



Application for Water Licence Renewal

Document Date: April 2013

Application Submission Date: April 11, 2017
Month/Day/Year

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DOCUMENT MANAGEMENT

Original Document Date: April 2010

DOCUMENT AMENDMENTS

	Description	Date
(1)	Updated for public distribution as separate document from NWB Guide 7	June 2010
(2)	Updated NWB logos and reformatted table to allow rows to break across page	May 2011
(3)	New NWB logo and request for background information	April 2013
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		



100401-Application_for_Water_Licence_Renewal-OEDE-edited130401_2BE-QIL1217_North Arrow Minerals.doc1304011

1. LICENSEE CONTACT INFORMATION

Is the licensee the same as that referred to on the existing licence?

☐ Yes ☒ No

If No, a licence assignment must be completed and approved by the NWB. **A renewal will only be issued in the name of the current licensee in the absence of assignment of the licence.**

If the licensee is the same, but the name of the licensee has changed, attach a certificate of name change.

Name: Stornoway Diamond Corp. (NOTE: the licence was transferred from Stornoway to North Arrow April 2017 and we therefore request that the renewed licence be issued in the name of North Arrow Minerals Inc.)

Address: Unit 118 – 980 West 1st Street North Vancouver, BC V7P 3N4

Phone: 604-983-7750

Fax: 604-983-3591

e-mail: rhopkins@stornowaydiamonds.com

2. LICENSEE REPRESENTATIVE CONTACT INFORMATION – If different from Block 1.

Name: North Arrow Minerals Inc.

Address: Suite 960 – 789 West Pender Street Vancouver, BC V6C 1H2

Phone: 604-668-8355

Fax: 604-336-4813

e-mail: mmacmorran@northarrowminerals.com

3. NAME OF PROJECT

Is the name of the project the same as that considered in the existing water licence?

☐ Yes ☒ No

Indicate the name of the project including the name of the location: **“Naujaat Project” (Naujaat, NU)**

4. LOCATION OF UNDERTAKING

Is the location of the undertaking the same as that considered in the existing water licence?

☒ Yes ☐ No

Project Extents

Drilling Location (approximate) Latitude: **(86° 07'16.7" N)** Longitude: **(66° 35' 32.7" W)**

Camp Location(s) - Note: there will be no camp established to support this land use operation. All personnel will obtain accommodation in Naujaat, NU.

Latitude: (° ' " N)

Longitude: (° ' " W)

5. MAP

Are the locations of the main components of the undertaking the same as those considered in the existing licence?

☒ Yes ☐ No

Attach a topographical map, indicating the main components of the undertaking.

NTS Map Sheet No.: **46 K/L**

Map Name: **Figure 1: Project Location Map**

Map Scale: **1:100,000**

6. NATURE OF INTEREST IN THE LAND

Is the nature of the interest in the land the same as that considered in the existing water licence?

☒ Yes ☐ No

Check any of the following that are applicable to the proposed undertaking (at least one box under the 'Surface' header must be checked).

Sub-surface

☐ Mineral Lease from Nunavut Tunngavik Incorporated (NTI)

Date (expected date) of issuance: _____ Date of expiry: _____

☒ Mineral Lease from Indian and Northern Affairs Canada (INAC)

Date (expected date) of issuance: **N/A** Date of expiry: **N/A**

Surface

☐ Crown Land Use Authorization from Indian and Northern Affairs Canada (INAC)

Date (expected date) of issuance: _____ Date of expiry: _____

☐ Inuit Owned Land (IOL) Authorization from Kitikmeot Inuit Association (KIA)

Date (expected date) of issuance: _____ Date of expiry: _____

☐ IOL Authorization from Kivalliq Inuit Association (KivIA)

Date (expected date) of issuance: _____ Date of expiry: _____

☐ IOL Authorization from Qikiqtani Inuit Association (QIA)

Date (expected date) of issuance: _____ Date of expiry: _____

☒ Commissioner's Land Use Authorization

Date (expected date) of issuance: **May 2016** Date of expiry: **September 2017**

☐ Other _____

Date (expected date) of issuance: Sept. 12th, 2017 Date of expiry: maximum allowable term

Is the name of the entity(s) holding authorizations the same as that considered in the existing water licence?

☒ Yes ☐ No

If No, a licence assignment must be completed and approved by the NWB. **(NOTE: Stornoway formally transferred Commissioner's Land Use Authorization LUP06-607-014 to North Arrow in April 2017)**

Name of entity(s) holding authorizations: **Stornoway Diamond Corp.**

7. NUNAVUT PLANNING COMMISSION (NPC) DETERMINATION

Is the undertaking located in the same land use planning area as that considered in the existing licence?

☒ Yes ☐ No

Indicate the land use planning area in which the project is located.

☐ North Baffin
☐ South Baffin
☐ Akunnig

☒ Keewatin
☐ Sanikiluaq
☐ West Kitikmeot

Was a land use plan conformity determination required from NPC prior to the issuance of the existing water licence?

☒ Yes ☐ No

If Yes, indicate date issued and attach copy. **The Nunavut Planning Commission reviewed the proposed Land Use Plan submitted by Stornoway in 2012 and found that it conformed to the Keewatin Regional Land Use Plan (see 2012 NPC Screening at the bottom of this application).**

Does the proposed renewal change the original NPC conformity determination or the need to obtain one?

☐ Yes ☒ No

If Yes, indicate date issued (or expected) and attach a copy. _____
If No, provide written confirmation from NPC confirming that a land use plan conformity review is not required.
See NPC letter dated April 11, 2017 included at the end of this document confirming that the project is exempt from the Nunavut Planning and Project Assessment Act (NUPPAA) under section 235.

8. NUNAVUT IMPACT REVIEW BOARD (NIRB) DETERMINATION

Was a screening determination required from NIRB prior to the issuance of the existing water licence?

☒ Yes ☐ No

If Yes, indicate date issued and attach copy. **See NIRB screening determination from May 2012 at bottom of application.**

Does the proposed renewal change the original NIRB screening determination or the need to obtain one?

☐ Yes ☒ No

If Yes, indicate date issued (or expected) and attach a copy. _____
If No, provide written confirmation from NIRB confirming that a screening determination is not required.
See NPC letter dated April 11, 2017 included at the end of this document confirming that the project is exempt from the Nunavut Planning and Project Assessment Act (NUPPAA) under section 235.

9. DESCRIPTION OF UNDERTAKING

Is the description of the undertaking the same as that considered in the existing water licence?

