Water Resources Division Resource Management Directorate Nunavut Regional Office P.O. Box 100 Igaluit, NU, X0A 0H0

> Your file - Votre référence 2BE-PLP----Our file - Notre référence GCDOCS#96202325

July 12, 2021

Richard Dwyer Manager of Licensing **Nunavut Water Board** P.O. Box 119 Gjoa Haven, NU, X0B 1J0 E-mail: licensing@nwb-oen.ca

Re: Crown-Indigenous Relations and Northern Affairs Canada's Review of the Licence Application for Pistol Lake Property, Type B Water Licence No. 2BE-PLP----

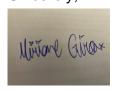
Dear Mr. Dwyer,

Thank you for the June 10, 2021 invitation to review the referenced licence application, submitted by Leeward Capital Corp. for Type B Water Licence No. 2BE-PLP----.

Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) examined the application pursuant to its mandated responsibilities under the Nunavut Waters and Nunavut Surface Rights Tribunal Act and the Department of Crown-Indigenous Relations and Northern Affairs Act. Please find CIRNAC comments and recommendations in the attached Technical Memorandum.

If there are any questions or concerns, please contact me at (867) 975-3877 or miriame.giroux-paniloo@canada.ca or Sarah Forté at sarah.forte@canada.ca.

Sincerely,



Miriame Giroux-Paniloo, Water Resource Technician



Technical Review Memorandum

Date: July 12, 2021

To: Richard Dwyer –Manager of Licensing, Nunavut Water Board

From: Miriame Giroux-Paniloo – Water Resource Technician, CIRNAC

Subject: Crown-Indigenous Relations and Northern Affairs Canada's Review of the Licence Application for Pistol Lake Property, Type B Water Licence

No. 2BE-PLP----

A. BACKGROUND

Pistol Lake Property project is located closest to the Inuit communities of Bathurst Inlet, Cambridge Bay and Kugluktuk which are all located in the Kitikmeot region of Nunavut. Inuit of this area have hunted, travelled and have lived on these lands for thousands of years.

Leeward Capital Corp. has applied for a permit for their project Pistol Lake Property, for exploration of land to find minerals using drilling methods and they will need water for this method. As well as needing water for camp purposes. Starting July 2021 and ending their license on October 2026.

'The general geographic coordinates of the Property are 67°02'55"N and 108°47'10"W and was previously explored in 1964-67, 1979-84, and 1991-2001 by various companies. The Pistol Lake Property consists of two contiguous mineral leases named L-4240 and L-4241 for a total 700.63 hectares.' From the Leeward Capital Corp. documents.

Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) provides the following comments and recommendations pertaining to the application package. A summary of the subjects of recommendations can be found in Table 1. Documents reviewed as part of this submission can be found in Table 2 of Section B. Detailed technical review comments can be found in Section C.

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Table 1: Summary of Recommendations

Recommendation Number	Subject
R-01	Water Source(s)
R-02	Cubic Meters of Water Requested per Day
R-03	On Ice Drilling
R-04	Reclamation Estimate
R-05	Kitikmeot Inuit Association (KIA) Land Lease Information

B. DOCUMENTS REVIEWED

The following table (Table 2) provides a summary of the documents reviewed under the submission.

Table 2: Documents Reviewed

Document Title	Author, File No., Rev., Date
Pistol Lake Project Local Engagement English	Leeward Capital Corp., 2BE-PLP, 01/06/2021
Water Licence Application	Nunavut Water Board, 2BE-PLP, April 2013
Fuel Spill Contingency Plan	Leeward Capital Corp., 2BE-PLP, 10/06/2021
Abandonment and Restoration Plan	Leeward Capital Corp., 2BE-PLP, February 2021
Waste Management Plan	Leeward Capital Corp., 2BE-PLP, May 2021
Pistol Lake Permit Area	Leeward Capital Corp., 2BE-PLP, 02/05/2021
Pistol Lake Permitting	Leeward Capital Corp., 2BE-PLP, 02/05/2021
Pistol Lake Permitting with Leases	Leeward Capital Corp., 2BE-PLP, 02/05/2021

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C. RESULTS OF REVIEW

1. Water Source(s)

Comment:

CIRNAC found that there is only request for use of Knutsen Lake for both drilling and camp water purposes. The furthest south end of the proposed drilling area is about 2.5km away from Knutsen Lake. Does the proponent plan to pump water using hoses to the proposed possible drilling area or does the proponent plan to use a closer water source?

Recommendation:

(R-02) CIRNAC recommends that if the proponent plans to use water sources other than Knutsen Lake, the only one mentioned in the licence application, they include these other sources in their application.

2. Cubic Meters of Water Requested per Day

Comment:

CIRNAC found that the total amount of water use described for camp and drills is 45m³ per day, but the requested amount is 295m³ per day. How does the proponent intend to use the remaining 250 m³ per day, and will this generate different wastes?

Recommendation:

(R-03) CIRNAC recommends that the proponent clarify whether or not they need the extra water and if so to clarify the purpose of this water use.

3. On Ice Drilling

Comment:

CIRNAC found that the proponent's submitted Fuel Spill Contingency Plan includes a section for fuel spills on ice. We also note that the camp operations are planned for July to October. Does the proponent plan on doing drilling on water bodies during the winter?

Recommendation:

(R-04) CIRNAC recommends that the proponent clarify whether or not they plan on conducting drilling in this area during the winter and having the camp running during the winter. This would allow for development of a water licence with the appropriate terms and conditions.

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4. Reclamation Estimate

Comment:

A reclamation cost estimate is required with the application, in box 21. This information is often included in the Abandonment and Reclamation Plan, but the one provided by the proponent does not include an estimate. The estimate should be the cost of having the camp and drill sites reclamation work done by a third party contractor if the operator were to default.

Recommendation:

(R-05) CIRNAC recommends that the proponent provide a reclamation cost estimate to complete the application.

5. Kitikmeot Inuit Association (KIA) Land Lease Information

Comment:

CIRNAC has found that there isn't a date of issuance or expiry for the Inuit Owned Land (IOL) Authorization from Kitikmeot Inuit Association in box 6 of the application.

Recommendation:

(R-01) CIRNAC recommends that the proponent provide the date of (expected) issuance and expiry to complete the application.

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