



Environment Canada
Environnement Canada

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Via Email

**RE: NWB2MOU – Hornby Bay Exploration Limited – Mouse Lake Project –
New – Type ‘B’**

On behalf of Environment Canada (EC), I have reviewed the information submitted with the above-mentioned application. The following specialist advice has been provided pursuant to Environment Canada's mandated responsibilities for the enforcement of the *Canadian Environmental Protection Act*, Section 36(3) of the *Fisheries Act*, the *Migratory Birds Convention Act*, and the *Species at Risk Act*.

Hornby Bay Exploration Limited (HBEL) is applying for a renewable Type 'B' water licence for water use and waste disposal associated with exploratory drilling and remote camp activities in their Mouse Lake Project. The requested water licence has a two year duration, from July 2005 to July 2007. The proponent intends to carry-out prospecting, geological mapping, geophysical surveys, and diamond drilling within its mineral claims which are known to have geological formations favourable for uranium, diamond, and zinc deposits. The project area is on Crown Lands south of the Coronation Gulf, approximately 100 km south of Kugluktuk, NU and 525 km north of Yellowknife, NWT. It comprises of 218 mineral claims which are grouped together into the Asiatic, East, and Coppermine blocks. These claim blocks are located within latitudes of 66° 37' to 67° 04' N and longitudes of 114° 10' to 115° 20' W.

The proponent has proposed that its remote camp be located on the south side of Mouse Lake with coordinates of 67° 05' 58"N and 115° 44' 119"W. The remote camp's location is approximately 10 metres above the lake on a flat beach and has been used by mineral exploration companies and hunters/trappers in the past. Weatherhaven and Jutland tents will be positioned on plywood frames to accommodate an average of 18 to 33 personnel, with a maximum capacity of 35 people.

Approximately 100 L of fresh water will be consumed daily by each individual at the remote camp for domestic needs, with Mouse Lake serving as the water source. In terms of mineral exploration activities, 15,000 L (15 m³) of water will be employed by the



diamond drill each day that it is used. The water will be re-circulated within the diamond drill and it is anticipated that 12-15 holes will be drilled, totalling 4,000 m of coring prior to the project's shutdown in mid-September. All drill cutting sumps will be located greater than 30 metres from the normal high water mark of any water body. Drill holes will be backfilled following the completion of drilling activities.

A minimum of three spill kits will be maintained by the proponent. One will be placed at the main fuel cache, a second at diamond drill sites, and a third be used as a mobile unit for secondary fuel caches. A spill contingency plan has been submitted which provides a chain of command to follow should a fuel spill occur, a list of spill kit contents, and summaries of how the proponent will respond to fuel spills on different media (i.e., spills on soil, gravel, rock, vegetation, water, ice, and snow), hazardous substance MSDS information sheets, and an anticipated petroleum product inventory.

The project's fuel products and their corresponding volumes are as follows:

JET-B: 13,000 x 205 L drums
P-50: 400 x 205 L drums
UNLEADED GASOLINE: 3 x 205 L drums
PROPANE: 8 cylinders

Fuel spill response procedures will be taught to HBEL employees through ongoing training programs and the NWT 24-Hour Spill Report Line [(867) 920-8130] will be contacted in the event of a fuel spill.

Environment Canada recommends that the following conditions be applied throughout all stages of the project:

GENERAL

- The proponent shall not deposit, nor permit the deposit of any fuel, chemicals, wastes, or sediment into any water body. According to the Fisheries Act, Section 36(3), the deposition of deleterious substances of any type in water frequented by fish, or in any place under any conditions where the deleterious substance, or any other deleterious substance that results from the deposit of the deleterious substance may enter any such water is prohibited.

DRILLING

- EC would like to inform the proponent that the *Canadian Environmental Protection Act* lists CaCl as a toxic substance. The proponent shall therefore ensure that if CaCl is used as a drill additive, all sumps containing CaCl are properly constructed and located in such a manner as to ensure that the contents will not enter any water body.
- Drilling additives or muds shall not be used in connection with holes drilled through lake ice unless they are re-circulated or contained such that they do not enter the water, or are demonstrated to be non-toxic.



- Land based drilling should not occur within 30 metres of the high water mark of any water body.
- If an artesian flow is encountered, the drill hole shall be immediately plugged and permanently sealed.

CAMPS

- The proponent shall not store materials on the surface ice of lakes or streams, except that which is for immediate use.
- EC recommends the use of an approved incinerator for the disposal of combustible camp wastes.

FUEL STORAGE/SPILL CONTINGENCY/HAZARDOUS MATERIALS

- EC recommends the use of secondary containment, such as self-supporting insta-berms, when storing barrelled fuel on location rather than relying on natural depressions.
- The proponent shall ensure that any hazardous materials, including waste oil, receive proper treatment and disposal at an approved facility.
- Drip pans, or other similar preventative measures, shall be used when refuelling equipment on site.

MIGRATORY BIRDS

- EC recommends that all activities be conducted outside the migratory bird breeding season, which extends from approximately 1 June to 15 July. These dates are approximate, and if active nests (i.e., nests containing eggs or young) are encountered outside of these dates, the proponent should avoid the area until nesting is complete (i.e., the young have left the nest). Paragraph 6(a) of the *Migratory Birds Regulations* states that no one shall disturb or destroy the nests of migratory birds.

If there are any changes in the proposed project, EC should be notified, as further review may be necessary. Please do not hesitate to contact me if you have any questions or comments with regards to the foregoing at (867) 975-4631 or by email via david.abernethy@ec.gc.ca.

Regards,

David W. Abernethy
Environmental Assessment Technician