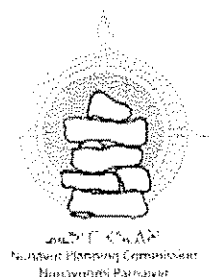


February 21, 2008

Leslie Payette
Nunavut Impact Review Board
P.O. Box 1360
Cambridge Bay, NU
FAX (867) 983-2574



Phyllis Beaulieu
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU
FAX (867) 360-6369

Dear Ms. Payette, Ms. Beaulieu,

Re: [NWB 2BE-PCD0607] De Beers Canada – Prince of Wales Project

The NPC has completed its review of the above noted project proposal. It conforms to the *North Baffin Regional Land Use Plan (NBRLUP)*, subject to the attached.

By this letter and additional enclosures, the NPC is forwarding the project proposal with this determination to NIRB for screening.

The applicant has undertaken to comply with the attached requirements. The authorizing agencies to which this letter is addressed are responsible under the *Nunavut Land Claims Agreement* to implement any of the attached requirements by incorporating the requirements directly, or otherwise ensuring that they must be met, in the terms and conditions of any authorizations issued.

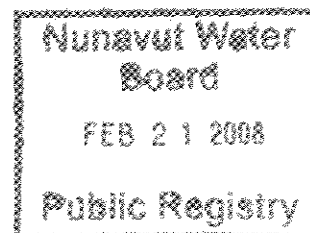
My office would be pleased to discuss with these agencies how best to implement these requirements and to review any draft authorizations that the agencies wish to provide for that purpose.

And, this conformity determination applies only to the above noted applications as submitted. Therefore, the proponent must ensure other applications for a permit under this project proposal not listed above are forwarded to NPC for a conformity determination against the NBRLUP, and notify the NPC immediately if any material to the project proposal is changed before authorizations are issued.

Yours Truly,

Bobby Suluk
Regional Planning Coordinator, NPC

Cc: Todd McKinlay, De Beers Canada



Application # [NWB 2BE-PCD0607] De Beers Canada

**NUNAVUT PLANNING COMMISSION
APPLICATION TO DETERMINE CONFORMITY
WITH THE NORTH BAFFIN REGIONAL LAND USE PLAN**

All applicants for a project proposal shall comply with the requirements listed below. The relevant sections of the plan are noted in each requirement.

GENERAL

2. **Environmental Protection:** s3.3.11.8: The applicant undertakes to prevent any new occurrences of pollution, garbage and contamination at the site of the development.

☒ Yes

☐ No

3. **Removal of Fuel Drums:** s3.3.11.8: The applicant undertakes to remove all drums safely from the site and dispose of the drums in a safe manner.

☒ Yes

☐ No

4. **New Site Restoration and Clean Up:** s3.3.11.1 and Appendix C, s1: The applicant undertakes to clean up the site and restore the site to its natural condition to the greatest extent possible.

☒ Yes

☐ No

5. **Old Site Restoration and Clean Up:** s3.3.11.2: The applicant undertakes to clean up the site and restore the site to its original condition to the greatest extent possible, including any work required due to the applicant's action prior to this application.

☒ Yes

☐ No

6. **Low-Level Air Flights:** Appendix C, s3: Will the applicant avoid all low-level flights?

☐ Yes

☒ No

- i. If not, explain why such flights are or may be absolutely necessary.

May be necessary for possible
aerborne geophysics

- ii. If such flights are or may be absolutely necessary, will they avoid disturbance to people and wildlife?

Yes

No

- iii. If not, explain why it is not possible to avoid such disturbance.

HERITAGE RESOURCES

10. Reporting of Archaeological Sites: s3.3.9.3 and Appendix C, s2 and s8: Will the applicant immediately report the discovery of all suspected archaeological sites to the Department of Culture, Language, Elders and Youth (GN)?

Yes

No

11. Carving Stone Deposits: Appendix C, s9. Will the applicant report any discoveries of carving stone deposits to the Qikiqtani Inuit Association?

Yes

No

19. Local Services and Local Employment: s3.3.7.4: Will the applicant rely on local services and employment where possible?

Yes

No

i. Describe the services retained and the people to be employed.

Teams based out of community,
if possible. Expediting services,
groceries, accommodation

ii. If no, explain why it is not possible.

22. Code of Good Conduct for Land Users: Appendix C: The applicant undertakes to adhere to the code of Good Conduct at all times.

Yes

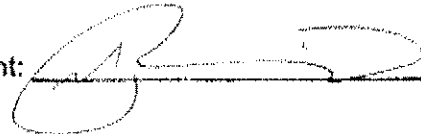
No

I, Matthew Pictor (name of applicant), certify that the information I have given in this application is true and correct and hereby make the above undertakings which form part of my application for a project proposal within the meaning of the Nunavut Land Claims Agreement.