☒ Yes ☐ No

List and attach plans and drawings or project proposal. **See drilling and bulk sampling map (Figure 2).**

10. OPTIONS

Are the alternative methods and locations that were considered to carry out the project the same as those considered in the existing water licence?

☒ Yes ☐ No

Provide a brief explanation of the alternative methods or locations that were considered to carry out the project.
While alternative methods have been considered, the proponent has determined that the proposed method of carrying out the land use activity is the safest and most cost effective.

11. CLASSIFICATION OF PRIMARY UNDERTAKING

Is the primary undertaking the same as that considered in the existing water licence?

☒ Yes ☐ No

Indicate the primary classification of undertaking by checking one of the following boxes.

- | | |
|--|--|
| <input type="checkbox"/> Industrial | <input type="checkbox"/> Agricultural |
| <input checked="" type="checkbox"/> Mining and Milling (includes exploration/drilling/exploration camps) | |
| <input type="checkbox"/> Conservation | |
| <input type="checkbox"/> Municipal (includes camps/lodges) | <input type="checkbox"/> Recreational |
| <input type="checkbox"/> Power | <input type="checkbox"/> Miscellaneous (describe below): |

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

12. WATER USE

Is the type(s) of water use(s) the same as that considered in the existing water licence?

☒ Yes ☐ No

Check the appropriate box(s) to indicate the type(s) of water use(s) being applied for.

- | | |
|---|---|
| <input type="checkbox"/> To obtain water for camp/ municipal purposes | <input type="checkbox"/> To divert a watercourse |
| <input type="checkbox"/> To obtain water for industrial purposes | <input type="checkbox"/> To modify the bed or bank of a watercourse |
| <input type="checkbox"/> To cross a watercourse | <input type="checkbox"/> Flood control |
| <input type="checkbox"/> To alter the flow of, or store water | |
| <input checked="" type="checkbox"/> Other: Mining and Milling (drilling) | |

13. QUANTITY OF WATER INVOLVED

Is the source of water the same as that considered in the existing licence?

☒ Yes ☐ No

Name of water source(s): **See Figure 2 – suitable lakes within the proposed land use area**

Is the quality of the water source and its available capacity the same as that considered in the existing licence?

☒ Yes ☐ No

Describe the quality of the water source(s) and the available capacity(s): **Water for drilling activity will be sourced from nearby lakes. Water for drilling activities will be sourced from one of two lakes at the site (see Figure 2 at bottom of application). Nearby lakes will provide more than enough water for the proposed drilling activity. Used water will be pumped to a natural depression or sump, >31 m above the normal high water mark of nearby waterbodies, where it will be naturally filtered to remove drill cuttings produced as a result of coring.**

Is the overall estimated quantity of water to be used the same as that considered in the existing licence?

☒ Yes ☐ No

Provide the overall estimated quantity of water to be used: **60-80 m³/day**

Are the quantity(s) of water to be used from each source the same as those considered in the existing licence?

☒ Yes ☐ No

Provide the estimated quantity(s) of water to be used from each source: **The proposed drilling activities will require the use of water. The quantity of water required will be roughly the same at each drilling location. The required amount of water for drilling purposes is estimated to be 60-80 m³/day.**

Are the quantity(s) of water to be used for each purpose the same as those considered in the existing licence?

☒ Yes ☐ No

Provide the estimated quantities to be used for each purpose (camp, drilling, etc.): **Water use will be for drilling only.**

Are the method(s) of extraction the same as those considered in the existing licence?

☒ Yes ☐ No

Describe the method(s) of extraction: **Drills will pump water from nearby lakes using water pumps and hoses fitted with screens to avoid harming fish.**

Are the quantity(s) of water returned to source(s) the same as those considered in the existing licence?

☒ Yes ☐ No

Estimated quantity(s) of water returned to source(s): **60-80 m³/day**

Are the quality(s) of water(s) returned to source(s) the same as those considered in the existing licence?

☒ Yes ☐ No

Describe the quality(s) of water(s) returned to source(s):

14. WASTE

Are the type(s) of waste(s) to be generated and/ or deposited the same as those considered in the existing licence?

☒ Yes ☐ No

Check the appropriate box(s) to indicate the types of waste(s) generated and deposited.

☐ Sewage

☒ Solid Waste

☐ Hazardous

☒ Bulky Items/Scrap Metal

☐ Animal Waste

☐ Other (describe): _____

☒ Waste oil

☐ Greywater

☐ Sludges

☐ Contaminated soil and/or water

15. QUANTITY AND QUALITY OF WASTE INVOLVED

Are the quantity(s) of the types of wastes involved the same as those considered in the existing licence?

☒ Yes ☐ No

Are the composition(s) of the types of wastes involved the same as those considered in the existing licence?

☒ Yes ☐ No

Are the method(s) of treatment for the types of waste involved the same as those considered in the existing licence?

☒ Yes ☐ No

Are the method(s) of disposal for the types of waste involved the same as those considered in the existing licence?

☒ Yes ☐ No

For each type of waste indicated in Block 14, describe its composition, quantity in cubic meters/day, method of treatment and method of disposal.

Type of Waste	Composition	Quantity Generated	Treatment Method	Disposal Method
Solid Waste	Domestic Waste (food wrappers, etc. from crew)	Minimal	Backhauled daily to Naujaat for disposal at an approved facility.	Backhauled daily to Naujaat for disposal at an approved facility.
Hazardous Waste and/or Oil	Waste oil produced by drill	Minimal (assuming 20 litres per week for oil changes = 0.003 m ³ /day)	Deposited in a drum designated for waste oil at the drill site and backhauled to Naujaat for proper disposal at an approved facility.	Backhauled to Naujaat for proper disposal at an approved facility at the end of the land use operation.
Drill Cuttings	Fine rock particles	10-30 m ³ /hole (approximate)	Returned water will be pumped to an on-land natural depression or hand-dug sump.	Returned water will be pumped to an on-land natural depression or hand-dug sump.
Bulky Items	Empty Fuel Drums	200-400 drums (approximate)	Backhauled to Naujaat on a regular basis.	Drums will be backhauled to Naujaat for proper disposal.

16. OTHER AUTHORIZATIONS

In addition to the sub-surface and surface land use authorizations provided in Block 6, are the same authorizations required as considered in the existing licence?

