



WATER LICENCE INSPECTION FORM

Original
 Follow-Up Report

Licensee Ashton Bay Holdings Inc./Apex Geoscience Ltd.	Licensee Representative Thomas Ullrich/Celine McEachern - Chris Livingstone
Licence No. / Expiry 2BE-STO2025	Representative's Title Senior Project Geologist
Land / Other Authorizations N2015C0014	Land / Other Authorizations
Date of Inspection August 11, 2020	Inspector Joseph Monteith
Activities Inspected	
<input checked="" type="checkbox"/> Camp <input type="checkbox"/> Drilling <input type="checkbox"/> Mining <input type="checkbox"/> Construction <input type="checkbox"/> Reclamation <input checked="" type="checkbox"/> Fuel Storage <input type="checkbox"/> Roads/Hauling <input checked="" type="checkbox"/> Other: seasonal shutdown <input type="checkbox"/> Other:	

Conditions:	A- Acceptable	U-Unacceptable	C-Concern	NI-Not Inspected	NA- Not applicable
PART:				Condition	Observation No.*
A: SCOPE, DEFINITIONS AND ENFORCEMENT					
B: GENERAL CONDITIONS				A	
C: CONDITIONS APPLYING TO SECURITY				NI	
D: CONDITIONS APPLYING TO WATER USE				A	1-6
E: CONDITIONS APPLYING TO WASTE DISPOSAL AND MANAGEMENT				A	7-11
F: CONDITIONS APPLYING TO MODIFICATIONS				NI	
G: CONDITIONS APPLYING TO CONSTRUCTION				NI	
H: CONDITIONS APPLYING TO EMERGENCY RESPONSE AND CONTINGENCY PLANNING				A	12-14
I: CONDITIONS APPLYING TO ABANDONMENT, RECLAMATION AND CLOSURE PLANNING				NA	
J: CONDITIONS APPLYING TO MONITORING				A	
SCHEDULES				A	
<i>*The observation number corresponds with specific comments provided below.</i>					
Samples taken by Inspector:		Location(s): N73 39 23.0 W94 27 07.0			
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					

SECTION 1	<input type="checkbox"/> Comments (s. __)	<input type="checkbox"/> Non-Compliance with Act or Licence (s. __)	<input type="checkbox"/> Action Required (s. __)
BACKGROUND			
<p>The Aston Bay Property is located on northern Somerset Island, Nunavut in the Canadian Arctic Archipelago. The nearest community is the hamlet of Resolute Bay, located 112 km north of the Property, on Cornwallis Island. The Property is approximately 1,500 km northwest of Iqaluit, the capital of Nunavut, and about 1,500 km northeast of Yellowknife, Northwest Territories. The Aston Bay Property includes the Seal Zinc prospect and multiple copper-silver showings, collectively known as the Storm Copper prospect.</p> <p>The project was suspended in 2020 due to COVID-19 concerns, and remained in a state of seasonal closure due to the continued impacts of COVID-19.</p>			
Inspector Statement			
<p>On August 4, 2020, Water License inspection was conducted by Water Resource Officer (WRO) Joseph Monteith at the site of Ashton Bay Holdings Ltd. STORM Project located on Somerset Island, Qikiqtani Region, Nunavut.</p>			
General Condition			
<p>On July 11, 2018 the Nunavut Water Board uploaded to their FTP site a copy of the Apex Geoscience's STORM Annual Report. The condition for submission of the 2020 annual report wasn't satisfied. The submission of the Land Use Permit annual report was submitted to the Nunavut Water Board. No record of water use was listed in the 2019 Annual Report for Land Use Permit.</p>			
Water Source			
<ol style="list-style-type: none"> 1. Water is withdrawn from the Ashton River (photo1 & 2). Unknown amount withdrawn 2. The site has 2 water tanks a 350 gallon, and a 250 gallon tank. The site also has 2 hot water tanks 3. Water pumps, hose lines, and fish mesh screen wasn't observed on site, as they were packed away on the land in a box near the water source (photo 2) 4. 6 water jugs were observed on site (photo3) 5. A water Tank was observed on site (photo4) 6. No 2019 Water License Submission of an annual report. Land Use Permit requirement for annual report 			



submitted to the Nunavut Water Board.

Solid Waste Facility

7. 5 Pacto toilets on site. Pacto toilets utilize plastic “sausage” bags to collect and store sewage. All Pacto Bags were incinerated.
8. A stand up open latrine was observed on site. No sump pit. Larger rocks were used to help disperse of liquid human waste (photo 7 & 8).
9. All combustible waste was incinerated on site using a batch feed dual-chamber controlled air incinerator. Residual waste (ash) was sealed in metal 5 gallon pails and removed from site for disposal. All non-combustible and hazardous wastes were sealed in appropriate containers and removed from site for proper disposal. A bunch of drums were roped together. The drums may have incinerated waste in the drums (photo 11).
10. The incinerator was not observed on site at the time of the inspection. A number of wooden buildings were screwed shut for seasonal shut down. The incinerator may have been in one of the buildings.
11. 2 x grey water sumps were observed on site, and appears to be operating as intended (Photo 5 & 6).

