



KENNECOTT CANADA EXPLORATION INC.

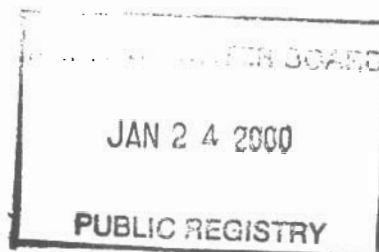
Granville Square
#354 - 200 Granville Street
Vancouver, British Columbia
V6C 1S4

Telephone: (604) 669-1880
Facsimile: (604) 669-5255

January 17, 2000

NUNAVUT WATER BOARD
P.O. Box 119
Gjoa Haven, NT
X0E 1J0

INTERNAL	
PC	92
LA	10/20/00
OM	
TA	
ES	
ED	
PEO	
BRD	



Attention: Ms. Rita Becker, Licensing Administrator

nwb2TAK0002

Re: Applications for Water Use Permits: HOOD RIVER and ROCKING HORSE Properties

Dear Ms. Becker:

Please find attached two applications for Water Licences for the Hood River and Rocking Horse properties in Nunavut. Each application includes application form, Remote Camp Supplementary Questionnaire, project description and translations, location map and any other pertinent information to the application. Also included is one copy of Kennecott's 'Spill Plan' and WHMIS sheets. A cheque in the amount of \$60.00 will cover the application fees for both applications.

If there is any other information that you require, please let us know.

Thank you.

Yours truly,
KENNECOTT CANADA EXPLORATION INC.

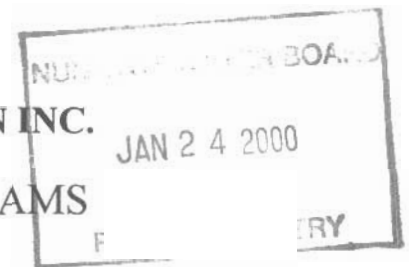
Diane J. Gregory
Land & Contracts Manager

cc. Dean Pekeski and Kevin Wallis, Project Geologists

Encl.

KENNECOTT CANADA EXPLORATION INC.

2000 FIELD EXPLORATION PROGRAMS



Kennecott Canada Exploration Inc. (Kennecott) plans to carry out mineral exploration surveys for diamonds in Nunavut from March 15 through to the end of the summer field season in 2000. The specific properties are called Hood River and Rocking Horse. The Hood River mineral claims are located surrounding the Hood River, approximately 120km due west of Bathurst Inlet. The Rocking Horse mineral claims are north and east of Takajuak Lake, approximately 200km west and southwest of Bathurst Inlet. Kennecott has concession agreements on parts of Inuit Owned Land parcels CO-20 and CO-44. The camps for the respective properties are located just west of the northwestern corner of CO-21 (Bigfoot Camp, Hood River) and at the northern end of Napaktulik Lake (Tak Camp, Rocking Horse).

In 2000, Kennecott will conduct continuing surface exploration: geochemical till sampling and surface geophysical surveys to locate anomalies related to diamond exploration. The company is also planning sonic and core drilling in areas where the surface surveys have indicated that diamond bearing rocks may be present. Results of these surveys are reported to NTI and DIAND annually. The field survey crews will consist of a Kennecott project geologist with seasonal field assistants. The field assistants will include Nunavut residents from Kugluktuk and perhaps other communities. Many of the Inuit field assistants hired in 1999 may return to work for Kennecott in 2000.

Kennecott has applied for or received approval from both the Kitikmeot Inuit Association and DIAND for Land Use Licences that will cover all surface work and drilling.

Kennecott is committed to developing and maintaining excellent relationships with the communities affected by our exploration activities. Our company also has strict environmental policies for our own employees as well as contractors who work for us, and protection of the land is an essential part of our exploration programs.



