NWB File: 2BE-MVP1217

CIDMS #: 782177

Water Resources Division Nunavut Regional Office Iqaluit, NU X0A 0H0

March 11, 2014

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

Re: 2BE-MVP1217 – Cancellation Application – Melville Project – Vale Exploration Canada Inc. (Vale)

Dear Ms. Beaulieu,

Thank you for your email on February 14, 2014, concerning the above mentioned water licence cancellation 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*.

Should you have any questions or comments, please do not hesitate to contact myself at (867) 975-4282 or by email at lan.Parsons@aandc-aadnc.gc.ca.

Sincerely,

Original signed by

lan Parsons Regional Coordinator





Memorandum

TO Phyllis Beaulieu AANDC reference
Manager of Licencing CIDM# 782177

Manager of Licencing CIDN Nunavut Water Board

NWB reference #2BE-MVP1217

FROM Ian Parsons

Regional Coordinator DATE

Aboriginal Affairs and Northern February 27, 2014

Development Canada

Re: 2BE-MVP1217 - Cancellation Application - Melville Project - Vale

Exploration Canada Inc. (Vale)

A. BACKGROUND INFORMATION

On February 14, 2014 the Board provided notification to Aboriginal Affairs and Northern Development Canada (AANDC) that Vale had submitted a Cancellation application for Type B water licence No. 2BE-MVP1217. The submitted information is as follows:

- 1. Application for Water Licence Cancellation
- 2. Closure Summary and 2012 Annual Report
- Closure Letter to NWB.

The Melville project is located 172 km North of Repulse Bay on the Melville Peninsula in the Nunavut Territory. The proponent did develop a camp to support prospecting and drilling activities during the past two years. However after evaluating the results from the past two years of field work the proponent has decided to cancel its water licence. All structures have been removed from site and the proponent's abandonment and reclamation plan has been carried out.



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Recommendations/Comments

AANDC finds the cancellation application to be complete.

AANDC recommends that the licence not be cancelled until a Water Resource Officer provides written confirmation to the Nunavut Water Board that no compliance issues are associated and/or remain outstanding with the project.

Cc Murray Ball, Manager of Water Resources – AANDC, Nunavut Regional Office.

Erik Allain, Manager Field Operations - AANDC, Nunavut Regional Office.



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