

NIRB File No.: 11EN027 KIA File No.: KVL112B07 AANDC File No.: N2011C0014 NWB File No.: 2BE-PBP1115

November 28, 2012

David Ningeongan
President, Kivalliq Inuit Association
c/o Luis Manzo
Director of Lands
Kivalliq Inuit Association
Rankin Inlet, NU

The Honourable John Duncan
Minister of Aboriginal Affairs and Northern Development
c/o Jeff Mercer
Manager, Land Administration
Aboriginal Affairs and Northern Development Canada

Via email: dirlands@kivalliginuit.ca and jeff.mercer@aandc.gc.ca

Re: Application Exempt from the Requirement for Screening pursuant to Section 12.4.3 of the NLCA: Northquest Ltd.'s "Pistol Bay" project

Dear Luis Manzo and Jeff Mercer:

On October 2, 2012 the Nunavut Impact Review Board (NIRB or Board) received Northquest Ltd.'s application for a new Land Use Licence Type I (File No. KVL112B07) for the "Pistol Bay" project from the Kivalliq Inuit Association (KIA), as well as a positive conformity determination from the Nunavut Planning Commission (Keewatin Regional Land Use Plan) for the proposal.

Please be advised that the original project proposal (NIRB File No.: 11EN027) was received by the NIRB from Northquest Ltd. on March 15, 2011. On May 6, 2011 the NIRB received a positive conformity determination from the Nunavut Planning Commission for the file (Keewatin Regional Land Use Plan) as well as a referral for screening from Aboriginal Affairs and Northern Development Canada. 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 which indicated that the proposed project could proceed subject to the NIRB's recommended project-specific terms and conditions.

On June 26, 2012 the NIRB received an application from Northquest Ltd. for an amendment to the Nunavut Water Board (NWB) Type B Water Licence (No. 2BE-PBP1115) associated with the Pistol Bay project and on July 6, 2012 the NIRB received an application for an amendment to the AANDC Land Use Permit (No. N2011C0014) associated with the project. The NIRB determined that the activities included within these amendment applications were not previously assessed. As such, the Board screened the applications for amendment in accordance with Part 4, Article 12 of the NLCA and on August 16, 2012 issued a 12.4.4(a) screening decision to the Minister of Aboriginal Affairs and Northern Development and to the Chairperson of the NWB indicating that the proposed project could proceed subject to the NIRB's originally recommended project-specific terms and conditions as well as the *additional* terms and conditions as provided within the Screening Decision Report (enclosed).

The current KIA application, the NIRB Screening Decision Report including *additional* terms and conditions as issued August 16, 2012 (File No. 11EN027) and related file information are available from the NIRB's ftp site at the following link: http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2011/11EN027-Northquest-Pistol%20Bay/.

PREVIOUSLY-SCREENED PROJECT PROPOSAL:

As previously screened by the NIRB (File No. 11EN027), the "Pistol Bay" project was located within the Kivalliq region, approximately 20 kilometres (km) north of Whale Cove. The proposed project involved conducting initial stage exploration activities to assess the potential for gold occurring in areas north and northwest of Whale Cove. The program was proposed to take place between June and September 2011 with further the possibility of work to remain ongoing until June 2013 subject to results from the initial field season.

The project activities included:

- Materials and fuel brought to camp overland via cat-train;
- Construction of a permanent camp to house 17 people;
- Use of All-Terrain Vehicles for transportation of materials around site;
- Transport of groceries and personnel to site via truck and helicopter;
- Transportation of crew and equipment between drill sites and camp via helicopter;
- Prospecting and mapping activities including airborne magnetic surveys;
- Rock sampling;
- Diamond drilling:
- Fuel (diesel, gasoline, propane and jet B Fuel) stored at camp in "insta-berms";
- Oil, calcium chloride and drill additives also stored at camp;
- Sewage will be disposed of in pits and/or sumps; and,
- Backhaul of all wastes and garbage (including hazardous wastes) to Whale Cove for disposal.

The activities and components associated with the previously approved 2012 amendment to Northquest's Land Use Permit (AANDC File No. N2011C0014) included the addition of four claims to the project area and an additional drill target.

Northquest's 2012 application to amend its Water Licence (NWB File No. 2BE-PBP1115) included the following activities:

- Increase water allotment from 85 cubic metres to 120 cubic metres;
- Enlarge the base camp by 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.