Date:

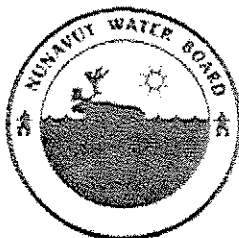
Feb 20/08

Signature of Applicant:



**North Baffin Regional Land Use Plan
Appendix H
Code of Good Conduct for Land Users**

1. The landscape of each camp and other land use sites will be restored to its original condition to the greatest degree possible. Water quality will be preserved and no substances that will impair water quality will be dumped in water bodies. When possible and feasible, old sites will be restored to the natural state.
2. All land users shall assist communities and government(s) in identifying and protecting archaeological sites and carving-stone sites, as required by law.
3. Generally, low-level flights by aircraft at less than 300 metres should not occur where they will disturb wildlife or people. If such flights are necessary, they should only take place after consultation with the appropriate communities. All land users are responsible for reporting to the land managers any illegal or questionable low-level flight.
4. All activities on the land will be conducted in such a fashion that the renewable resources of the area in question are conserved.
5. Whenever practicable, and consistent with sound procurement management, land users will follow the practice of local purchase of supplies and services.
6. Land users will establish working relationships with local communities and respect the traditional users of the land.
7. During the caribou calving, post-calving and migrating seasons, land use activities should be restricted to avoid disturbing caribou, in general, and activities will be governed more specifically by caribou protection measures such as those contained in Appendix I.
8. Artifacts must be left where they are found. All land users are responsible for reporting the location of, or any removal or disturbance of artifacts, to CLEY.
9. The mining industry is encouraged to assist in identifying local carving-stone deposits and report any discoveries to the QIA. Industry is also encouraged to identify and report old waste sites that need to be cleaned up.
10. All land users shall obey the laws of general application applying to land use.



P.O. Box 119
GIGA HAVEN, NU X0B 1J0
Tel: (867) 360-6338
Fax: (867) 360-6369

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NUNAVUT IMALIRIYIN KALIMAYINGI
NUNAVUT WATER BOARD
OFFICE DES EAUX DU NUNAVUT

Effective June 16, 2006

WATER LICENCE APPLICATION FORM

Application for: (check one)

☐ New
 ☒ Renewal
 ☐ Amendment
 ☐ Assignment
 ☐ Cancellation

LICENCE NO: (for NWB use only)	
1. NAME AND MAILING ADDRESS OF APPLICANT/LICENSEE Todd McKinlay De Beers Canada Inc. 65 Overlea Blvd., Ste 300 Toronto, Ontario M4H 1P1 _____ Phone: 416) 645-1710 _____ Fax: (416) 423-9944 _____ e-mail: todd.mckinlay@ca.debeersgroup.com _____ Fax: _____ e-mail: _____	2. ADDRESS OF CORPORATE OFFICE IN CANADA (if applicable) <u>Licence # 2BE-PCD0607</u> <u>Same as Applicant</u> Phone: _____ Fax: _____ e-mail: _____
3. LOCATION OF UNDERTAKING (describe and attach a topographical map, indicating the main components of the Undertaking) Potential Fly Camp locations (subject to change given local conditions and community input) Fly camp-A: 73° 19.0' N and 98° 54.5' W (Prince of Wales Project) Fly camp-B: 72° 20.5' N and 98° 01.5' W (Prince of Wales Project) Fly camp-A: 75°26'00" N, 89°51'00" W (Devon Island Project) Fly camp B: 76° 18.0' lat. and 92° 18.0' long. (Devon Island Project) Fly camp-A: 69°42.5' N and 94°13.0'W (Chartrand Lake Project) Fly camp-B: 69°46.5' N and 95°2.5' W (Chartrand Lake Project) Fly camp-C: 70°45'50" N and 95°16'11" W (Chartrand Lake Project) Fly Camp-D: 70°55'6" N and 92°54'15" W (Chartrand Lake Project) Fly Camp-E: 70°29'6" N and 93°18'45" W (Chartrand Lake Project) Latitude: (° ' " N) Longitude: (° ' " W) NTS Map Sheet No. _____ Scale: _____	
4. DESCRIPTION OF UNDERTAKING (attach plans and drawings) In support of exploration sampling activities, short-term, mobile fly camps will be set up. Each will be comprised of up to 10 personnel, with popup Arctic tents for sleeping and several Weatherhavens to serve as kitchen and office tents. These will be set up at selected locations on Crown land for up to 10 days each (i.e., 100 person days), as allowed under INAC's Territorial Land-Use Regulations. Each fly camp may be used for up to 15 days. Water will be used for cooking and bathing.	

