

NIRB File No.: 08EN015 AANDC File No. N2012C0007 KIA File No.: KVL307C02 NWB File No.: 2BE-QAM1217

February 27, 2014

The Honourable Bernard Valcourt
Minister of Aboriginal Affairs and Northern Development
c/o Jeff Mercer, Manager Land Administration
Aboriginal Affairs and Northern Development Canada
P.O. Box 100
Iqaluit, NU X0A 0H0

Sent via email: jeff.mercer@aandc.gc.ca; landsmining@aandc.gc.ca

Re: Application Exempt from the Requirement for Screening pursuant to Section 12.4.3 of the NLCA: Cameco Corporation's "Turqavik-Aberdeen" project, Kivalliq Region

Dear Jeff Mercer:

On February 16, 2014 the Nunavut Impact Review Board (NIRB or Board) received an application from Aboriginal Affairs and Northern Development Canada (AANDC) for an extension to AANDC Land Use Permit N2012C0007 for Cameco Corporation's "Turqavik-Aberdeen" project proposal. The NIRB notes that the Nunavut Planning Commission issued a positive conformity determination (Keewatin Regional Land Use Plan) associated with this project on March 9, 2012.

Please be advised that the original application for the project (NIRB File No.: 08EN015) was received by the NIRB from Indian and Northern Affairs Canada (INAC; now AANDC) on February 13, 2008 and was screened by the Board in accordance with Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA). On April 4, 2008 the NIRB issued a NLCA 12.4.4(a) screening decision to the Minister of INAC and to the President of the KIA indicating that the proposed exploration activities could proceed subject to the NIRB's recommended project-specific terms and conditions (April 4, 2008 Screening Decision Report).

Additional authorization and extension requests associated with the "Turqavik-Aberdeen" project have also been reviewed by the NIRB following screening of the original project proposal (File No. 08EN015). In each instance the NIRB confirmed that the applications were exempt from the requirement for further screening pursuant to Section 12.4.3 of the NLCA and the activities therein remained subject to the terms and conditions recommended in the original

April 4, 2008 Screening Decision Report. A summary of the additional applications associated with NIRB File No. 08EN015 is presented in Table 1.

On January 12, 2012 the NIRB received an application for an amendment request for the Land Use Licence with the Kivalliq Inuit Association (KIA) associated with the above mentioned project. After a thorough assessment of the project proposal, including public comment submissions, the NIRB determined that the request would result in a change to the original scope of the project and on April 5, 2012, recommended the application of new terms and conditions pursuant to Section 12.4.4(a) of the NLCA, in addition to the terms and conditions already applicable through the April 4, 2008 Screening Decision Report.

Table 1: Additional applications associated with NIRB File No. 08EN015

	Application			NIRB Decision	
Authorization	Date Received by NIRB	Туре	Reason for Application	Date Issued	Туре
AANDC Land Use Permit (N2008C0007)	November 2, 2009	Extension	Continue exploration activities	November 9, 2009	Reissued April 4, 2008 SDR
AANDC Land Use Permit (N2008C0007)	January 19, 2010	Amendment	Addition of drills and amend water licence (2BE- QAM0813) to increase daily water allowance	February 1, 2010	Reissued April 4, 2008 SDR
AANDC Land Use Permit (N2008C0007)	February 17, 2011	Extension	Continue exploration activities	February 23, 2011	Reissued April 4, 2008 SDR
NWB Water Licence (2BE- QAM0813)	January 12, 2012	Renewal	Continue exploration activities and use of water for domestic purposes		Reissued
KIA Land Use Licence (KVL307C02)	January 25, 2012	Amendment	Establishment of exploration camp and installation of bulk fuel storage tanks on IOL	April 5, 2012	April 4, 2008 SDR with additional terms and conditions
AANDC Land Use Permit (N2012C0007)	April 3, 2012	New Land Use Permit	Continue exploration activities on Crown lands		

Notes: AANDC = Aboriginal Affairs and Northern Development Canada; IOL = Inuit Owned Lands; KIA = Kivalliq Inuit Association; NIRB= Nunavut Impact Review Board; NWB = Nunavut Water Board; SDR= Screening Decision Report

The current AANDC application, the original NIRB Screening Decision Report (File No. 08EN015) and related file information are available from the NIRB's online public registry at the following location:

http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2008/08EN015-Cameco%20Corporation%20-%20Turqavik-Aberdeen/

PREVIOUSLY-SCREENED PROJECT PROPOSAL:

As previously screened by the NIRB (File No. 08EN015), the "Turqavik-Aberdeen" project was located within the Kivalliq region, approximately 100 kilometres (km) from Baker Lake. The Proponent indicated that it intended to continue uranium exploration activities on its properties by diamond drilling, prospecting, mapping, as well as ground and airborne geophysical surveys. The proposed project area was located on both sides of the Thelon River, south of the traditional caribou calving grounds of the Beverly Caribou Herd, within the post-calving grounds and migratory path (including several designated caribou crossings) of the Beverly and Ahiak Caribou Herds.