☒ Yes ☐ No

For each provide the following:

Authorization: **Permit to Use Commissioner's Land**

Administering Agency: **GN – Community and Government Services**

Project Activity: **Diamond and/or RC Drilling, Bulk Sampling, Fuel Storage, Core-Logging Facility in Town**

Date (expected date) of issuance: **May 5, 2016** Date of expiry: **Sept. 12, 2017**

17. PREDICTED ENVIRONMENTAL IMPACTS OF UNDERTAKING AND PROPOSED MITIGATION MEASURES

Are predicted environmental impacts of the undertaking and proposed mitigation measures the same as those considered in the existing water licence?

☒ Yes ☐ No

Describe direct, indirect, and cumulative impacts related to water and waste. **Drilling setups are likely to disturb small patches of vegetation (i.e. grasses and shrubs) over the course of the program. Staff of the proponent will consider less vegetated areas when selecting drill setup locations. In addition, staff will remove vegetation prior to setting up the drill, and will re-plant the removed vegetation following the completion of each drill hole.**

18. WATER RIGHTS OF EXISTING AND OTHER WATER USERS

Are the effects of the undertaking on any known persons or property including those that hold licences for water use in precedence to the application, domestic users, in-stream users, authorized waste depositors, owners of property, occupiers of property, and/or holders of outfitting concessions, registered trapline holders, and holders of other rights of a similar nature, the same as those considered in the existing water licence? **There are no adverse effects to any of the above, and no changes have occurred to the proposed land use activities in this regard.**

☒ Yes ☐ No

Provide the names, addresses and nature of use for any known persons or properties that may be adversely affected by the proposed undertaking, including those that hold licences for water use in precedent to the application, domestic users, in-stream users, authorized waste depositors, owners of property, occupiers of property, and/or holders of outfitting concessions, registered trapline holders, and holders of other rights of a similar nature. **N/A**

Advise the Board if compensation has been paid and/or agreement(s) for compensation have been reached with any existing or other users. **N/A**

19. INUIT WATER RIGHTS

Are the effects of the undertaking on the quality, quantity or flow of waters flowing through Inuit Owned Land (IOL) the same as those considered in the existing water licence? **The property sits within the Municipal boundary of Naujaat. No compensation or agreement has been entered into by the proponent.**

☒ Yes ☐ No

Advise the Board of any substantial affect of the quality, quantity or flow of waters flowing through Inuit Owned Land (IOL), and advise the Board if negotiations have commenced or an agreement to pay compensation for any loss or damage has been reached with one or more Designated Inuit Organization (DIO). **N/A**

20. CONSULTATION - Provide a summary of any consultation meetings including when the meetings were held, where and with whom. Include a list of concerns expressed and measures to address concerns.

See “Community Meeting Logs” – submitted with this application

21. SECURITY INFORMATION

Is the financial security assessment the same as that considered in the existing water licence?

☒ Yes ☐ No

Is the estimate of the total financial security for final reclamation the same as that considered in the existing water licence?

☒ Yes ☐ No

Note: there was no financial security assessment associated with the issuance of license 2BE-QIL0712 – the original water license obtained by Stornoway and valid from 2007-2012 (this license was renewed in 2012 and renamed “2BE-QIL1217”). Also, no financial security assessment was required for the issuance of license 2BE-QIL1217 for the bulk sample program carried out in 2014.

Provide an estimate of the total financial security for final reclamation equal to the total outstanding reclamation liability for land and water combined sufficient to cover the highest liability over the life of the undertaking. Estimates of reclamation costs must be based on the cost of having the necessary reclamation work done by a third party contractor if the operator defaults. The estimate must also include contingency factors appropriate to the particular work to be undertaken.

This information will be provided upon request.

Where applicable, the financial security assessment should be prepared in a manner consistent with the principals respecting mine site reclamation and implementation found in the *Mine Site Reclamation Policy for Nunavut*, Indian and Northern Affairs Canada, 2002.

22. FINANCIAL INFORMATION

Is the statement of financial security the same as that considered in the existing water licence?

☒ Yes ☐ No

Provide an updated statement of financial security.

If the applicant is a business entity please answer the questions below:

Is the list of the officers of the company the same as those considered in the existing water licence? **(Note: Stornoway submitted an application to have the licence transferred to North Arrow in April 2017. Therefore, the list below consists of officers/directors of North Arrow – this is different from the original application which had Stornoway's officers/directors listed)**

☐ Yes ☒ No

Provide a list of the officers of the company.

Ken Armstrong, President and CEO
Grenville Thomas, Chairman of the Board of Directors
Wayne Johnstone, CFO
Brenda Nowak, Corporate Secretary

Is the Certificate of Incorporation or evidence of registration of the company name the same?

☐ Yes ☒ No

Attach a copy of the Certificate of Incorporation or evidence of registration of the company name. **(Note: Stornoway submitted an application to have the licence transferred to North Arrow in April 2017. Therefore, the Certificate of Incorporation provided at the end of this renewal form is that of North Arrow's – this is different from the original application which had Stornoway's Certificate of Incorporation)**

23. STUDIES UNDERTAKEN TO DATE

List and attach updated studies, reports, research etc.

Due to the fact that this project is still in its early stages and the land use activities conducted by the proponent since it acquired an interest in the Property have been short term and relatively low impact in nature, there have been no baseline or traditional knowledge studies done in association with this project to date. Archaeological and traditional knowledge studies will be undertaken in 2017 to document any sites proximal to the proposed land use area.

Provide a compliance assessment and status report including a response to any inspector's reports. The licensee must contact the NWB for licence specific direction in completing the assessment and report.

The bulk sample carried out in 2014 under water license 2BE-QIL1217 did not permit any water use. Drilling activities were permitted under the authority of the original Stornoway water license 2BE-QIL0712, however, no drilling took place and therefore no water was used or waste produced. No inspector's reports have been received by the proponent in association with these two licenses.

As per correspondence with the Licensing Manager at the NWB in February and March 2017, there are no outstanding water use fees owing for the existing water licence.

If in non-compliance, a licence may not be issued until compliance is achieved. If in non-compliance, attach plans/reports for consideration. Application will not be processed if significant issues of non-compliance exist.

24. PROPOSED TIME SCHEDULE

Is the time schedule for all phases of development (construction, operations, closure and post closure) the same as that considered in the existing licence?

☐ Yes ☒ No

Indicate the proposed start and completion dates for each applicable phase of development (construction, operation, closure, and post closure). **Note: Dates below are tentative and will depend on results from work conducted in 2017 and may not be realized.**

Construction

Proposed Start Date: **N/A** (month/year) Proposed Completion Date: **N/A** (month/year)

Operation

Proposed Start Date: **April-May, July 2018** (month/year) Proposed Completion Date: **May, August-September 2018** (month/year)

Closure

Proposed Start Date: **May, September 2018** (month/year) Proposed Completion Date: **May, September 2018** (month/year)

Post - Closure

Proposed Start Date: **N/A** (month/year) Proposed Completion Date: **N/A** (month/year)

For each applicable phase of development indicate which season(s) activities occur.