Effective June 16, 2006

Water use for 1 small crew will amount to approximately 0.75m³ per camp per day. Garbage and disposable waste materials will be regularly transported out for proper disposal in the closest authorised community landfill; food scraps and grease will not be deposited in greywater sumps. If water is pumped from a lake or river for cooking or bathing (temporary shower), the hose intake will be screened to prevent any entrainment of fish. Use of bottled or boxed drinks will minimise the requirement for drinking water; such supplies are typically carried in samplers' daypacks.

No lasting structures will be erected, and each fly camp will be removed completely when personnel move on to the next temporary location. Any greywater pits (cooking water or wash-water outfalls) will be depressions at least 31 m from any waterbody, and any latrine pits dug will be similarly located at least 31 m from any waterbody, and will be backfilled with shovels and treated with quick lime prior to fly camp closure.

Drilling activities will be undertaken in one of two manners, the first being reverse circulation drilling which uses air compressors and does not necessitate water and the second is standard diamond drilling where water is used for lubrication. In the second option, water will be used from nearby waterbodies using small water pumps equipped with a screen to prevent entrapment of wildlife. No drill muds will be permitted to re-enter the waterbodies directly.

5. **TYPE OF PRIMARY UNDERTAKING** (A supplementary questionnaire must be submitted with the application for undertakings listed in "bold")

☐ **Industrial**

☒ **Mining and Milling** (includes exploration/drilling)

☐ **Municipal** (includes camps/lodges)

☐ **Power**

☐ **Agricultural**

☐ **Conservation**

☐ **Recreational**

☐ **Miscellaneous** (describe below):

See Schedule II of *Northwest Territories Waters Regulations* for Description of Undertakings

Effective June 16, 2006

11. INUIT WATER RIGHTS

Will the project or activity substantially affect the quality, quantity, or flow of water flowing through Inuit Owned Lands and the rights of Inuit under Article 20 of the Nunavut Land Claims Agreement?

No

If yes, has the applicant entered into an agreement with the Designated Inuit organization to pay compensation for any loss or damage that may be caused by the alteration. If no compensation agreement has been made, how will compensation be determined?

12. CONTRACTORS AND SUB-CONTRACTORS (name, address and functions)

Chartrand Lake

Gateway Helicopters
2621 Skead Road, Sudbury Airport
Box 3019
Sudbury, ON P3L 1V4
705-693-7257
OR

Canadian Helicopters
1215 Montée Pilon
Les Cèdres, Québec
Canada, J7T 1G1
450-452-3000
OR

Great Slave Helicopters
106 Dickens Street
Yellowknife NT, X1A 2R3
867-873-2081

2. Fixed Wing

Kenn Borek Air Ltd.
Resolute Bay, Nunavut, Canada
PO Box 210
Resolute Bay, Nunavut, Canada
X0A 0V0
Tel. (867) 252 3845
OR

Air Tindi
P.O. Box 1693
Yellowknife, NT,
Canada X1A 2P3

Prince of Wales

Helicopter Company -- to be selected;
Fixed-wing company -- to be selected (2 people based in Resolute Bay); services from Resolute Bay
Expediting --
South Camp Inn
PO Box 300
Resolute Bay NU, Canada
X0A 0V0
services could be obtained from Kitikmeot; aid attendant, hired by DBC

Effective June 16, 2006

Devon Island (Cornwallis)

Helicopter Company -- to be selected;

Fixed Wing company --

Kenn Borek Air Ltd.

Resolute Bay, Nunavut, Canada

PO Box 210

Resolute Bay, Nunavut, Canada

X0A 0V0

Tel. (867) 252 3845

Expediting --

South Camp Inn

PO Box 300

Resolute Bay NU, Canada

X0A 0V0

13. STUDIES UNDERTAKEN TO DATE (list and attach copies of studies, reports, research, etc.)

None to date

14. THE FOLLOWING DOCUMENTS MUST BE INCLUDED WITH THE APPLICATION FOR THE REGULATORY PROCESS TO BEGINSupplementary Questionnaire (where applicable: see section 5) ☐ Yes ☐ No If no, date expected _____Inuktitut and/or Inuinnaqtun/English Summary of Project ☐ Yes ☐ No If no, date expected _____Application fee of \$30.00 (Payee Receiver General for Canada) ☒ Yes ☐ No If no, date expected _____Water Use fee of \$30.00 (unless otherwise indicated in Section 9 of the *NWT Waters Regulations*; Payee Receiver General for Canada)☐ Yes ☐ No If no, date expected _____**15. PROPOSED TIME SCHEDULE** (unless otherwise indicated, the NWB will consider the application for a five (5) year term)☐ one year or less (or) ☐ Multi YearStart Date: August 1, 2007 Completion Date: August 1, 2012

Todd McKinlay

Manager, Early
Exploration

Name (Print)

Title (Print)

Signature

Date

For Nunavut Water Board office use only

APPLICATION FEE Amount: \$ _____ Pay ID No.: _____

WATER USE DEPOSIT Amount: \$ _____ Pay ID No.: _____