CURRENT APPLICATION:

Northquest is currently proposing to conduct initial stage exploration activities to assess the potential for gold on Inuit Owned Lands adjacent to the project area as outlined in the original Pistol Bay project as screened by the NIRB.

The proposed project activities include:

- Conducting magnetometer surveys by helicopter at 50 meters (m) altitude and 50 m intervals over the area;
- Helicopter and personnel based out of the Whale Cove airport; and
- Refueling at Northquest's Pistol Bay base camp.

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."

On October 22, 2012 NIRB distributed the current application request to a Regional distribution list, requesting submission of any comments or concerns related to the application by October 29, 2012 (extended to November 13, 2012).

The following is a *summary* of comments received from the Manitoba Denesuline, the Government of Nunavut, and Environment Canada regarding the proposed application for the access to Inuit Owned Lands.

- Environment Canada
 - Has no comments further to what have been submitted previously for the project
- Government of Nunavut
 - Does not consider the additional activities to significantly alter the scope of the original project
- Manitoba Denesuline
 - Are concerned with the high potential for a significant adverse impact on the caribou within their traditional territory

- Request an exchange of information in regards to the current extent of protection provided within the regulatory arrangements such as:
 - Current status of land uses on calving grounds and within the Qamanirjuaq Caribou Protection area that may potentially impact the sustainability of the Qamanirjuaq herd.
 - Processes in place to monitor and assess the cumulative impacts to Qamanirjuaq caribou populations from all land use activities on the calving grounds and within the Qamanirjuaq Caribou Protection Area.
 - How the two land administration entities (the Crown and the KIA) coordinate their respective policies, processes and regulations to address impacts to caribou from land use activities on the calving grounds and within the Qamanirjuaq Caribou Protection area.
 - How the Caribou Protection Measures are interpreted, applied and enforced by the federal and territorial governments, the Nunavut Institutions of Public Government and the KIA.

After completing a review of the information provided in support of the current application as well as the comments received from interested parties, the NIRB is of the understanding that the application to access Inuit Owned Land does not change the general scope of the original project activities, and the exceptions noted in NLCA 12.4.3(a) and (b) do not apply. Therefore, this application is exempt from the requirement for screening pursuant to Section 12.4.3 of the NLCA and the activities therein remain subject to the terms and conditions recommended in the August 16, 2012 Screening Decision Report (enclosed).

Although this project proposal is exempt from the requirement for further screening by the NIRB, given the concerns raised by commenting parties, the NIRB has also enclosed the complete comment submissions provided by parties which include additional recommendations for consideration by land managers associated with this proposed project.

If you have any questions or require additional clarification, please contact Kelli Gillard, Technical Advisor, at (867) 983-4619 or kgillard@nirb.ca.

Sincerely,

Ryan Barry

Executive Director

Ryon Barry

Nunavut Impact Review Board

cc:

Dwayne Car, Northquest

Phyllis Beaulieu, Nunavut Water Board

Tracey McCaie, Aboriginal Affairs and Northern Development Canada

Appendix A:

Comment Submissions

NIRB Screening Decision Report, File No.: 11EN027 (August 16, 2012)

APPENDIX A: COMMENT SUBMISSIONS

Enclosed:



Environment Canada Environnement Canada

Environmental Assessment North Environmental Protection Operations Qimugjuk Building 969 P.O. Box 1870 Iqaluit, NU X0A 0H0

Tel: (867) 975-4631 Fax: (867) 975-4645

November 13, 2012

11ENO27 Comments

EC file: 4703 001 128 NIRB file: 11EN027

Via email: info@nirb.ca

Kelli Gillard Technical Advisor Nunavut Impact Review Board PO Box 1360 Cambridge Bay, NU X0B 0C0

Attention: Ms. Gillard

RE: NIRB 11EN027: Application Acknowledgement and Comment Request for Northquest Ltd.'s "Pistol Bay" project proposal

Environment Canada (EC) has reviewed the information submitted to the Nunavut Impact Review Board (NIRB) regarding the above-mentioned project proposal. The following specialist advice has been provided pursuant to the Canadian Environmental Protection Act 1999, the pollution prevention provisions of the Fisheries Act, the Migratory Birds Convention Act, and the Species at Risk Act.