Construction **N/A**

☐ Winter ☐ Spring ☐ Summer ☐ Fall ☐ All season

Operation

☒ Winter ☒ Spring ☒ Summer ☐ Fall ☐ All season

Closure

☒ Winter ☒ Spring ☒ Summer ☐ Fall ☐ All season

Post – Closure **N/A**

☐ Winter ☐ Spring ☐ Summer ☐ Fall ☐ All season

25. PROPOSED TERM OF LICENCE

On what date does the existing licence expire? **Nov. 30th, 2017**

Indicate the proposed term of the renewal (maximum of 25 years): **maximum allowable**

Requested date of renewal issuance: **Nov. 30th, 2017**
(month/year)

Requested Expiry Date: **Nov. 30th, 2017**
(month/year)

(The requested date of renewal issuance must be at least three (3) months from the date of application for a type B water licence and at least one (1) year from the date of application for a type A water licence, to allow for processing of the water licence application. These timeframes are approximate and do not account for the time to complete any pre-licensing land use planning or development impact requirements, time for the applicant to prepare and submit a water licence application in accordance with any project specific guidelines issued by the NWB, or the time for the applicant to respond to requests for additional information. See the NWB's *Guide 5: Processing Water Licence Applications* for more information)

26. ANNUAL REPORTING

Is the annual report template expected to be the same as that considered in the existing licence?

☒ Yes ☐ No

If not using the NWB's *Standardized Form for Annual Reporting*, provide details regarding the content of annual reports and a proposed outline or template of the annual report.

27. CHECKLIST

The following must be included with the application for renewal for the water licensing process to begin.

Completed Application for Water Licence Renewal form.

☒ Yes ☐ No If no, date expected _____

Updated plans, including designs and reports (see Block 23). **N/A (no change)**

☐ Yes ☐ No If no, date expected _____

Updated security assessment (see Block 21). **N/A (no change)**

☐ Yes ☐ No If no, date expected _____

Updated financial statement (see Block 22).

☒ Yes ☐ No If no, date expected _____

Compliance Assessment / Status Report (see Block 23). **N/A (no change)**

☐ Yes ☐ No If no, date expected _____

English Summary of Renewal Application.

☒ Yes ☐ No If no, date expected _____

Inuktitut and/or Inuinnaqtun Summary of Renewal Application. **N/A**

☐ Yes ☒ No If no, date expected _____

Application fee of \$30.00 CDN (Payee Receiver General for Canada). **North Arrow would like to pay with credit card over the phone. Please contact Mike MacMorran for credit card details at 604-563-4808.**

☒ Yes ☐ No If no, date expected _____

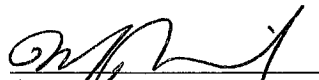
Water Use Fee Deposit of \$30.00 CDN (Payee Receiver General for Canada). The actual water use fee will be calculated by the NWB based upon the amount of water authorized for use in accordance with the Regulations at the time of issuance of the licence. **North Arrow would like to pay with credit card over the phone. Please contact Mike MacMorran for credit card details at 604-563-4808.**

☒ Yes ☐ No If no, date expected _____

28. SIGNATURE

I, Mike MacMorran on behalf of North Arrow Minerals Inc.
(print name)

certify that the application requires no changes to water use or waste disposal as previously authorized and that the information given on this form is, to the best of my knowledge, correct and complete.


