Indigenous and

WATER LICENCE INSPECTION FORM

\boxtimes	Original	
	Follow-Up	Report

Licensee	Licensee Representative			
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Licence No. / Expiry	Representative's Title			
2BE-STO1520	C.O.O and Exec VP			
Land / Other Authorizations	Land / Other Authorizations			
N2015C0014 (Aston Bay Holdings LTD)				
Date of Inspection	Inspector			
July 8,2016	A.Keim			
Activities Inspected				
☐ Camp ☐ Drilling ☐ Mining ☐ Roads/Hauling ☐ Other: Water Discharge	☐ Construction ☐ Reclamation ☐ Fuel Storage ☐ Other: Municipal			
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Conditions: A - Acceptable C		C -	C - Concern U - Unacceptable		NA – Not Applicable		NI – Not Ins	NI – Not Inspected	
Water Use	Condition	Comment	Site Conditi	ions	Condition	Comment	Haz/Mat Management	Condition	Comment
Intake/Screen	А		Water Mana Structures	gement	NA		Storage	А	
Flow Measure. Device	С	1	Culverts / B	ridges	NA		Spills	NI	
Source: Aston Rive	er C		Drainage		NA		Spill Plan	Α	
Water Use:	A		Erosion / Se	diment	NA				
Recirculation (y /r	n) NA		Mitigation I	Measures	NA		Administrative		
			Reclamation Activities	n	NA		Records	А	
			Materials St	torage	Α		Reports	А	
Waste Disposal			Signage		Α		Plans	A	
Waste Water	A						Notifications	NA	
Solid Waste	A		Monitoring				Other		
Hazardous Waste	NI		Sample Coll Analysis	ection /	А				
	*The number	r in the comi	ments field	will corresp	ond with s	pecific con	nments provided be	low.	
Samples taken by	Inspector:		Location(s): AANDC Inspectors collected a RAW water sample from the Aston River						
⊠ Yes □ No			adjacent to camp						

SECTION 1	Comments (s)	Non-Compliance with Act or Licence (s)	Action Required (s)

On July 8, 2016 an Inspection was undertaken of the Aston Bay Storm project including the Camp, lay down areas, fuel containment structures and off camp drilling activities. The Project I licensed for up to 2 cubic meters of water per day for camp use as well as 15 cubic meters per day of water for drilling activities. The Camp is located approximately 110 km south of Resolute Bay nu, at N 73°39.4504′ X W94°27.1407′ in a wide valley adjacent to the Aston river on Somerset Island.

The current Water License has been renewed and assigned from Commander Resources to Aston Bay Holdings.

At the time of the Inspection activities on site included;

- Camp construction (Camp was still not finished and had been open for only 6 days at the time of the inspection)
- Fuel containment and consolidation
- Movement of materials to Drill site
- Set up of waste management equipment
- Installation of a raw water intake system. (water for use in camp is pumped from the Aston river however drinking water is
- Drilling activities were being set up and drilling was scheduled to commence that afternoon.





Observations:

Camp

Tents in camp are heated by Fuel oil stoves. Fuel is stored outside in 45 gallon drum on Secondary containment. It is recommended the joints on all connections are wrapped with pads to prevent leaking. Metal or plastic stands are recommended.

Water usage

- Records of water usage were up to date on site
- Water for consumption was being flown in during the period of the inspection. Inspectors have collected a sample of water from the river and will provide the results to the licensee.

Waste Disposal

- Records of back hauling of wastes and hazardous wastes including drums should be recorded and available for review by the Inspector.
- An Incinerator was noted on site.

Indigenous and

All hazardous waste is to be removed from site and transported to an approved facility licensed to treat and dispose of hazardous wastes.

Fuel storage

- Secondary containment was present on site and it was noted that the Licensee has covered secondary containment for any barrels that will be overwintering on site.
- Rain drains are recommended for all secondary containment.
- Secondary containment at all fuel transfer areas is required. This includes areas servicing the helicopters and four wheelers.

Drilling Operations

- All fuel was stored in double walled containers.
- Drilling had not yet started however cuttings containment was discussed and a plan was reviewed by the inspector on site.

Legacy issues.

- Drilling and other activities in the area during the 70's have left a number of sites with drill collars extending up from the ground up to three feet in places. These are to be cut off and sealed.
- Old camp is to be removed and the materials marshalled to the main camp. The option to leave one building standing as shelter is at the discretion of the licensee but should be included in the Abandonment and Reclamation Plan.

SECTION 2	Comments (s)	Non-Compliance with Act or Licence (s	s) Action Required (s)
The Licensee is remir	nded that the following items a	are due on or before September 12 th , 2016	by Aston Bay Holdings Ltd;
Spill Conting		1 of License No. 2BE-STO1520 or Part I, Item 1of License 2BE-STO1520)	
No instances of non-	compliance were noted during	the period of the inspection.	

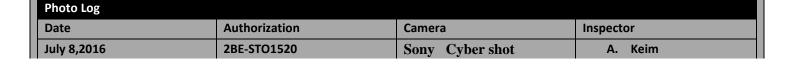








Figure 1 Barrels at airstrip to be sent to camp



Figure 2 Barrels at new strip cache in Containment







Figure 3 Drilling supplies at strip



Figure 4 Old Camp site (legacy) core storage to be closed this year





Figure 5 Old camp site (2)



Figure 6 Return water from line at drill





Figure 7 Drill on station



 $Figure\ 8\ Fuel\ storage\ all\ double\ walled\ transport\ containers$







Figure 9 Legacy Site. Collars to be cut off and capped this year



Figure 10 Camp







Figure 11 Camp #2



Figure 12 Gen shack with back up







Figure 13 Inciner8 - Incinerator on site.



Figure 14 Barrels on secondary Containment - Walls to be erected





Figure 15 Barrel storage site



Figure 16 Water usage records





Figure 17 Inspectors collected a raw water sample

Licensee or Representative	ative Inspector's Name	
	Andrew Keim	
Signature	Signature	
	Original on File.	
Date	Date	
	July 26, 2016	

Office Use Only:	Follow-up report to be issued by Inspector	☐ Yes ☒ No
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