



NIRB File No.: 06EN009

AANDC File No.: N2011C0007

NWB File No.: 2BE-MOU0914

January 20, 2015

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

Sent via Email: tracey.mccaie@aandc.gc.ca; landsmine@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 Tracey McCaie:

On January 9, 2015 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 (No. N2011C0007) associated with Hornby Bay Mineral Exploration Ltd.'s (Hornby Bay) "Mouse Lake Exploration" project proposal. The Board notes that, as this project is located in an area without an approved land use plan in place (Kitikmeot Region), a conformity determination from the Nunavut Planning Commission was not required for this file.

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 25, 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 AANDC which indicated that the proposed project could proceed subject to the NIRB's recommended project-specific terms and conditions.

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. In each instance the NIRB confirmed that the applications were exempt from the requirement for further screening pursuant to Section 12.4.3 of the NLCA and the activities therein remained subject to the terms and conditions recommended in the original March 27, 2006 Screening Decision Report and the more recent March 29, 2011 Screening Decision Report.

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

Authorization	Application			NIRB Decision	
	Date Received by NIRB	Type	Reason for Application	Date Issued	Type
AANDC LUP N2006C0001	March 4, 2008	Extension	Continue exploration activities	March 5, 2008	Reissued March 27, 2006 SDR
AANDC LUP N2006C0001	February 7, 2009	Extension	Continue exploration activities	February 13, 2009	Reissued March 27, 2006 SDR
AANDC LUP N2006C0001	February 2, 2011	Amendment	Addition of on-land seismic exploration activities	March 29, 2011	Reissued March 27, 2006 SDR with additional terms and conditions
AANDC LUP N2011C0007	February 21, 2011	New permit	Continue exploration activities		
AANDC LUP N2011C0007	March 19, 2013	Extension	Continue exploration activities	April 3, 2013	Reissued March 29, 2011 SDR
AANDC LUP N2011C0007	January 16, 2014	Extension	Continue exploration activities	February 6, 2014	Reissued 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 current AANDC application, the most recent 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 uranium exploration activities at the Mouse Lake project site.

The activities and components associated with the originally 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.

Extension applications submitted to the NIRB on March 4, 2008 and February 7, 2009 associated with LUP No. N2006C0001 requested an additional year to continue with previously permitted activities with its ongoing exploration program.

The February 2, 2011 application to amend LUP No. N2006C0001 included the following additional activities and components:

- 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;
- 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.

On February 21, 2011 the NIRB received an additional application which requested a new LUP (No. N2011C0007) to replace the previous LUP (No. N2006C0001) to continue exploration activities.

Both amendment applications submitted to the NIRB on March 19, 2013 and January 16, 2014 requested a one year extension to the existing LUP (No. N2011C0007) to allow the Proponent to continue with previously proposed activities at the Mouse Lake project site.

CURRENT APPLICATION:

Hornby Bay is proposing to extend its AANDC LUP (No. N2011C0007) for an additional year in order to continue its previously permitted 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 require additional clarification, please contact Kelli Gillard, Technical Advisor, at (867) 983-4619 or kgillard@nirb.ca.

Sincerely,

A handwritten signature in black ink that reads "Ryan Barry". The signature is fluid and cursive, 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.
Phyllis Beaulieu, Nunavut Water Board
Geoffrey Clark, Kitikmeot Inuit Association

Enclosure: NIRB Screening Decision Report, File No.: 06EN009 (March 27, 2011)