



Water Resources
Nunavut Regional Office
P.O. Box 100
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April 10, 2015

Phyllis Beaulieu
Licensing Administrator
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU, X0A 1J0

Your file - Votre référence
2BE-STO1015
Our file - Notre référence
CIDM# 907943

Re: 2BE-STO1015 – Commander Resources Ltd. – Storm Project – Renewal and Amendment Application

Dear Phyllis Beaulieu:

Aboriginal Affairs and Northern Development Canada (AANDC) has performed a review of the Commander Resources Ltd. application to renew and amend Type B water licence 2BE-STO1015 for the Storm Project submitted to the Nunavut Water Board (NWB) in February, 2015.

The following advice has been provided pursuant to AANDC's mandated responsibilities for the enforcement of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Department of Indian Affairs and Northern Development Act*. In conducting our review, AANDC Water Resources referred to the documents on the NWB's FTP-site under 2BE-STO1015.

Should you have any questions or comments, please do not hesitate to contact me at (867) 975-4738 or by e-mail at Jean.Allen@aadnc-aadnc.gc.ca.

Sincerely,

Jean Allen
Water Management Specialist

Encl.

cc. Karen Costello, Director, Resource Management, AANDC
Erik Allain, Manager of Field Operations, AANDC

Technical Review Memorandum

To: Phyllis Beaulieu – Manager of Licensing, Nunavut Water Board

From: Jean Allen – Water Management Specialist, AANDC

Re: 2BE-STO1015 – Commander Resources Ltd. – Storm Project – Renewal and Amendment Application

A. Background

The Nunavut Water Board (the Board or NWB) issued Type B water licence 2BE-STO1015 (the licence) to Commander Resources Ltd. (Commander) on November 3, 2010 for the Storm Project to allow the use of water and deposit of waste for camp operations and activities related to a mineral exploration drilling program located at the northern part of Somerset Island, approximately 112 km south of Resolute Bay. The water licence was amended on September 28, 2012 to include additional areas for the exploration program and to use new water sources for drilling purposes.

On February 17, 2015, the NWB received an application to renew and amend the existing licence to change the project name from Storm Property to Aston Bay Property (to include both Storm (copper) and Seal (zinc-silver) prospects); to include the construction of a new camp for 10-12 people located at 73° 39' 20" N and 94° 27' 34" W and the addition of Aston River as a new water source (no change to water volume for camp use); to increase water use from 15 m³/day to 80 m³/day for the drilling program (currently 15 m³/day per drill for 1 drill to 40 m³/day per drill for up to 2 drills); and to extend the expiration date from July 31, 2015 to July 31, 2020.

B. Results of Review

AANDC Water Resources Division completed a review of the renewal and amendment application and while there appears to be no major issues with the application, we offer the following comments for the Board's consideration.

Camp

- 1) The existing camp still contains 10 drums of aviation fuel, 17 drums of diesel fuel, 2 propane tanks, a wooden emergency shelter and an outhouse. Once the new camp is established, the existing camp will be removed and the site remediated. Once the old camp site is remediated, Commander should notify the AANDC Inspector and submit a remediation summary in their annual report as required under Part B, Item 2.b. of their water licence.

Water Use

- 2) The application (box 13) states that the amendment requested is for 2 m³/day for camp use and 40 m³/day for each drill (80 m³/day in total for up to 2 drills). The non-technical summary states that the overall water usage is not anticipated to be greater than 100 m³/day. It appears that Commander is applying for 82 m³/day in the application but appears to be

requesting 100 m³/day in the non-technical summary. Clarification is requested on the total water usage being applied for.

Waste Management

- 3) Solid waste (residual waste (ash) and non-combustible, recyclable and hazardous waste, waste oil, and lead batteries) will be backhauled to Resolute Bay for disposal. It is unclear whether authorization has been granted for the disposal of such waste by the Hamlet of Resolute Bay.
- 4) The proposed locations for spill kits at the proposed camp site were provided but it is unclear whether any spill kits will be located at the old camp site until it is decommissioned. Clarification should be provided.

Annual Reports

- 5) AANDC notes that the 2014 Annual Report could not be located on the NWB ftp site. AANDC recommends that a 2014 Annual Report be submitted to interested parties for review.

Management Plans

- 6) In addition to the volumes of fuel proposed for storage at the new camp site, Table 2.1 of the Fuel Management Plan should also include the volumes of fuel currently stored at the old camp site.
- 7) The AANDC contact information in Section 2.2 and Table 2.1 of the Spill Prevention and Response Plan should be updated following licence issuance to include the Manager of Field Operations at 867-975-4295.