Signature

April 11, 2017
Date

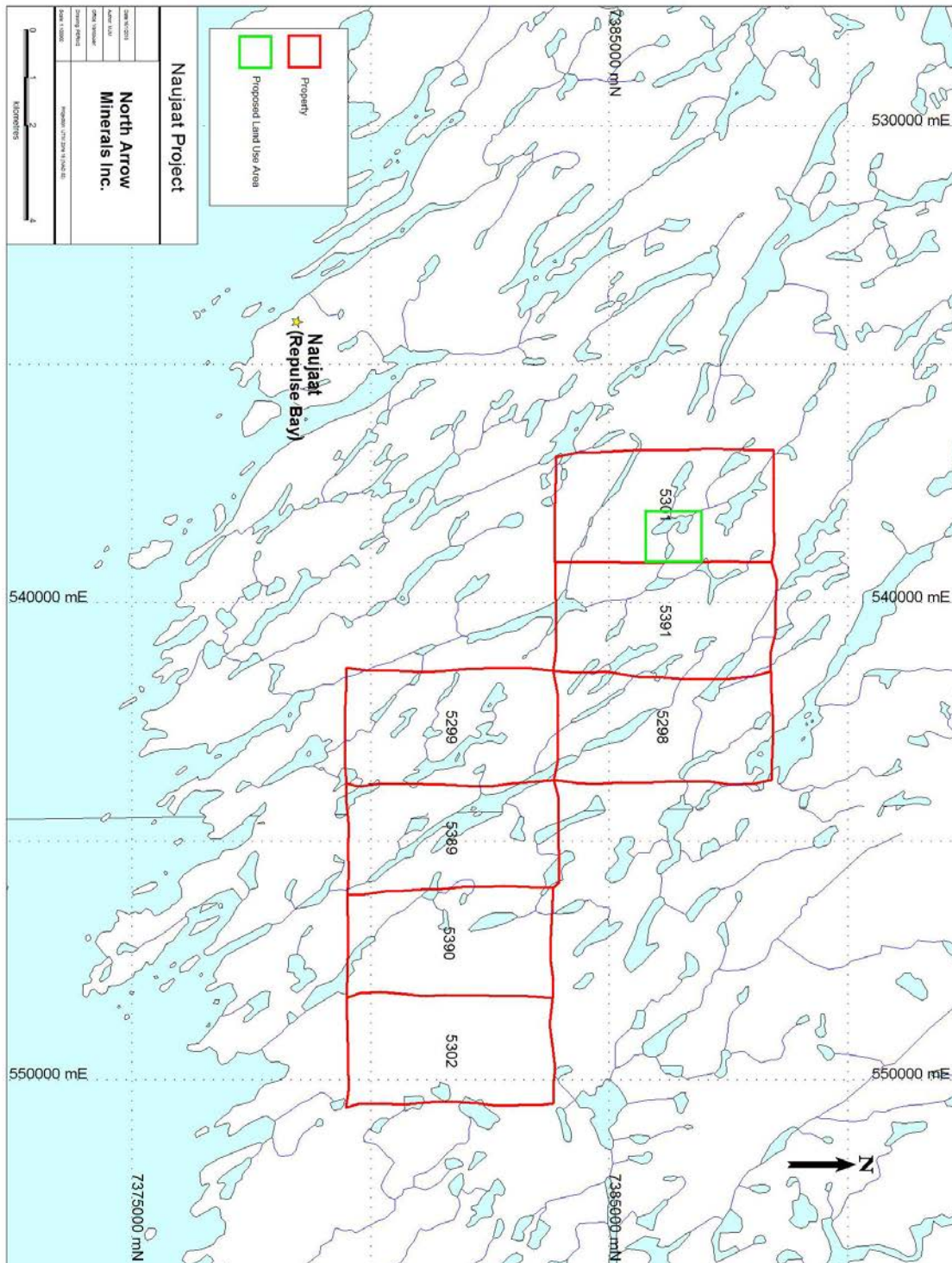


Figure 1: Project Location Map

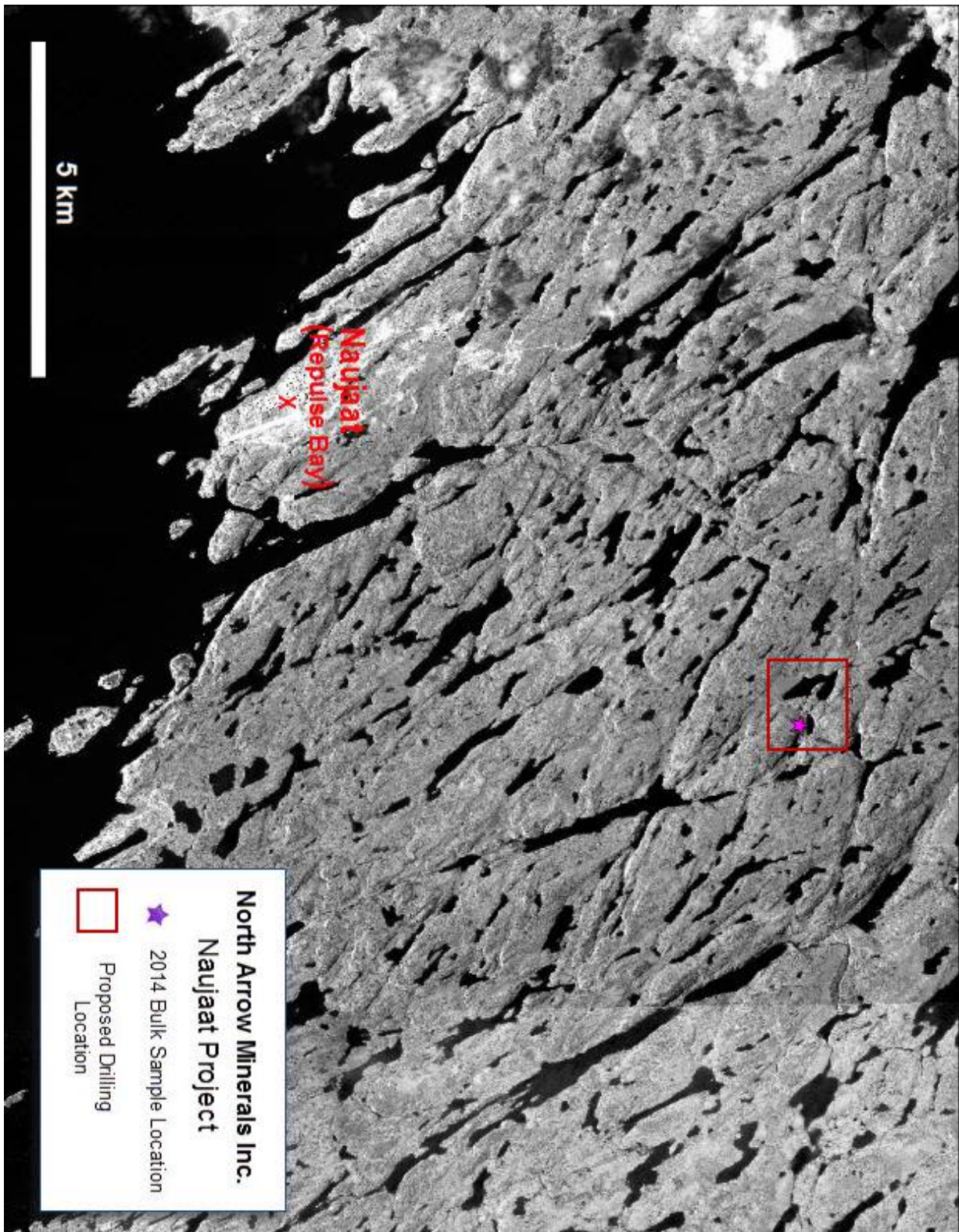


Figure 2: Drilling and Bulk Sample Location Map



NIRB File No.: 12EN012
AANDC File No: N2012C0001
NWB File No.: 2BE-QIL0712

November 30, 2012

Nicole Westcott
Stornoway Diamond Corporation
Unit 116-980 West 1st Street
North Vancouver, BC
V7P 3N4

Sent via email: nwestcott@stornowaydiamonds.com

Re: Application Pending Referral from an Authorizing Agency for Stornoway Diamond Corporation's 'Qilalugak' project proposal

Dear Nicole Westcott:

The Nunavut Impact Review Board (NIRB or Board) received notification from Stornoway Diamond Corporation's that an application has been submitted to the Government of Nunavut – Community and Government Services (CGS) for its 'Qilalugak' project proposal as the project falls within the boundary of the municipality of Repulse Bay. Stornoway has indicated that the timeline for the proposed sampling program has been amended to be conducted over a six week period in either July and August of 2013, or July and August 2014.

The NIRB conducts screening (environmental impact assessment) of project proposals upon referral from Government departments/agencies and Regional Inuit Associations responsible for authorizing the proposed project works or activities. Once the NIRB receives a referral from CGS, the Board will screen the project proposal in accordance with Article 12, Part 4 of the Nunavut Land Claims Agreement and will report to the Government Minister(s) responsible for authorizing the project.

Please note that the NIRB received the original project proposal (NIRB File No.: 12EN012) from Aboriginal Affairs and Northern Development Canada (AANDC) on January 4, 2012 and positive conformity determination (Keewatin Regional Land Use Plan) was received from the Nunavut Planning Commission on March 21, 2012. The project proposal was screened by the Board in accordance with Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA) and on May 4, 2012 the NIRB issued a NLCA 12.4.4(a) screening decision to the Minister of AANDC which indicated that the proposed project could proceed subject to the NIRB's recommended project-specific terms and conditions.

