



Our reference
File # 9545-2-2.2BE.NQNA
CIDMS #346887

August 17, 2009

Your reference
2BE-NQN0914

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

Sent Via Email

Dear Phyllis,

**Subject WATER LICENSE #2BE-NQN0914, INDICATOR MINERALS
INC., NANUK NORTH PROJECT, KIVALLIQ REGION, TYPE B
WATER LICENSE AMENDMENT APPLICATION**

Please be advised that on behalf of Indian and Northern Affairs Canada, I have completed a review of the above referenced Indicator Minerals Inc. submission to the Nunavut Water Board.

A Technical Review Memorandum (attached) is provided to the Board for consideration.

Should you have any questions regarding this submission, feel free to contact me at 867-975-4555 or David.Abernethy@inac-ainc.gc.ca.

Regards,

David W. Abernethy
Water Resources Regional Coordinator
Operations Directorate, Nunavut Regional Office
Indian and Northern Affairs Canada
Iqaluit, Nunavut
X0A 0H0

Attached.

Cc. Kevin Buck, Manager of Water Resources Division

Technical Review Memorandum

Date: Aug. 17/09

To: Phyllis Beaulieu, Nunavut Water Board

From: David Abernethy, Indian and Northern Affairs Canada

**RE: WATER LICENSE #2BE-NQN0914, INDICATOR MINERALS INC.,
NANUK NORTH PROJECT, KIVALLIQ REGION, TYPE B WATER
LICENSE AMENDMENT APPLICATION**

A. PROJECT DESCRIPTION

On July 30/09 the Nunavut Water Board (NWB or Board) distributed, to interested parties for review, Indicator Minerals Inc.'s July 8/09 application to amend their Nanuk North Project's Type B water license.

Indicator Minerals Inc. is proposing to establish a fifteen (15) person camp at the northwest shore of an unnamed lake. The camp is required to support a diamond exploration program in the Wager Bay area. This camp will include sleeping quarters, kitchen, mess area, "Pacto" toilet outhouse facility, generator building, helicopter landing area, fuel cache, and a garbage incineration area.

The following documents were reviewed in the preparation of this Technical Review Memorandum,

- Cover letter dated July 8/09;
- Water License Application Form;
- Exploration / Remote Camp Supplementary Questionnaire;
- Location maps;
- Abandonment and Restoration Plan;
- Spill Contingency Plan; and,
- Appendix A – Non-technical Summary (English and Inuktitut)
- Government of Nunavut, Department of Sustainable Development. *Environmental Guideline for General Management of Hazardous Waste in Nunavut*. Jan. '02.
- Government of Nunavut, Department of Sustainable Development. *Contaminated Site Remediation*. Jan. '02.

B. RESULTS OF REVIEW

The following comments / recommendations are provided for the Board's consideration,

1. The Board should impose standard terms and conditions applicable to Type B camp and exploration licenses.
2. Indicator Minerals Inc. has stated that their camp will have a garbage incineration area. No details were provided concerning waste segregation and it is unknown if the proposed incinerator will meet the Canadian Council Minister's of the Environment Canada Wide Standards for Dioxins and Furans and for Mercury Emissions. It is suggested that the Board impose a condition that requires the use of a dual chamber, forced air incinerator. In addition a condition should be imposed that states, "there shall be no open burning of wood treated with preservatives, plastics, styrofoam, asbestos, waste oils, hazardous wastes or electrical wire."
3. Due to the project's limited scale of operation, INAC recommends that all solid wastes be removed from the site and disposed of at an approved disposal / treatment facility. The Board should require Indicator Minerals Inc. to submit a Waste Management Plan that addresses the segregation of waste for backhaul to approved disposal facilities, hazardous waste management / disposal and operational procedures for incinerator use. This Plan must be in accordance with the Government of Nunavut's 2002 Environmental Guidelines. In particular, the Guidelines for General Management of Hazardous Waste and Site Remediation.
4. On page 5 of the submitted Abandonment and Restoration Plan, it is stated that "Any soil around the camp that has become contaminated and gone unnoticed will be treated as per the Spill Contingency Plan." No details concerning the treatment of recovered contaminated soils and materials (e.g., absorbent materials) can be found in the submitted Spill Contingency Plan. Without an approved Landfarm all contaminated soils should be removed from the site and disposed of at an approved facility in accordance with the Government of Nunavut's 2002 Environmental Guidelines.
5. The Board should require Indicator Minerals Inc. to include detailed summaries of all fuel caches (i.e., locations, amount of fuel, number and types of empty fuel storage containers remaining on-site) along with photo documentation at the time of seasonal shutdown / closure in Annual Report submissions required by Part B, Item #2 of their license.

Prepared by David Abernethy, Water Resources Regional Coordinator, INAC

cc: Kevin Buck, Manager of Water Resources Division, INAC