Northwest Ltd. is proposing to include additional project components to their Pistol Bay Project which is an initial stage exploration project assessing the potential for gold in the Kivalliq Region. Additional project activities not screened under previously applications include magnetometer surveys by helicopter with the helicopter and crews based out of Whale Cove and refueling at the Pistol Bay base camp.

Based on a review of the proposed additional project activities, EC has no comment further to those submitted for the original screening (as attached). If there are any additional proposed changes to the project EC should be notified, as further review may be necessary. Please do not hesitate to contact the undersigned with any questions or comments with regards to the foregoing at (867) 975-4631 or by email at Paula.C.Smith@ec.gc.ca.

Regards,

Paula C. Smith

A/Senior Environmental Assessment Coordinator

cc: Carey Ogilvie, Head EA-North, EA and Marine Programs Division, EC



Page 1 of 1



Environmental Protection Operations Prairie and Northern 5019 52 Street, 4th Floor P.O. Box 2310 Yellowknife, NT, X1A 2P7

1 June 2011

Kelli Gillard Technical Advisor Nunavut Impact Review Board P.O. Box 1360 Cambridge Bay, NU X0B 0C0 EC file: 4503 001 128 NIRB file: 11EN027

Via email: info@nirb.ca

RE: 11EN027 - Part 4 Screening for Northquest Ltd.'s "Pistol Bay" project proposal

Environment Canada (EC) has reviewed the information regarding the above-mentioned project proposal, as submitted to the Nunavut Impact Review Board (NIRB). The following specialist advice has been provided pursuant to the Canadian Environmental Protection Act 1999, Section 36(3) of the Fisheries Act, the Migratory Birds Convention Act, and the Species at Risk Act.

Northquest Ltd. has submitted a project proposal to support an exploration program in the Pistol Bay area, approximately 20 kilometers to the north of the community of Whale Cove, Nunavut. Project activities include an airborne survey, prospecting and mapping, rock sampling, and diamond drilling of approximately 15 diamond drill holes per year. A permanent camp will support 17 people, and the project activities for the life of the authorization.

After reviewing the project proposal and supporting documents, EC is of the opinion that the previous comments and recommendations submitted by EC to the Nunavut Water Board (NWB) relating to the Pistol Bay Northquest Ltd. 2BE-PBP--- application would apply (see attached). EC provides the following addition to comments for the NIRB's consideration:

• EC would also like to remind the proponent of CEPA Storage Tank System for Petroleum Products and Allied Petroleum Products Regulations that came into force on June 12, 2008. These regulations govern storage tank systems for petroleum and allied petroleum products that are under federal jurisdiction. For all purposes of interpreting and applying the regulations, users must consult the official version of the Storage Tank Systems for Petroleum Products and Allied Petroleum Products Regulations www.ec.gc.ca/st-rs. Compliance with the regulations is mandatory.

If there are any additional 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) 669-4724 or by email at Sarah-Lacey.McMillan@ec.gc.ca

Yours truly,

Sarah-Lacey McMillan

Environmental Assessment Coordinator

Carey Ogilvie (Head, Environmental Assessment-North, EPO, EC, Yellowknife, NT) Ron Bujold (Environmental Assessment Technician, EPO, EC, Yellowknife, NT) Allison Dunn (Sr. Environmental Assessment Coordinator, EPO, EC, Iqaluit, NU)

cc:

Environmental Protection Operations Qimugjuk Building 969 P.O. Box 1870 Iqaluit, NU XOA 0H0 Tel: (867) 975-4631

29 April 2011

Fax: (867) 975-4645

Richard Dwyer Licensing Administrator Nunavut Water Board PO Box 119 Gjoa Haven, NU X0B 1J0 EC file: 4703 001 128 NWB file: 2BE-PBP----

Via email: licensingadmin@nunavutwaterboard.org

RE: 2BE-PBP--- Pistol Bay Project NorthQuest Ltd. New Water License Application

Environment Canada (EC) has reviewed the information submitted regarding the above-mentioned application, to the Nunavut Water Board (NWB). The following specialist advice has been provided pursuant to the Canadian Environmental Protection Act 1999, Section 36(3) of the Fisheries Act, the Migratory Birds Convention Act, and the Species at Risk Act.

