



NIRB File No.: 06EN009

AANDC File No.: N2011C0007, N2006C0001

April 3, 2013

The Honourable Bernard Valcourt
Minister of Aboriginal Affairs and Northern Development
c/o Jeff Mercer, Manager of Land Administration
Aboriginal Affairs and Northern Development Canada
P.O. Box 100
Iqaluit, NU X0A 0H0

Sent via Email: jeff.mercer@aandc.gc.ca and landsmining@aandc.gc.ca

Re: Application Exempt from the Requirement for Screening Pursuant to Section 12.4.3 of the NLCA: Hornby Bay Mineral Exploration Ltd.'s "Mouse Lake Exploration" Project, Kitikmeot Region

Dear Mr. Mercer:

On March 19, 2013 the Nunavut Impact Review Board (NIRB or Board) received an application from Aboriginal Affairs and Northern Development Canada (AANDC) for an extension to the Land Use Permit (LUP) (No. N2011C0007) for Hornby Bay Mineral Exploration Ltd.'s (Hornby Bay) "Mouse Lake Exploration" project proposal. The NIRB notes that a conformity determination from the Nunavut Planning Commission is not required for this file, as the proposed project is located within the Kitikmeot region where no approved land use plan is yet in place.

Please be advised that the original project proposal (File No.: 06EN009) was received by the NIRB from Indian and Northern Affairs Canada (INAC; now AANDC) on January 24, 2006 and was screened by the Board in accordance with Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA). On March 27, 2006 the NIRB issued a NLCA 12.4.4(a) screening decision to the Minister of INAC which indicated that the proposed project could proceed subject to the NIRB's recommended project-specific terms and conditions.

The current AANDC application, the NIRB Screening Decision Report (File No.: 06EN009) and related file information are available from the NIRB's online public registry at the following link:

<http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2006/06EN009-Hornby%20Bay%20Exploration%20Ltd%20-%20Unor%20Inc/>.

PREVIOUSLY-SCREENED PROJECT PROPOSAL:

As previously screened by the NIRB (File No.: 06EN009), the “Mouse Lake Exploration” project was located in the Kitikmeot region, approximately 100 kilometres (km) south of Kugluktuk. The Proponent indicated that it intended to undertake permitted uranium exploration activities at the Mouse Lake project site.

Additional authorization and extension requests associated with the “Mouse Lake Exploration” project have also been reviewed by the NIRB following screening of the original project proposal (File No.: 06EN009) and are presented in Table 1.

Table 1: Additional Applications Associated with NIRB File No.: 06EN009

Authorization	Application			NIRB Decision	
	Date Received by NIRB	Type	Reason for Application	Correspondence Issued by NIRB	Type
AANDC LUP N2006C0001	March 4, 2008	Extension	To continue exploration activities	March 5, 2008	Exempt from Screening, reissued March 27, 2006 SDR
AANDC LUP N2006C0001	February 7, 2009	Extension	To continue exploration activities	February 13, 2009	Exempt from Screening, reissued March 27, 2006 SDR
AANDC LUP N2006C0001	February 2, 2011	Amendment	To permit on-land seismic exploration activities	March 29, 2011	Additional terms and conditions issued in March 29, 2011 SDR
AANDC LUP N2011C0007	February 21, 2011	New permit	To continue exploration activities	March 29, 2011	Additional terms and conditions issued in March 29, 2011 SDR

AANDC= Aboriginal Affairs and Northern Development Canada; LUP= land use permit; NIRB= Nunavut Impact Review Board; SDR= Screening Decision Report.

The activities and components associated with the proposed project as received by the NIRB on January 24, 2006 included:

- Geological and geophysical surveying (both ground and airborne surveys);
- Diamond drilling program;
- Establishment of a temporary camp at Mouse Lake, located approximately 75 km south of Kugluktuk; and
- Transportation and storage of fuels including diesel, gasoline, aviation fuel, and propane.

The activities and components associated with the March 4, 2008 LUP No. N2006C0001 extension application included:

- Extension of LUP No. N2006C0001 associated with the “Mouse Lake Exploration” project, in order for Hornby Bay to continue activities associated with its ongoing exploration program.

The activities and components associated with the February 7, 2009 LUP No. N2006C0001 extension application included:

- Extension of LUP No. N2006C0001 associated with the “Mouse Lake Exploration” project, in order for Hornby Bay to continue activities associated with its ongoing exploration program.

The activities and components associated with the February 2, 2011 LUP No. N2006C0001 amendment application included:

- On land 2D seismic surveying for purposes of uranium exploration;
 - Use of two vibrator trucks, seismic line, detectors and recording computers
 - Approximate total of 80 line kilometres to be surveyed
- Utilization of ice strip at McGregor Lake for the transportation of equipment and supplies; and
- Overland transportation of seismic equipment and personnel supported by Cat Train, helicopter, and skidoo.
 - Cat Train to utilize winter trail previously screened by the NIRB (NIRB File No.: 07RN072) and clearing of new paths to seismic exploration area.

The activities and components associated with the February 21, 2011 LUP No. N2011C0007 application included:

- Replacement of the expiring LUP No. N2006C0001 with a new LUP (No. N2011C0007) to allow Hornby Bay to continue its exploration activities in the area including an on-land seismic exploration program.

All materials received and pertaining to the NIRB’s screening of the “Mouse Lake Exploration” project proposal (NIRB File No.: 06EN009) can be obtained from the NIRB’s online public registry at the following link:

<http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2006/06EN009-Hornby%20Bay%20Exploration%20Ltd%20-%20Unor%20Inc/>.

CURRENT APPLICATION:

Hornby Bay is proposing to extend its AANDC LUP (No. N2011C0007) to continue previously proposed activities at the Mouse Lake project site.

Please note that Section 12.4.3 of the NLCA states that:

“Any application for a component or activity of a project proposal that has been permitted to proceed in accordance with these provisions shall be exempt from the requirement for screening by NIRB unless:

(a) such component or activity was not part of the original project proposal; or

(b) its inclusion would significantly modify the project.”

After completing a review of the information provided in support of the current application, the NIRB is of the understanding that the proposed extension does not change the general scope of the original project activities, and the exceptions noted in NLCA 12.4.3(a) and (b) do not apply. Therefore, this application is exempt from the requirement for screening pursuant to Section 12.4.3 of the NLCA and the activities therein remain subject to the terms and conditions recommended in the March 29, 2011 Screening Decision Report (enclosed).

If you have any questions or concerns, please contact Catherine Braun Rodriguez, Technical Advisor, at 867-983-4607 or crodriguez@nirb.ca.

Sincerely,

A handwritten signature in black ink that reads "Ryan Barry". The signature is written in a cursive style with a long horizontal line extending from the end of the name.

Ryan Barry
Executive Director
Nunavut Impact Review Board

cc: Bogdan Nitescu, Hornby Bay Mineral Exploration Ltd.
Tracey McCaie, Aboriginal Affairs and Northern Development Canada
Geoffrey Clarke, Kitikmeot Inuit Association
Phyllis Beaulieu, Nunavut Water Board

Enclosed: NIRB Screening Decision Report, File No.: 06EN009 (March 29, 2011)