Fuel Caches

12. 2 fuel caches were observed on site (photo 9 & 10)
13. Another secondary containment structure was observed on site appeared to have a various other products, some may have been hazardous material; other items may not be hazardous. A spill was observed in the secondary containment. The spill overflowed the secondary containment. (photo 12)

Spill Reports

14. A spill report was generated after a spill was observed on site during the inspection. The spill report 2020-418 was requested by the WRO after making the observation while conducting the onsite inspection. Tara Gunson of Apex Geoscience said. “Due to the remote location and time of year I feel the best action would be to send someone up next spring/summer to replace/repair the torn berm do a recon with substance testing to provide us with a recommendation for remediation (e.g. if it is just non-toxic drilling additives should not require more than a quick cleanup, but if it has any hydrocarbons then we can make a plan for additional soil/water testing and soil removal, etc.,)”. A spill kit was observed on site and an attempt was made to use its equipment, but the cover was wedged in and inaccessible at the time of the inspection (Photo 12, 13, & 14).

SECTION 2 Comments Non-Compliance with Act or Licence Action Required

The following information is a summary of the Actions Required by the licensee to promote and ensure compliance. Please provide a response to the following Actions Required within 30 days of receiving this report proposing timelines to address the concerns noted:

- Clean up the spill observed at the time of the inspection, Spill Report 2020418
- Submit the 2020 annual report for the Water License 2BE-STO2025. Submitted annual report is for Land Use Permit N2015C0014. Recent correspondence indicated that the tried to submit, and have resubmitted the annual report to the Nunavut Water Board.
- Fix the spill kit, or replace the spill kit so that it is usable.
- Repair 2 weather havens, so the contents don’t spread out to the receiving environment (photo 15 & 16).

SECTION 3 Comments Non-Compliance with Act or Licence Action Required

Part B: Item 2. General Condition
The Licensee shall file an Annual Report on the Appurtenant Undertaking with the Board no later than March 31st of the year following the calendar year being reported, containing the following information:

- a. A summary report of Water use and Waste disposal activities;
- b. A list of unauthorized discharges and a summary of follow-up actions taken;
- c. Any revisions to the Spill Contingency Plan and Abandonment and Restoration Plan, as required by Part B, Item 7, submitted in the form of an Addendum;
- d. A description of all progressive and or final reclamation work undertaken, including photographic records of site conditions before, during and after completion of operations;
- e. Report all artesian flow occurrences as required under Part F, Item 3;
- f. A summary of all information requested and results of the Monitoring Program; and
- g. Any other details on water use or waste disposal requested by the Board by November 1 of the year being reported.

Licensee or Representative	Inspector's Name Joseph Monteith
Signature	Signature
Date	Date February 17, 2021

CC: Licensing Department, NWB
Justin Hack, Manager of Field Operations, CIRNAC

PHOTO LOG

Date	Camera	Inspector
August 4, 2020	Nikon Coolpix	Joseph Monteith

Photo Log #	Location
Photo 1	Ashton Bay, Somerset Island, Qikiqtani Region, NU



Description: Ashton Bay's STORM Project campsite. Water source runs along the base of the mountains in the background.

Photo Log #1	Location
Photo 2	Ashton Bay, Somerset Island, Qikiqtani Region, NU



Description: Water withdrawal equipment. The Ashton River runs across the base of the hill in the background.



Photo Log #1

Location

Photo 3

Ashton Bay, Somerset Island, Qikiqtani Region, NU



Description: 6 x 18.9 Litre water jugs. Historical Annual Reports indicate that these water jugs are for consumption, flown in from Yellowknife, NT.

Photo Log #1

Location

Photo 4

Ashton Bay, Somerset Island, Qikiqtani Region, NU



Description: 1 of 2 Water Tanks on site. This may be the 250 Gallon Water tank.



Photo Log #1

Location

Photo 5

Ashton Bay, Somerset Island, Qikiqtani Region, NU



Description: 2 x piped Sump Pit

Photo Log #1

Location

Photo 6

Ashton Bay, Somerset Island, Qikiqtani Region, NU



Description: 3 piped sump pit.



Photo Log #1

Location

Photo 7

Ashton Bay, Somerset Island, Qikiqtani Region, NU



Description: Number 1 Latrine. Stand up latrine

Photo Log #1

Location

Photo 8

Ashton Bay, Somerset Island, Qikiqtani Region, NU



Description: Latrine doesn't appear to be a sump, but larger rocks protruding from the ground up into the latrine.



Photo Log #1

Location

Photo 9

Ashton Bay, Somerset Island, Qikiqtani Region, NU



Description: Fuel Cache in secondary containment, with a cover.

Photo Log #1

Location

Photo 10

Ashton Bay, Somerset Island, Qikiqtani Region, NU



Description: 2nd Fuel Cache, covered



Photo Log #1

Location

Photo 11

Ashton Bay, Somerset Island, Qikiqtani Region, NU



Description: Empty drums bound together and tied up with a rope.

Photo Log #1

Location

Photo 12

Ashton Bay, Somerset Island, Qikiqtani Region, NU



Description: Hazardous Material in Secondary Containment, secondary containment is full of product. A spill report was generated for this event. Spill Report 2020418.



Photo Log #1

Location

Photo 13

Ashton Bay, Somerset Island, Qikiqtani Region, NU



Description: Spill Report 2020418

Photo Log #1

Location

Photo 14

Ashton Bay, Somerset Island, Qikiqtani Region, NU



Description: Source of Spill Report 2020418 – unknown substance, suspected



Photo Log #1

Location

Photo 15

Ashton Bay, Somerset Island, Qikiqtani Region, NU



Description: Damage on a weather haven

Photo Log #1

Location

Photo 16

Ashton Bay, Somerset Island, Qikiqtani Region, NU



Description: Damage to a second weather haven