NorthQuest Ltd. is applying for a 5 year term Type 'B' water license from the NWB to support an exploration program in the Pistol Bay area, to the north and northwest of the community of Whale Cove, Nunavut. Project activities include an airborne survey, prospecting and mapping, rock sampling, and diamond drilling of approximately 15 diamond drill holes per year. A temporary tent camp will support up to 17 people, and the project is proposed to occur between June 2011 and September 2013 with project activities occurring seasonally, in the summer and fall.

Based on the information provided, EC provides the following comments for the NWB's consideration:

General

• The proponent shall not deposit, nor permit the deposit of chemicals, sediment, wastes, or fuels associated with the project into any water body. According to the *Fisheries Act*, Section 36 (3), the deposition of deleterious substances of any type in water frequented by fish, or in any place under any conditions where the deleterious substance, or any deleterious substance that results from the deposit of the deleterious substance, may enter any such water, is prohibited.

Drilling

- Land-based drilling should not occur within 30 m of the high water mark of any water body.
- All drilling effluent should be directed to a sump that is properly constructed and
 adequately sized to ensure there is no runoff and that water bodies downstream of drilling
 activities are not affected. All efforts shall be made to prevent drill mud, drill additives,
 return water and cuttings from migrating from the drill site.

Canada

- The proponent should be aware that EC assessed inorganic chloride salts and concluded that
 these salts in high concentrations are harmful to the environment. As a result, when using
 calcium chloride (CaCl₂) for drilling purposes and disposing return water into a sump, that
 the proponent should not rely on permafrost integrity to contain and isolate drilling wastes.
- Regardless of the type of drilling conducted, the following conditions will apply:
 - Drilling wastes from land-based drilling should be disposed of in a sump such that they do not enter any body of water.
 - For lake-based winter drilling the proponent may refer to the Interim Guidelines for On-Ice drilling. Return water released to the lake must be non-toxic. Return water release must not result in an increase in total suspended solids (TSS) in the waters of the lake that exceeds Canadian Council of Ministers of the Environment (CCME) Guidelines for the Protection of Freshwater Aquatic Life (i.e. 10 mg/L for lakes with background levels under 100 mg/L, or 10% above background for those lakes with TSS background levels above 100 mg/L).
 - Drilling additives or mud shall not be used in connection with holes drilled through lake ice unless they are re-circulated, contained such that they do not enter the water, or are demonstrated to be non-toxic.
 - If artesian flow is encountered, core-drill holes shall be plugged and permanently sealed upon project termination.

Spill Contingency Planning

- EC recommends that a map of the camp with marked locations of fuel storage sites and spill
 kits should be attached to the Spill Contingency Plan and be posted in an area visible and
 accessible to camp occupants.
- Refuelling shall not take place below the high water mark of any water body and shall be
 done in such a manner as to prevent any hydrocarbons from entering any water body
 frequented by fish. EC recommends that drip pans, or other similar preventative measures,
 should be used when refuelling equipment.
- A spill kit, including shovels, barrels, absorbents, etc. should be readily available at all
 locations where fuel is being stored or transferred in order to provide immediate response in
 the event of a spill and should accommodate 110% of the capacity of the largest fuel storage
 container.
- Spills are to be documented and reported to the NWT/NU 24 hour Spill Line at (867)920-8130. EC recommends that all releases of harmful substances, regardless of quantity, are immediately reported where the release:
 - is near or into a water body;
 - is near or into a designated sensitive environment or sensitive wildlife habitat:
 - poses an imminent threat to human health or safety; or,
 - poses an imminent threat to a listed species at risk or its critical habitat.
- Under the section Additional Information or Assistance, EC's contact information should be updated to read: Environment Canada, Iqaluit (Enforcement Officer), Phone: (867)975-4644. Please note that the emergency pager is no longer in service.

Wildlife and Species at Risk

- Section 6 (a) of the Migratory Birds Regulations states that no one shall disturb or destroy the
 nests or eggs of migratory birds. If active nests are encountered during project activities, the
 nesting area should be avoided until nesting is complete (i.e., the young have left the nest).
- EC recommends that food, domestic wastes, and petroleum-based chemicals (e.g., greases, gasoline, glycol-based antifreeze) be made inaccessible to wildlife at all times. Such items can attract predators of migratory birds such as foxes, ravens, gulls, and bears. Although these animals may initially be attracted to the novel food sources, they often will also eat eggs and young birds in the area. These predators can have significant negative effects on the local bird populations.