P.O. Box 119
GJOA HAVEN, NT X0E 1J0
TEL: (867) 360-6338
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NUNAVUT WATER BOARD
NUNAVUT IMALIRIYIN KATIMAYINGI

WATER LICENCE APPLICATION FORM

Application for: (check one)

☐ New ☐ Amendment ☒ Renewal ☐ Assignment

LICENCE NO: (for NWB use only) <u>nwb 2 TAK 00 - Rocking Horse/Takajua Lake</u>									
1. NAME AND MAILING ADDRESS OF APPLICANT/LICENSEE Kennecott Canada Exploration Inc. #354 - 200 Granville St. Vancouver, BC V6C 1S4 Phone: (604) 669-1880 Fax: (604) 669-5255 e-mail: gregoryd@kcivan.com or wallisk@kcivan.com (ext 217)	2. ADDRESS OF CORPORATE OFFICE IN CANADA (if applicable) NUNAVUT WATER BOARD JAN 24 2000 PUBLIC REGISTRY Phone: _____ Fax: _____ e-mail: _____								
3. LOCATION OF UNDERTAKING (describe and attach a topographical map, indicating the main components of the Undertaking) The camp is located on the top of a sand and gravel esker. The closest source of water is located >250m from the camp. (see attached map) <u>Longitude</u> Latitude: <u>113°04'52.98</u> <u>Latitude</u> Longitude: <u>66°30'42.51</u> NTS Map No. <u>86I</u> Scale <u>1:250,000</u>									
4. DESCRIPTION OF UNDERTAKING (attach plans and drawings) The Tak camp is operated in the winter to conduct drilling, airborne and ground geophysical surveys, and in the summer prospecting and till sample collection. (see attached map for proposed drill hole locations)									
5. TYPE OF UNDERTAKING (A supplementary questionnaire <u>must</u> be submitted with the application for undertakings listed in "bold") <table><tr><td><input type="checkbox"/> Industrial</td><td><input type="checkbox"/> Remote/Tourism Camps</td></tr><tr><td><input type="checkbox"/> Mine Development</td><td><input type="checkbox"/> Municipal</td></tr><tr><td><input type="checkbox"/> Advanced Exploration</td><td><input type="checkbox"/> Power</td></tr><tr><td><input checked="" type="checkbox"/> Exploratory Drilling</td><td><input checked="" type="checkbox"/> Other (describe): <u>ground geophysical surveys and prospecting</u></td></tr></table>		<input type="checkbox"/> Industrial	<input type="checkbox"/> Remote/Tourism Camps	<input type="checkbox"/> Mine Development	<input type="checkbox"/> Municipal	<input type="checkbox"/> Advanced Exploration	<input type="checkbox"/> Power	<input checked="" type="checkbox"/> Exploratory Drilling	<input checked="" type="checkbox"/> Other (describe): <u>ground geophysical surveys and prospecting</u>
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6. WATER USE <table><tr><td><input checked="" type="checkbox"/> To obtain water</td><td><input type="checkbox"/> To divert a watercourse</td></tr><tr><td><input type="checkbox"/> To modify the bed or bank of a watercourse</td><td><input type="checkbox"/> Flood control</td></tr><tr><td><input type="checkbox"/> To alter the flow of, or store, water</td><td><input type="checkbox"/> Other (describe): _____</td></tr><tr><td><input type="checkbox"/> To cross a watercourse</td><td></td></tr></table>		<input checked="" type="checkbox"/> To obtain water	<input type="checkbox"/> To divert a watercourse	<input type="checkbox"/> To modify the bed or bank of a watercourse	<input type="checkbox"/> Flood control	<input type="checkbox"/> To alter the flow of, or store, water	<input type="checkbox"/> Other (describe): _____	<input type="checkbox"/> To cross a watercourse	
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<input type="checkbox"/> To cross a watercourse									

7. **QUANTITY OF WATER INVOLVED** (litres per second, litres per day or cubic metres per year, including both quantity to be used and quality to be returned to source)

Camp consumption: 1000 l/day

Drilling: Consumption depends on which drill rig is used. Peak Prospector Rig: up to 20,000 l/day
Peak 1000 drill rig: up to 30,000 l/day
Longyear 17: up to 50,000 l/day

8. **WASTE** (for each type of waste describe: composition, quantity, methods of treatment and disposal, etc.)