If you have any questions or concerns, please contact the undersigned at 1-866-233-3033 or sgranchinho@nirb.ca.

Sincerely,



Sophia Granchinho, M.Sc., EP
Technical Advisor
Nunavut Impact Review Board

cc: Ralph Ruediger, Community and Government Services
Darren Flynn, Community and Government Services
Matthew Ferris, Community and Government Services
Jeff Mercer, Aboriginal Affairs and Northern Development Canada
Tracey McCaie, Aboriginal Affairs and Northern Development Canada
Phyllis Beaulieu, Nunavut Water Board



SCREENING DECISION REPORT
NIRB FILE NO.: 12EN012

AANDC File No: N2012C0001 (*previous file no. N2006C0038*)
NWB File No.: 2BE-QIL0712

May 4, 2012

The Honourable John Duncan
Minister of Aboriginal Affairs and Northern Development
Executive Offices
10 Wellington St.
Gatineau, QC, K1A 0H4

Via email: duncan.j@parl.gc.ca and minister@aandc-aadnc.gc.ca

Re: Screening Decision for Stornoway Diamond Corporation's "Qilalugaq" Project Proposal, NIRB File 12EN012

Dear Mr. John Duncan:

The primary objectives of the Nunavut Impact Review Board (NIRB) are set out in Section 12.2.5 of the Nunavut Land Claims Agreement (NLCA) as follows:

"In carrying out its functions, the primary objectives of NIRB shall be at all times to protect and promote the existing and future well-being of the residents and communities of the Nunavut Settlement Area, and to protect the ecosystemic integrity of the Nunavut Settlement Area. NIRB shall take into account the well-being of the residents of Canada outside the Nunavut Settlement Area."

Section 12.4.4 of the NLCA states:

"Upon receipt of a project proposal, NIRB shall screen the proposal and indicate to the Minister in writing that:

- a) the proposal may be processed without a review under Part 5 or 6; NIRB may recommend specific terms and conditions to be attached to any approval, reflecting the primary objectives set out in Section 12.2.5;*
- b) the proposal requires review under Part 5 or 6; NIRB shall identify particular issues or concerns which should be considered in such a review;*
- c) the proposal is insufficiently developed to permit proper screening, and should be returned to the proponent for clarification; or*

d) the potential adverse impacts of the proposal are so unacceptable that it should be modified or abandoned."

NIRB ASSESSMENT AND DECISION

After a thorough assessment of all material provided to the Board (please see *Procedural History and Project Activities in Appendix A*), in accordance with the principles identified within Section 12.4.2 of the NLCA, the decision of the Board as per Section 12.4.4 of the NLCA is:

12.4.4 (a): the proposal may be processed without a review under Part 5 or 6; NIRB may recommend specific terms and conditions to be attached to any approval, reflecting the primary objectives set out in Section 12.2.5.

RECOMMENDED PROJECT-SPECIFIC TERMS AND CONDITIONS (pursuant to Section 12.4.4(a) of the NLCA)

The Board is recommending that the following or similar project-specific terms and conditions be imposed upon the Proponent through all relevant legislation:

General

1. Stornoway Diamonds Corporation (the Proponent) shall maintain a copy of the Project Terms and Conditions at the site of operation at all times.
2. The Proponent shall forward copies of all permits obtained and required for this project to the Nunavut Impact Review Board (NIRB) prior to the commencement of the project.
3. The Proponent shall operate in accordance with all commitments stated in correspondence provided to NIRB (NIRB Part 1 and NIRB Part 2 forms, March 27, 2012), Aboriginal Affairs and Northern Development Canada (Land Use Permit Application, January 4, 2012) and Nunavut Planning Commission (Conformity Determination, March 21, 2012).
4. The Proponent shall operate the site in accordance with all applicable Acts, Regulations and Guidelines.

Water Use

5. The Proponent shall not use water, including constructing or disturbing any stream, lakebed or the banks of any definable water course unless approved by the Nunavut Water Board.

Waste Disposal

6. The Proponent shall keep all garbage and debris in bags placed in a covered metal container or equivalent until disposed of at an approved facility. All such wastes shall be kept inaccessible to wildlife at all times.

Fuel and Chemical Storage

7. The Proponent shall locate all fuel and other hazardous materials a minimum of thirty-one (31) metres away from the high water mark of any water body and in such a manner as to prevent their release into the environment.

8. The Proponent shall ensure that re-fuelling of all equipment occurs a minimum of thirty-one (31) metres away from the high water mark of any water body.
9. The Proponent shall store all fuel and chemicals in such a manner that they are inaccessible to wildlife at all times.
10. The Proponent shall use adequate secondary containment or a surface liner (e.g. self-supporting insta-berms and fold-a-tanks) when storing barreled fuel and chemicals and at all refueling stations. Appropriate spill response equipment and clean-up materials (e.g., shovels, pumps, barrels, drip pans, and absorbents) must be readily available during any transfer of fuel or hazardous substances.
11. The Proponent shall remove and treat hydrocarbon contaminated soils on site or transport them to an approved disposal site for treatment.
12. The Proponent shall ensure that all personnel are properly trained in fuel and hazardous waste handling procedures, as well as spill response procedures. All spills of fuel or other deleterious materials of any amount must be reported immediately to the 24 hour Spill Line at (867) 920-8130.

Wildlife - General

13. The Proponent shall ensure that there is no damage to wildlife habitat in conducting this operation.
14. The Proponent shall not harass wildlife. This includes persistently worrying or chasing animals, or disturbing large groups of animals. The Proponent shall not hunt or fish, unless proper Nunavut authorizations have been acquired.
15. The Proponent shall ensure that all project personnel are made aware of the measures to protect wildlife and are provided with training and/or advice on how to implement these measures.

Migratory Birds and Raptors Disturbance

16. The Proponent shall not disturb or destroy the nests or eggs of any birds. If nests are encountered and/or identified, the Proponent shall take precaution to avoid further interaction and or disturbance (e.g., a 100 metre buffer around the nests). If active nests of any birds are discovered (i.e. with eggs or young), the Proponent shall avoid these areas until nesting is complete and the young have left the nest.