- Section 5.1 of the *Migratory Birds Convention Act* prohibits persons from depositing substances harmful to migratory birds in waters or areas frequented by migratory birds or in a place from which the substance may enter such waters or such an area.
- In order to reduce aircraft disturbance to migratory birds, Environment Canada recommends the following:
 - Fly at times when few birds are present (e.g., early spring, late fail, winter)
 - If flights cannot be scheduled when few birds are present, plan flight paths that minimize flights over habitat likely to have birds and maintain a minimum flight altitude of 650 m (2100 feet).
 - Minimize flights during periods when birds are particularly sensitive to disturbance such as migration, nesting, and moulting.
 - Plan flight paths to avoid known concentrations of birds (e.g., bird colonies, moulting areas) by a lateral distance of at least 1.5 km. If avoidance is not possible, maintain a minimum flight altitude of 1100 m (3500 feet) over areas where birds are known to concentrate.
 - Avoid the seaward side of seabird colonies and areas used by flocks of migrating waterfowl by 3 km.
 - Avoid excessive hovering or circling over areas likely to have birds.
 - Inform pilots of these recommendations and areas known to have birds.
- The following comments are pursuant to the Species at Risk Act (SARA), which came into full effect on June 1, 2004. Section 79 (2) of SARA, states that during an assessment of effects of a project, the adverse effects of the project on listed wildlife species and its critical habitat must be identified, that measures are taken to avoid or lessen those effects, and that the effects need to be monitored. This section applies to all species listed on Schedule 1 of SARA. However, as a matter of best practice, Environment Canada suggests that species on other Schedules of SARA and under consideration for listing on SARA, including those designated as at risk by the Committee on the Status of Endangered Wildlife in Canada (COSEWIC), be considered during an environmental assessment in a similar manner. The Table below lists species that may be encountered in the project area that have been assessed by COSEWIC as well as their current listing on Schedules 1-3 of SARA (and designation if different from that of COSEWIC). Project impacts could include species disturbance, attraction to operations, and destruction of habitat.

| Terrestrial Species at Risk potentially within project area ¹ | COSEWIC Designation | Schedule of SARA | Government Organization with Primary Management Responsibility ² |
|--|---|---|---|
| Peregrine Falcon | Special Concern (anatum- tundrius complex ³) | Schedule 3 – Special Concern (tundrius) | Government of Nunavut |
| Short-eared Owl | Special Concern | Schedule 3 | Government of Nunavut |
| Polar Bear | Special Concern | Pending | Government of Nunavut |
| Grizzly Bear | Special Concern | Pending | Government of Nunavut |
| Wolverine (Western population) | Special Concern | Pending | Government of Nunavut |

¹ The Department of Fisheries and Oceans has responsibility for aquatic species.

Canada

² Environment Canada (EC) has a national role to play in the conservation and recovery of Species at Risk in Canada, as well as responsibility for management of birds described in the Migratory Birds Convention Act (MBCA). Day-to-day management of terrestrial species not covered in the MBCA is the responsibility of the Territorial Government. Populations that exist in National Parks are also managed under the authority of the Parks Canada Agency.

³ The *anatum* subspecies of Peregrine Falcon is listed on Schedule 1 of SARA as threatened. The *anatum* and *tundruis* subspecies of Peregrine Falcon were reassessed by COSEWIC in 2007 and combined into one subpopulation complex. This subpopulation complex was listed by COSEWIC as Special Concern.

- For any Species at Risk that could be encountered or affected by the project, the proponent should note any potential adverse effects of the project to the species, its habitat, and/or its residence. All direct, indirect, and cumulative effects should be considered. Refer to species status reports and other information on the Species at Risk registry at www.sararegistry.gc.ca for information on specific species.
- If Species at Risk are encountered or affected, the primary mitigation measure should be avoidance. The proponent should avoid contact with or disturbance to each species, its habitat and/or its residence.
- Monitoring should be undertaken by the proponent to determine the effectiveness of mitigation and/or identify where further mitigation is required. As a minimum, this monitoring should include recording the locations and dates of any observations of Species at Risk, behaviour or actions taken by the animals when project activities were encountered, and any actions taken by the proponent to avoid contact or disturbance to the species, its habitat, and/or its residence. This information should be submitted to the appropriate regulators and organizations with management responsibility for that species, as requested.
- For species primarily managed by the Territorial Government, the Territorial Government should be consulted to identify other appropriate mitigation and/or monitoring measures to minimize effects to these species from the project.
- Mitigation and monitoring measures must be taken in a way that is consistent with applicable recovery strategies and action/management plans.
- All mitigation measures identified by the proponent, and the additional measures suggested herein, should be strictly adhered to in conducting project activities. This will require awareness on the part of the proponents' representatives (including contractors) conducting operations in the field. Environment Canada recommends that all field operations staff be made aware of the proponents' commitments to these mitigation measures and provided with appropriate advice / training on how to implement these measures.
- Implementation of these measures may help to reduce or eliminate some effects of the project on migratory birds and Species at Risk, but will not necessarily ensure that the proponent remains in compliance with the *Migratory Birds Convention Act, Migratory Birds Regulations*, and the *Species at Risk Act*. The proponent must ensure they remain in compliance during all phases and in all undertakings related to the project.

