



NIRB File No.: 11EN027
AANDC File No.: N2011C0014
NWB File No.: 2BE-PBP1115

August 2, 2012

Dwayne Car
Northquest Ltd.
35 Toronto Street, Suite 1000
Toronto, ON M5C 2C5

Via email: Dwayne.car777@gmail.com

Re: Application Acknowledgement for Northquest Ltd.'s Amendment Request with NWB and AANDC for Pistol Bay

Dear Dwayne Car:

On June 26, 2012, the Nunavut Impact Review Board (NIRB or Board) received an application from Northquest Ltd. (Northquest) for an amendment to the Nunavut Water Board (NWB) Water Licence for its "Pistol Bay" project. On June 29, the NIRB received a referral from the NWB for screening and on July 6, 2012 the NIRB received an application for an amendment to the Aboriginal Affairs and Northern Development Canada (AANDC) Land Use Permit associated with this project (File No. N2011C0014).

Please be advised that the original project proposal (NIRB File No.: 11EN027) was received by the NIRB from Northquest on March 15, 2011. On May 6, 2011 the NIRB received a positive conformity determination from the Nunavut Planning Commission for this file (Keewatin Regional Land Use Plan) as well as a referral for screening from AANDC. The proposal was screened in accordance with Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA) and on June 8, 2011 the NIRB issued a 12.4.4(a) screening decision to the Minister of Aboriginal Affairs and Northern Development indicating the proposed project could proceed subject to the NIRB's recommended project-specific terms and conditions. Originally screened project components and activities included the following:

- Materials and fuel brought to camp site by cat-train;
- Construction of a permanent camp to accommodate 17 people;
- Use of All-Terrain Vehicles for the transportation of equipment in and around camp;
- Supplies and personnel to be transported by truck (part way) and helicopter to camp;
- Helicopter transportation of crew and equipment between drill sites and camp;
- Prospecting and mapping;
- Rock sampling;

- One diamond drill to be used with approximately 15 locations drilled per year (approximately 3000 metres per year);
- Fuel (9225 Litres of diesel; 4100 Litres of gasoline, 10,000 pounds of propane and 30,750 Litres of jet B Fuel) stored at camp in “insta-berms”;
- Oil, calcium chloride and drill additives stored at camp;
- Sewage to be disposed of in pits and/or sumps;
- All wastes/garbage to be backhauled every two days for disposal at Whale Cove; and
- Hazardous wastes to be back hauled for disposal at Whale Cove.

Amendment

Northquest is proposing to amend its Land Use Permit (AANDC File No. N2011C0014) to include an additional four claims as well as an additional drill target to be drilled this season.

Northquest is also proposing to amend its Water Licence (NWB File No. 2BE-PBP1115) to include the following:

- Increase water allotment from 85 cubic metres to 120 cubic metres;
- Enlarge the base camp by adding two new sleeping tents and one core cutting tent as well as bringing in an additional electric core saw and generator; and,
- Increase the number of drills on site from one to two.

The NIRB has determined that this request may result in a change to the original scope of the project.

The NWB and AANDC applications and the original NIRB screening file, 11EN027, are available from NIRB’s ftp site at the following link: <http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2011/11EN027-Northquest-Pistol%20Bay/>.

Please note that Section 12.4.3 of the NLCA states that:

“Any application for a component or activity of a project proposal that has been permitted to proceed in accordance with these provisions shall be exempt from the requirement for screening by NIRB unless:

(a) such component or activity was not part of the original project proposal; or

(b) its inclusion would significantly modify the project.”

The NIRB is of the opinion that the request for the amendments is not likely to *significantly* change the general scope of the original project activities. Therefore the NIRB is *proposing* to re-issue the same terms and conditions as those in the attached June 8, 2011 Screening Decision, along with any new terms and conditions the NIRB considers appropriate. The NIRB is copying parties and municipalities potentially affected by this project and we invite interested persons to comment directly to the NIRB by **August 13, 2012**.

The NIRB would like Parties to provide comments regarding:

- Whether the inclusion of the additionally proposed component(s) and/or activity(ies) would significantly modify the project;
- Any additional mitigation measures that are appropriate; and
- Any other matter of importance to the Party related to the project proposal.

Please send your comments directly to the NIRB at info@nirb.ca or via fax to **(867) 983-2594**.

If you have any questions or concerns, please do not hesitate to contact myself at kgillard@nirb.ca or by phone (867) 983-4619.

Sincerely,



Kelli Gillard, B.Sc., P.Ag.
Technical Advisor
Nunavut Impact Review Board

cc: Distribution List
Hamlet of Whale Cove
Phyllis Beaulieu, Nunavut Water Board
Ken Wasylyshen, Government of Nunavut – Community and Government Services
Jeff Mercer, Aboriginal Affairs and Northern Development Canada
Tracey McCaie, Aboriginal Affairs and Northern Development Canada

Enclosed: NIRB Screening Decision Report, File No.: 11EN027 (June 8, 2011)

Attachment: Comment Forms (English and Inuktitut)