March 18, 2014

AANDC reference CIDM# 787952

NWB reference #2BE-MOU0914

Phyllis Beaulieu Manager of Licencing Nunavut Water Board Gjoa Haven, NU, X0E 1J0

Re: #2BE-MOU0914 – Mouse Lake Project – Hornby Bay Mineral Exploration Ltd. – Kitikmeot Region – Water Licence Renewal Application

Dear Ms. Beaulieu,

Thank you for your email on February 18, 2014, concerning the above mentioned water licence renewal application.

A memorandum is provided for the Nunavut Water Board's (Board or NWB) consideration. Comments have been provided pursuant to the Department's mandated responsibilities under the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Department of Indian Affairs and Northern Development Act*.

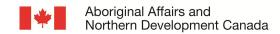
Please do not hesitate to contact me by telephone at 867-975-4282 or email at <u>ian.parsons@aandc-aadnc.gc.ca</u> for further comments or any questions.

Sincerely,

lan Parsons Regional Coordinator Aboriginal Affairs and Northern Development Canada P.O. Box 100 Igaluit, NU, X0A 0H0

c.c.: Murray Ball, Manager of Water Resources, AANDC Erik Allain, Manager of Field Operations, AANDC





## Memorandum

TO Phyllis Beaulieu AANDC reference
Manager of Licencing CIDM# 787952

Nunavut Water Board

NWB reference #2BE-MOU0914

**FROM** Ian Parsons

Regional Coordinator DATE

Aboriginal Affairs and Northern March 18, 2013

**Development Canada** 

Re: #2BE-MOU0914 - Mouse Lake Project - Hornby Bay Mineral Exploration

Ltd. – Kitikmeot Region – Water Licence Renewal Application

### A. BACKGROUND INFORMATION

On February 18, 2014 the Board provided notification to Aboriginal Affairs and Northern Development Canada (AANDC) that Hornby Bay Mineral Exploration Ltd. (Hornby Bay) had submitted a water license renewal application for their Mouse Lake Project.

The submitted information is as follows:

- Signed Renewal Application Form
- Cover Letters
- 3. Articles of Amendment (Certificate of Name Change)
- Email communication with NWB
- Email communication with NPC
- Email communication with NIRB
- Executive Summary English
- 8. Executive Summary Innuinagtun
- 9. Executive Summary Inuktitut
- 10. Maps
- 11. List of HBME Mineral Claims
- 12. List of HBME Mining Leases
- 13. Information pertaining to Block 23 of the Application Form
- 14. Spill Contingency Plan
- 15. Abandonment Restoration Plan
- 16. Uranium Exploration Plan
- 17. Cheque for Application Fee
- 18. Cheques for Water Use Fee's Deposit



The Mouse Lake Project site is located approximately 550 km north of Yellowknife, NWT and 80 km south of Kugluktuk, Nunavut.

The Mouse Lake camp is used seasonally and is comprised of wooden-frame tent structures that provide facilities for core logging, office work, storage, power generation, first aid, food preparation and sleeping for approximately 40 people. In addition, the camp is equipped with a refuse burner, helicopter pad, fuel storage and refueling facilities, a retractable dock, and a small boat.

During the last five years activities have taken place at Mouse Lake in 2009, 2010 and 2013 with no activities taking place in 2011 and 2012.

The water licence renewal application was submitted to the NWB in February 2014.

Interested parties were requested to review the information and provide comments by March 18, 2014.

#### **B. RESULTS OF REVIEW**

On behalf of AANDC, the following comments/ recommendations are submitted to the Nunavut Water Board for consideration:

### 1. Renewal Application

 AANDC notes that the proponent has indicated that they will be transporting some of the wastes to other approved facilities.

AANDC recommends that the proponent be required to provide the NWB with written authorization for use of the waste facility.

# 2. Spill Plan

- AANDC recommends storing all fuel in secondary containment to reduce the risk of a spill. AANDC recommends that the proponent provide the NWB with the intended locations, types and quantities of fuel to be stored.
- AANDC notes that when the proponent describes its refueling procedures under section 4 that personnel be aware of the location of spill kits, drip trays, absorbent pads, etc. AANDC recommends that before starting any refueling operation refueling personnel should place a drip tray or other tool (e.g absorbent pads) where it can catch any drips and/or minor spills from refueling operations.



- AANDC notes that the proponent has stated in their spill plan under section 4.6 "... and a third mobile unit for use at secondary caches." AANDC recommends using this mobile unit where ever it is needed (e.g refueling situations, etc).
- AANDC has noticed that the spill plan does not contain any company contact names or numbers. AANDC recommends revising the spill contingency plan to include the company contact names and numbers.
- AANDC recommends that the proponent keep a copy of the spill plan on site.

### 3. Abandonment and Restoration Plan

AANDC recommends notifying the NWB of any abandonment or closure event.

Prepared by Ian Parsons