If there are any additional changes in the proposed project, EC should be notified, as further review may be necessary. Please do not hesitate to contact the undersigned with any questions or comments with regards to the foregoing at (867) 975-4631 or by email at Paula.C.Smith@ec.gc.ca.

Yours truly,

Paula C. Smith

Environmental Assessment Coordinator

cc: Carey Ogilvie (Head, Environmental Assessment-North, EPO, EC, Yellowknife, NT)
Ron Bujold (Environmental Assessment Technician, EPO, EC, Yellowknife, NT)
Allison Dunn (Sr. Environmental Assessment Coordinator, EPO, EC, Iqaluit, NU)



November 19, 2012

Kelli Gillard Technical Advisor Nunavut Impact Review Board PO Box 1360, 29 Mitik Cambridge Bay, NU X0B 0C0

Sent via Email: info@nirb.ca

RE: NIRB File #11EN027 - Northquest Ltd.'s "Pistol Bay" project proposal

Dear Ms. Gillard,

Thank you for the opportunity to provide comments on Northquest Ltd.'s "Pistol Bay" Project proposal. The Government of Nunavut (GN) has reviewed the proposed application for Northquest's "Pistol Bay" project proposal (NIRB file #12EN018). The GN provided previous comments on June 1, 2011 on the original Part 4 Screening of the Pistol Bay project and again on August 11, 2012 for the project amendment.

The GN supports the development of responsible mining for the benefit and improvement of the quality of life of all Nunavummiut as stated in *Parnautit*, the Nunavut Mineral Exploration and Mining Strategy. As such, the GN expects Northquest to: i) maximize community benefits through consultations, even at early exploration stages (*Parnautit* Policy 2.1, 2.2); ii) use a Nunavut community as the logistical centre for operations (*Parnautit* Policy 3.1); iii) documenting and utilizing *Inuit Qaujimajatuqangit* in the decision-making process (*Parnautit* Policy 4.1); iv) undertake environmental research, and mitigate environmental impacts based on the premise of sustainability with respect to the use of land and water for future generations (*Parnautit* Policies 4.3, 4.4, and 4.5).

The GN commends the proponent's identification of five job opportunities for local residents as geologist assistants and cooks out of the expected 17-people camp. Employing Nunavummiut and providing them with the skills necessary for personal and professional development is in line with our policies (e.g. *Pamautit* Action Item 2.6). With respect to specific items described on the various documents reviewed, the GN has the following comments:



へぐこくせんにんから Δ いってんしょうし Department of Economic Development & Transportation
Pivalliayutiqiyikkut Ingitrayutiqiyitkutlu
Ministère du Développement économique et des Transports

Page 2, Description of Planned Activities (110506-11EN027-Project Description-IT3E.pdf), and Page 5, NIRB Part 2 Form (100723-11EN027-NIRB Part 2 Form PSIR-OTAE - Northquest Ltd-IT3E.pdf)

The GN does not consider the additional activities to significantly alter the scope of the original project, and agrees that the terms and conditions issued on August 16, 2012 are sufficient.

We thank the NIRB for the opportunity to review and comment on this project proposal; we look forward to receiving further information from the NIRB on this request. If you have any questions or comments, please do not hesitate to contact Agnes Simonfalvy, Avatilirinirq Coordinator, at asimonfalvy@gov.nu.ca or by phone at 867-975-7830.

