,

Amanda Winegardner  
Water Management Specialist  
Water Resources Division  
Indigenous and Northern Affairs Canada  
P.O. Box 100  
Iqaluit, NU X0A 0H0

Encl.

Cc. Ian Parsons, A/Manager, Water Resources, INAC, Nunavut Regional Office (NRO)  
Erik Allain, Manager, Field Operations, INAC, NRO

Canada 

## Memorandum

To: Licensing Department, Nunavut Water Board

From: Amanda Winegardner, Water Management Specialist, Indigenous and Northern Affairs Canada (INAC)

Cc: Ian Parsons, A/Manager, Water Resources, INAC  
Erik Allain, Manager, Field Operations, INAC

Date: July 10, 2017

**Re: Technical Review of Amendment Application No. 2BE-MDP1520 for Muskox Diamond Project**

Applicant: APEX Geoscience Ltd.  
Project: Muskox Diamond Project  
Region: Kitikmeot

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### Comments:

#### A. Background

APEX Geoscience Ltd. (the Licensee) has applied for an amendment to Water Licence 2BE-MDP1520 to support exploration work at the Muskox Diamond Project. Water Licence 2BE-MDP1520 currently authorizes the deposit of waste and water use up to 82 m<sup>3</sup> per day for drilling and camp activities. Water use at three camp locations is approved in the current licence but no camps have been constructed as of yet as work to date has been supported by the camp at the pre-existing Lupin Mine. No water use has occurred under Water Licence 2BE-MDP1520 as reported in Annual Reports. The Licensee is planning to extend their areas of exploration by incorporating additional, recently acquired Mineral Claims and Leases.

The purpose of the amendment application for Water Licence 2BE-MDP1520 is to add new water sources for drilling activities associated with the expanded project area. No change in water use amount is requested in the amendment application. No change to waste disposal or Water Licence term has been requested.

## B. Results of review

On behalf of INAC's Water Resources Division, the following comments and recommendations are provided for the NWB's consideration:

### 1. Sources of water for drilling program

**Source:**

- 1) 2BE-MDP1520 Amendment Application, Section 13: 'Quantity of Water Involved'
- 2) 2BE-MDP1520 New Licence

**Comment:** The current Water Licence approved water use from unnamed sources throughout the project area. The amendment application has stated that this practice will not change but that additional sources will be used from the new exploration areas.

**Recommendation #1:** INAC reminds the Licensee that they will be responsible for identifying water sources used in both the original project area as well as the additional areas. These locations must be reported in their Annual Report.

### 2. Construction of temporary camps

**Source:**

- 1) Muskox NWB Annual Reporting Form 2015
- 2) 2BE-MDP---- AANDC Comments

**Comment:** Three separate camp locations are identified in the project documentation, but only one camp will be utilized at each time, with each camp being reclaimed as work is re-located to the next camp. During the issuance of the original Water Licence 2BE-MDP----, INAC (then Aboriginal Affairs and Northern Development Canada) made the recommendation that the Licensee notify the NWB as well as the INAC inspector of the dates when each camp will be constructed and in use.

**Recommendation #2:** INAC stands by the previous recommendation that the Licensee should advise the NWB and INAC inspector of the schedule for camp use at each location. This will ensure that an accurate inspection schedule can be maintained.

### 3. Spill Contingency Plan

**Source:**

- 1) 2BE-MDP---- Spill Prevention and Response Plan AMENDED 23 June 2015 Part 1

**Comment:** The Licensee has an approved Spill Contingency Plan in place for the project. It was last amended in 2015.

**Recommendation #3:** INAC reminds the Licensee to review their Spill Contingency plan each year to ensure that all contact information and procedures are up to date.