The activities and components associated with the previously screened proposal included:

- Use of existing, temporary (20 person) camp at Qamanaarjuk Lake (constructed in 2006)
- Development of a natural airstrip near the camp for tundra wheeled aircraft some levelling required;
- Exploration program to include:
 - Geophysics surveys including potential gravity, resistivity, electro-magnetic and magnetic surveys
 - On land diamond drilling
 - Between 10 & 20 diamond drill holes (3,000 6,000m) max. depth 500m
 - Geological mapping, prospecting, sampling and geophysical surveys (ground and airborne)
 - o Borehole core sampling
- Transportation, storage and use of fuel at camp site with potential storage at designated drill site area;
 - o Fuel to be transported overland in the winter and by aircraft in summer
- Use of snowmobile, helicopter and/or fixed-wing aircraft to transport personnel and equipment to drill sites depending on season;
- Movement of drill and/or equipment from Baker Lake during winter; to be moved overland using low ground pressure track vehicles;
- Use of water for domestic and drilling purposes;
- Production of human, combustible, non-combustible and grey-water wastes;
- Incineration of combustible wastes and solid sewage;
- Removal of non-combustible wastes to local landfill; and
- Storage of products, chemicals and hazardous materials.

The activities and components associated with the previous January 19, 2010 amendment include:

- Amend LUP N2008C0007 from operating 1 diamond drill to operating 2 diamond drills;
 and
- Amend Nunavut Water License 2BE-QAM0813 to increase the daily water allowance of 58 m³ (to support camp and 1 drill) to 111 m³ per day (to support the camp and 2 diamond drills).

The activities and components associated with the previous January 12, 2012 amendment include:

- Construction of a larger exploration camp (averaging 38 people with total capacity of 75 people) on Inuit Owned Land on the southeast shore of Aberdeen Lake. This camp would replace existing camp located on Crown Land on the southwest shore of Qamanaarjuk Lake;
- Use of a natural, flat, fine gravel area adjacent to the proposed camp as an airstrip to bring in supplies;
- Install and commission bulk fuel storage tanks to replace the use of drummed fuel. Bulk fuel storage tanks would be located adjacent to the proposed camp and would include:
 - o Diesel 250,000 litres [L] (5 x 50,000L tanks)
 - \circ Jet A-1 300,000 L (6 x 50,000L tanks)
 - o Gasoline approximately 820 L (4 x 205L drums)
 - o Propane approximately 30 x 100 pound cylinders
- Increase usage of water for domestic and drilling purposes to a maximum of 5,000 L/day for camp use and approximately 55,000 L/day for each diamond drill (maximum 5 drills), for a total of 280,000 L/day (or 280 m³/day); and
- The proposed activities were to occur from the spring of 2012 to the fall of 2013.

CURRENT APPLICATION:

Cameco Corporation is proposing to extend its AANDC Land Use Permit for one year to continue minor exploration activities at 51 mineral claims within both the Turqavik (12 claims) and Aberdeen (39 claims) properties. Additional work for the 2014 year would include minor geological research and camp maintenance.

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."

After completing a review of the information provided in support of the current application, the NIRB is of the understanding that the proposed extension 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 original April 5, 2012 Screening Decision Report (enclosed).

If you have any questions or require additional clarification, please contact Sophia Granchinho, Senior Technical Advisor, at (867) 793-4633 or sgranchinho@nirb.ca.

Sincerely,

Ryan Barry

Executive Director

Nunavut Impact Review Board

cc: Rebecca Hunter, Cameco Corporation

Tracey McCaie, Aboriginal Affairs and Northern Development Canada

Phyllis Beaulieu, Nunavut Water Board Luis Manzo, Kivalliq Inuit Association

Enclosure: NIRB Screening Decision Report, File No.: 08EN015 (April 5, 2012)

P.O. Box 1360 Cambridge Bay, NU X0B 0C0 Phone: (867) 983-4600 Fax: (867) 983-2594