Sincerely,

Agnes Simonfalvy Avatilirining Coordinator



Tel 204-684-2266

Fax 204-684-2450

Manitoba Denesuliné

North of 60 Dene Néné Land Claim Negotiators



Tel 204-337-2571 Fax 204-337-2714

November 12, 2012

Kelli Gillard B.Sc., P.Ag. Technical Advisor Nunavut Impact Review Board P.O. Box 1360 (29 Mitik) Cambridge Bay, NU, X0B 0C0

Phone: 867-983-4600 Fax: 867-983-2594 E-mail: info@nirb.ca

Dear Ms. Gillard

Re: Comment Request for Northquest Ltd.'s Application for a New KIA Land Use Licence for the "Pistol Bay" Project

Thank-you for providing Sayisi Dene and Northlands First Nation the opportunity to comment on the aforementioned application. Our understanding is that the current application is associated with previous applications for a mineral exploration and development project being conducted by Northquest on both Crown and Inuit Owned Lands within and near the Qamanirjuaq Caribou Protection Area and areas where calving may occur (see attached Map).

We note that the initial conformity determination was made on May 6, 2011, the initial screening decision for this project occurred on June 8, 2011 and that LUPN2011C0014 was issued on June 15, 2011. Neither Sayisi Dene or Northlands First Nation appear to have been consulted regarding these decisions. We acknowledge being contacted by NIRB regarding the application for amendment to LUPN2011C0014 on August 3,2012, but a variety of circumstances precluded us from commenting within the specified time. As such, our comments are focused on the overall mineral exploration and development project being conducted by Northquest, rather than the most recent application for a new KIA Land Use License.





Our concerns regarding this project relate to the high potential for a significant adverse impact on our right to harvest caribou within our Traditional Territory. There is a large body of western scientific research that indicates any disturbance to caribou during calving can threaten their sustainability. Any threat to the sustainability of caribou, is a threat to the exercise of our Treaty and Aboriginal rights to harvest caribou in our Traditional Territory. The impact of any reduction in the sustainability of caribou harvesting is significant for Sayisi Dene and Northlands First Nation. Caribou harvesting is integral to our physical, spiritual and cultural well-being and a deep consultation process aimed at finding a solution that both protects and respects our Treaty and Aboriginal rights to harvest caribou is required.

Our concerns regarding the Northquest project cannot be separated from our concerns regarding the protection provided for caribou within the current regulatory regime. Our understanding of the current regime is limited, but based upon the brief reviews undertaken on our behalf, the most definite conclusion we can come to is that the process can be confusing and appears to be extremely complex. It appears that protecting caribou from human disturbance within the Qamanirjuaq Caribou Protection area is dependent upon decisions taken by federal and territorial governments, several Nunavut Institutions of Public Government, KIA and industry.

Sayisi Dene and Northlands First Nation need to participate in a process that enables us to provide a meaningful response to the specific application and one that is aimed at finding ways to protect our Treaty and Aboriginal rights to harvest Qamanirjuaq caribou. We need to begin with an exchange of information that will assist us in understanding the current extent of protection provided within these complex regulatory arrangements. We recommend an information exchange that would assist us in understanding the following;

The current status of all land uses (other than traditional harvesting), including those that do not require a permit, on the calving grounds and within the Qamanirjuaq Caribou Protection Area (see attached map) that may potentially impact the sustainability of the Qamanirjuaq herd.

The processes that are in place to monitor and assess the cumulative impacts to Qamanirjuaq caribou populations from all land use activities, including those that do not require a permit, on the calving grounds and within the Qamanirjuaq Caribou Protection Area.

How the two land administration entities (the Crown and the KIA) coordinate their respective policies, processes and regulations to address impacts to caribou from land use activities on the calving grounds and within the Qamanirjuaq Caribou Protection Area.

How the Caribou Protection Measures are interpreted, applied and enforced by the federal and territorial governments, the Nunavut Institutions of Public Government and the KIA.

We understand that this information exchange will require input from federal and territorial governments, the Nunavut Institutions of Public Government and the KIA. We believe it would be appropriate for the Crown to take the lead in soliciting and coordinating such input, with appropriate support from NIRB.

Our meaningful and effective participation in this process will require funding from the Crown, the Nunavut institutions of public government or both.

Sincerely,

Chief Jimmy Thorassie Sayisi Dene First Nation

Peter Thorassie H.
Chief Negotiator,
Sayisi Dene First Nation

Chief Joe Antsanen Northlands First Nation

Gerome Denechezhe Chief Negotiator, Northlands First Nation