Aircraft Flight Restrictions

17. The Proponent shall restrict aircraft/helicopter activity related to the project to a minimum altitude of 610 metres above ground level unless there is a specific requirement for low-level flying, which does not disturb wildlife and migratory birds.
18. The Proponent shall ensure that aircraft maintain a vertical distance of 1000 metres and a horizontal distance of 1500 metres from any observed groups (colonies) of migratory birds. Aircraft should avoid critical and sensitive wildlife areas at all times by choosing alternate flight corridors.
19. The Proponent shall ensure that aircraft/helicopter do not, unless for emergency, touch-down in areas where wildlife are present.

20. The Proponent shall advise all pilots of relevant flight restrictions and enforce their application over the project area, including flight paths to/from the project area.

Caribou and Muskoxen Disturbance

21. The Proponent shall cease activities that may interfere with the migration or calving of caribou or muskox, until the caribou or muskox have passed or left the area.
22. The Proponent shall not block or cause any diversion to caribou migration, and shall cease activities likely to interfere with migration such as airborne geophysics surveys, bulk sampling or movement of equipment or personnel until such time as the caribou have passed.
23. During the period of May 15 to July 15, when caribou are observed within 1 km of project operations, the Proponent shall suspend all operations, including low-level over flights or blasting. Following July 15, if caribou cows or calves are observed within 1 km of project operations, the Proponent shall also suspend all operations in the vicinity, until caribou are no longer in the immediate area.

Ground Disturbance

24. The Proponent shall not move any equipment or vehicles unless the ground surface is in a state capable of fully supporting the equipment or vehicles without rutting or gouging. Overland travel of equipment or vehicles must be suspended if rutting occurs.
25. The Proponent shall implement suitable erosion and sediment suppression measures on disturbed areas before, during and after construction in order to prevent sediment from entering any waterbody.

Stripping and Trenching

26. The Proponent shall not conduct any trenching activities within 31 metres of the high water mark of any water body.
27. The Proponent shall ensure that removal of material take place within one metre of the high water mark above the ground water table.
28. The Proponent shall implement sediment and erosion control measures by employing erosion prevention measures (e.g., berms or silt fence) in the trenching area during the project operation.
29. The Proponent shall stockpile all overburden/topsoil generated during trenching using proper erosion prevention measures. Upon completion of operation, the Proponent shall back fill, reclaim/re-contour and re-vegetate all disturbed areas.
30. The Proponent shall pump accumulated water in blast trenches to a natural depression sump, and build berms where necessary. Water should be analyzed in accordance with the Nunavut Water Board water licence discharge criteria before discharging into the environment.

Restoration of Disturbed Areas

31. The Proponent shall ensure that all disturbed areas are restored to a stable or pre-disturbed state as practical as possible upon completion of field work.
32. The Proponent shall remove all garbage, fuel and equipment upon abandonment.

33. The Proponent shall complete all clean-up and restoration of the lands used prior to the end of each field season and/or upon abandonment of site.

Other

34. The Proponent should, to the extent possible, hire local people and to consult with local residents regarding their activities in the region.
35. Any activity related to this application, and outside the original scope of the project as described in the application, will be considered a new project and should be submitted to the NIRB for Screening.

MONITORING AND REPORTING REQUIREMENTS

In addition, the Board is recommending the following:

Wildlife Log/Record of Observations

1. The Proponent shall maintain a record of wildlife observations while operating within the project area. The reports should include locations (i.e., latitude and longitude), species, number of animals, a description of the animal activity, and a description of the gender and age of animals if possible. Prior to conducting project activities, the Proponent should map the location of any sensitive wildlife sites such as denning sites, calving areas, caribou crossing sites, and raptor nests in the project area, and identify the timing of critical life history events (i.e., calving, mating, denning and nesting). Additionally, the Proponent should indicate potential impacts from the project, and ensure that operational activities are managed and modified to avoid impacts on wildlife and sensitive sites.

A copy of this wildlife record or report is to be submitted annually at the end of the operational season to the NIRB.

Transportation and Management of Waste and Dangerous Goods

2. The Proponent must obtain confirmation and authorization from the intended community landfill prior to disposal of waste(s). Copy of this confirmation is to be submitted to the NIRB and Environment Canada prior to commencement of operations.
3. The Proponent shall ensure that a waste manifest accompanies the shipment of all waste oil/grease and is registered with the Government of Nunavut Department of Environment (GN-DoE). Contact the Manager of Pollution Control and Air Quality at (867) 975-7748 to obtain a manifest if hazardous waste will be generated during project activities.
4. The Proponent shall ensure that an export manifest or the appropriate transportation of dangerous goods (TDG) documentation accompany all potential hazardous samples and/or materials that are transported off site.

OTHER NIRB CONCERNS AND RECOMMENDATIONS

In addition to the project-specific terms and conditions, the Board is recommending the following:

Bear and Carnivore Safety

1. The Proponent review the bear/carnivore detection and deterrent techniques outlined in "Safety in Grizzly and Black Bear Country" which can be down-loaded from this link: http://www.enr.gov.nt.ca/live/documents/content/Bear_Safety.pdf. Note that some recommendations in this manual are also relevant to polar bears. There is a DVD about polar bears and safety available from Nunavut Parks at the following link <http://www.nunavutparks.com/english/visitor-information/suggested-resources.html> and a "Safety in Polar Bear Country" pamphlet from Parks Canada at the following link <http://www.pc.gc.ca/eng/pn-np/nu/auyuittuq/visit/visit6/d/i.aspx>.
2. Any problem wildlife or any interaction with carnivores should be reported immediately to the local Government of Nunavut, Department of Environment Conservation Office (Conservation Officer of Baker Lake, Robert Harmer, phone: (867) 793-2940, email: rharmer@gov.nu.ca).

Species at Risk

3. The Proponent review Environment Canada's "Environment Assessment Best Practice Guide for Wildlife at Risk in Canada", available at the following link: <http://www.ec.gc.ca/Publications/default.asp?lang=En&xml=5407909E-10F6-4AFE-ACDF-75B9E820B4A1>. The guide provides information to the Proponent on what is required when Wildlife at Risk, including *Species at Risk*, are encountered or affected by the project.

Change in Project Scope

4. All Authorizing Agencies shall notify the NIRB of any changes in operating plans or conditions associated with this project prior to any such change.

Caribou Management

5. Territorial and federal government agencies in Nunavut should work together with Regional Inuit Associations, co-management boards and industry to develop an action plan to identify and mitigate potential cumulative effects of human land use activities, including mineral exploration, on barren-ground caribou. This assessment of cumulative effects should occur at a regional scale (i.e., larger than individual project areas).

