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September 4, 2009

Our file: 4703 004 011 NWB file: 2BE-NQN0914

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Fax: (867) 360-6361 Via email at: licensing@nunavutwaterboard.org

Re: NWB 2BE-NQN0914- Indicator Minerals Inc. – Nanuq North Project- Amendment-Type "B" Water License

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*.

Indicator Minerals (Indicator) has been granted a water license by the Nunavut Water Board (NWB), to conduct a helicopter supported diamond drilling operation, ground geophysics and heavy mineral sampling for the Nanuq North Project. Nanuq North is located along the southern boarder of Ukkusiksalik National Park and approximately 230 km southwest of the community of Repulse Bay and 250 km north of the community of Chesterfield Inlet. Indicator has submitted an amendment to the water license to include the establishment of a remote camp. The camp will consist of five tents (sleep tents, office, core tent and first aid station), two larger tents, "Pacto" toilets, generator building, helicopter landing area and garbage incineration area.

Comments and recommendations submitted for the project on April 16, 2009 in response to the NIRB Part 4 Screening would apply to the amendment to this water license application (see attached). Environment Canada provides the following comments and recommendations for consideration:

- In Section 7, page 7 of the Abandonment and Reclamation Plan the 24 hr number for Environment Canada is listed as 867-766-3737. Please remove this number from the Emergency Contact Information as this number is no longer in service.
- On page 4 of the Exploration/Remote Camp Supplemental Questionnaire, it is stated that camp sewage will be disposed of by "pacto toilets; either remove from site or incinerate on site." Environment Canada strongly discourages the burning of raw sewage wastes because the high moisture content can increase operating costs and lead to poor performance. Additionally, the burning of raw sewage can present heath hazards to workers. For more information please refer to the attached copy of the draft Technical Document for Batch Waste Incinerators.

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 with any questions or comments with regards to the foregoing at (867) 975-4631 or by email at ca.

Yours truly,

Original signed by

Carrie Spavor Environmental Assessment Coordinator

c.c: Carey Ogilvie (Head, Environmental Assessment-North, EPO, Yellowknife, NT)
Ron Bujold (Environmental Assessment Technician, EPO, Yellowknife, NT)
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