



Water Resources
Nunavut Regional Office
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August 25, 2017

Karén Kharatyan
A/Manager of Licencing
Nunavut Water Board
Gjoa Haven, NU, X0E 1J0

INAC reference
CIDM#

NWB reference
#2BE-QIL1217

**Re: Indigenous and Northern Affairs Technical Review of Qilalugaq Project
North Arrow Minerals- Type 'B' Water Licence Renewal 2BEQIL-1217**

Dear Mr. Kharatyan,

Thank you for email received on July 18, 2017, from the Nunavut Water Board concerning the above mentioned water licence application process. A memorandum is provided for the consideration of the Nunavut Water Board. Comments have been provided pursuant to the Department's mandated responsibilities under the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Department of Indian Affairs and Northern Development Act*.

Please do not hesitate to contact me by telephone at 867-975-4568 or email at Lisa.Bachellier@aandc-aadnc.gc.ca for further comments or any questions.

Sincerely,

Lisa Bachellier
Water Resource Technician

c.c.: Karen Costello, Director, Resource Management, Nunavut Regional Office
(NRO), Indigenous and Northern Affairs Canada (INAC)
Erik Allen, Manager of Field Operations, NRO, INAC



Technical Memorandum

**Re: Indigenous and Northern Affairs Technical Review of Qilalugaq Project
North Arrow Minerals- Type 'B' Water Licence Renewal 2BEQIL-1217**

Applicant: North Arrow Minerals
Project: Qilalugaq Project
Region: Kivalliq Region

A. BACKGROUND

On July 17, 2017 the Nunavut Water Board provided notification to interested parties that North Arrow Minerals Inc. (Licensee) had submitted a Type 'B' water renewal licence application.

The Qilalugaq Project former Naujaat Project owned by North Arrow Minerals former Stornoway Diamonds is located north Kivalliq 10 km northeast Naujaat, Nunavut.

North Arrow Minerals plans to carry out drilling activities and archaeological surveying 2017. The Qilalugaq Project would consist of 5 crew drill members, 2-3 geologists, 1 archaeologist, 1 engineer, and 1 cook/first aid attendant. But Camp is not required all personnel will stay in Naujaat. The Licencee is requesting a licence until November 30, 2022

All interested parties were asked to review the Water Licence renewal application and provide technical comments by August 25, 2017.

A. RESULTS OF REVIEW

Indigenous and Northern Affairs Canada- Water Resource Division submits the following comments to the Nunavut Water Board for consideration:

1. Annual Reports

2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016

Recommendation:

INAC recommends the Licencee complete Annual Reports for the above years as



statements of 'no work' or 'no activities conducted' does not satisfy the annual reporting requirements. Any fuel or equipment left at site should be stated in the Annual Report along with a description of fuel caches that includes such items as condition of the berm, evidence of leaks/spills, and volume.

Part B: Item 2, (i), of the water license requires a summary report of water use and waste disposal activities,

- a) including the GPS coordinates and photographic records of any camp, water supply and waste disposal facilities, drill sites, and all sumps used for the disposal of camp greywater and drill cuttings; and
- b) summary of volumes of water used on a daily, monthly and annual basis, detailing the location of all water sources.

Part B: Item 2, (ii), requires a list of unauthorized discharges and a summary of follow-up actions taken;

Part B: Item 2, (iii), requires an up-to-date copy of the Spill Contingency Plan, including contact information;

Part B: Item 2, (iv), requires a description of all progressive and or final reclamation work undertaken, including photographic records of site conditions before, during and after completion of operations;

Part B: Item 2, (v), requires results of the Monitoring Program; and

Part B: Item 2, (vi), requires any other details on water use or waste disposal requested

2. Spill Contingency Plan

Source: Spill Contingency Plan Naujaat Project Dated: April 11 2017

List of Hazardous Materials stored on-site

Recommendations: INAC recommends the licensee include GPS coordinates of where fuel is stored on site and photos of any fuel caches.

3. Abandonment and Restoration Plan

Source: Abandonment and Restoration Plan for Naujaat Project Dated April 11 2017

Recommendations: INAC recommends an update to the Abandonment and Restoration Plan for the Qulaugaq Project be submitted as the current plan references the project by a different name, as well as the Spill Contingency Plan.

Prepared by Lisa Bachellier