Aboriginal Affairs and Northern Development Canada

6. Aboriginal Affairs and Northern Development Canada (AANDC) impose mitigation measures, conditions and monitoring requirements pursuant to the Federal Land Use Permit, which require the Proponent to respect the sensitivities and importance of the area. These mitigation measures, conditions and monitoring requirements should be in regard to the location and area; type, location, capacity and operation of facilities; use, storage, handling and disposal of chemical or toxic material; wildlife and fisheries habitat; and petroleum fuel storage.
7. AANDC consider the importance of conducting regular Land Use Inspections, pursuant to the authority of the Federal Land Use Permit, while the project is in operation. The Land Use Inspections should be focused on ensuring the Proponent is in compliance with the conditions imposed through the Federal Land Use Permit.

Aboriginal Affairs and Northern Development Canada – Water Resources Division

8. AANDC – Water Resources Division should consider the importance of conducting regular inspections, pursuant to the authority of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*, while the project is in operation. Inspectors should focus on ensuring the Proponent is in compliance with the conditions imposed through the Water Licence.

Nunavut Water Board

9. The Nunavut Water Board (NWB) impose mitigation measures, conditions and monitoring requirements pursuant to the Water Licence, which require the Proponent to respect the sensitivities and importance of water in the area. These mitigation measures, conditions and monitoring requirements should be in regard to use of water, snow and ice; waste disposal; access infrastructure and operation for camps; drilling operations; spill contingency planning; abandonment and restoration planning; and monitoring programs.

REGULATORY REQUIREMENTS

The Proponent is also advised that the following legislation may apply to the project:

Acts and Regulations

1. The *Fisheries Act* (<http://laws-lois.justice.gc.ca/eng/acts/F-14/index.html>).
2. The *Nunavut Waters and Nunavut Surface Rights Tribunal Act* (<http://www.canlii.org/ca/sta/n-28.8/whole.html>).
3. The *Migratory Birds Convention Act* and *Migratory Birds Regulations* (<http://laws-lois.justice.gc.ca/eng/acts/M-7.01/>).
4. The *Species at Risk Act* (<http://laws-lois.justice.gc.ca/eng/acts/S-15.3/index.html>). Attached in Appendix B is a list of Species at Risk in Nunavut.
5. The *Wildlife Act* (<http://www.canlii.org/en/nu/laws/stat/snu-2003-c-26/latest/snu-2003-c-26.html>) which contains provisions to protect and conserve wildlife and wildlife habitat, including specific protection measures for wildlife habitat and species at risk.
6. The *Nunavut Act* (<http://laws-lois.justice.gc.ca/eng/acts/N-28.6/>). The Proponent must comply with the proposed terms and conditions listed in the attached Appendix C.
7. The *Transportation of Dangerous Goods Regulations*, *Transportation of Dangerous Goods Act* (<http://www.tc.gc.ca/eng/tdg/safety-menu.htm>), and the *Canadian Environmental Protection Act* (<http://laws-lois.justice.gc.ca/eng/acts/C-15.31/>). The Proponent must ensure that proper shipping documents accompany all movements of dangerous goods. The Proponent must register with the GN-DOE Manager of Pollution Control and Air Quality at 867-975-7748.
8. The *Aeronautics Act* (<http://laws-lois.justice.gc.ca/eng/acts/A-2/>).

Validity of Land Claims Agreement

Section 2.12.2

Where there is any inconsistency or conflict between any federal, territorial and local government laws, and the Agreement, the Agreement shall prevail to the extent of the inconsistency or conflict.

Dated May 4, 2012 at Arviat, NU.



Elizabeth Copland, Acting Chairperson

Attachments: Appendix A: Procedural History and Project Activities
Appendix B: Species at Risk in Nunavut
Appendix C: Archaeological and Palaeontological Resources Terms and Conditions for Land Use Permit Holders

No.: ET8819



BUSINESS CORPORATIONS ACT
**CERTIFICATE OF COMPLIANCE OF AN
EXTRA-TERRITORIAL CORPORATION**

LOI SUR LES SOCIÉTÉS ACTIONS
**CERTIFICAT DE CONFORMITÉ D'UNE SOCIÉTÉ
PAR ACTIONS EXTRATERRITORIALE**

I HEREBY CERTIFY THAT

JE CERTIFIE PAR LA PRÉSENTE QUE

NORTH ARROW MINERALS INC.

a body corporate incorporated
under the laws of

une personne morale constituée
En vertu des lois


Canada

registered under Part XXI of the
Business Corporations Act of Nunavut, has
filed with the Registrar of Corporations, the
required annual returns and is, with respect
to the filing of annual returns, in good
standing on the records of the Registrar.

enregistrée en vertu de la partie XXI de la
Loi sur les sociétés par actions au Nunavut,
a déposé auprès du registraire des sociétés
par actions le rapport annuel exigé et
rencontre les exigences du registraire relatives
au dépôt des rapports annuels.

Dated 23-Mar-2017
Fait le




DEPUTY / REGISTRAR OF CORPORATIONS
REGISTRAIRE OU REGISTRAIRE ADJOINT DES SOCIÉTÉS PAR ACTIONS



P.O. Box 2101
Ikaluktutiak, NU X0B 0C0
☎ 867-983-4625
☎ 867-983-4626

By way of this letter, the NPC is forwarding the project proposal to the regulatory authorities identified by the proponent. Project materials, including the applicable conformity requirements, are available at the following address:

<http://npc.strata360.com/portal/project-dashboard.php?appid=148542&sessionid=>

The regulatory authorities to which this letter is addressed are responsible under the Nunavut Planning and Project Assessment Act (NUPPAA) to implement any of the applicable requirements by incorporating the requirements directly, or otherwise ensuring that they must be met, in the terms and conditions of any authorizations issued.

This conformity determination applies only to the above noted project proposal as submitted. Proponents may not carry out projects and regulatory authorities may not issue licenses, permits and other authorizations in respect of projects if a review by the NPC is required. Regulatory authorities may consult with the NPC to obtain recommendations on their duties to implement the existing land use plans prior to issuing licenses, permits and other authorizations under subsection 69(6) of the NUPPAA.

My office would be pleased to discuss how best to implement the applicable requirements and to review any draft authorizations that regulatory authorities wish to provide for that purpose. If you have any questions, please do not hesitate to contact me at (867) 857-2242.

Sincerely,

A handwritten signature in black ink, appearing to read 'Peter Scholz', with a long horizontal stroke extending to the right.

Peter Scholz
Senior Planner,
Nunavut Planning Commission