- see SUPPLEMENTARY QUESTIONNAIRE

9. **PERSONS OR PROPERTIES AFFECTED BY THIS UNDERTAKING** (give name, mailing address and location; attach if necessary)

Land Use Permit

DIAND X Yes ☐ No N1999J0049
Regional Inuit Association X Yes ☐ No KTL399C002 / KTL199F013
Commissioner ☐ Yes X No If no, date expected _____

10. **PREDICTED ENVIRONMENTAL IMPACTS OF UNDERTAKING AND PROPOSED MITIGATION MEASURES** (direct, indirect, cumulative impacts, etc.)

NIRB Screening X Yes ☐ No KTL399

11. **CONTRACTORS AND SUB-CONTRACTORS** (name, address and functions)

Peak Exploration Inc., Box 838 Smithers, B.C. V0J 2N0 Drilling contractor
Midwest Drilling, 180 Cree Crescent, Winnipeg, MN, R3J 3W1 Drilling contractor
Great Slave Helicopters Ltd., Bag 7500 Yellowknife, NT X1A 2R3 Helicopter contractor

12. **STUDIES UNDERTAKEN TO DATE** (list and attach copies of studies, reports, research, etc.)

NONE

13. **THE FOLLOWING DOCUMENTS MUST BE INCLUDED WITH THE APPLICATION FOR THE REGULATORY PROCESS TO BEGIN**

Supplementary Questionnaire (where applicable: see section 5) X Yes ☐ No If no, date expected _____
Inuktitut/English Summary of Project X Yes ☐ No If no, date expected _____
Application fee \$30.00 (c/o of Receiver General for Canada) X Yes ☐ No If no, date expected _____

14. **PROPOSED TIME SCHEDULE**

X Annual (or) ☐ Multi Year

Start Date: March 15, 2000

Completion Date: September 30, 2000

Kevin Wallis
Name (Print)

Geologist
Title (Print)


Signature

December 15, 1999
Date

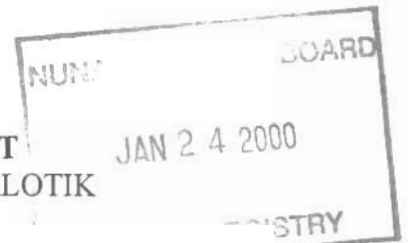
For Nunavut Water Board use only
APPLICATION FEE

Amount: \$ 30 Receipt No.: C116751

WATER USE DEPOSIT

Amount: \$ _____ Receipt No.: _____

KENNECOTT CANADA OYAGAKHIOKTIT
2000-MI OYAGAKHIOKNIAKTOT NALVAKHIOKLOTIK



Kennecott Canada Oyagakhioktit (Kennecott) oyagakhiokniakhimaliktot nalvakhiooklotik kennikhialotik kovvikhaknik mikkiligakmiakhanik Nunavutmi havaliklotik Masi 15-mit nonggolikat aoyak oyagakhioknaknik 2000. Homi napakhiktokhimayatik oyagakhiokviit kennikhiaviginiaktait Nannitaakmi ovanilo Kaomagiakmi Tahikmi. Ovani Nannitaakmi kukkami, emakak 120 km oataani Kenggaop. Ona Kaomagiak Tanik napakhiktokhimayaktik tahik tonongani kivataanilo Takiyuak Tahik, ongahiktigiok 200 km oataani ovalo hivogani Kenggaop. Kennecott oyagakhiogotini angigotikaktot eloani Inuit Nunaotaini Nunanik oyagakhiokviit CO-20 onalo CO-44. Okoa tupikakviit oyagakhiokviit nappakhiktokhimayut haniani oallikmi tonongani oma CoO-21 (Bigfoot Camp, Nannitaakmi) ovalo tonongani Napaktulik tahikmi (Tak Camp, Kaomagiakmi).

Ovani 2000-mi, Kennecott oyagakhioklotik nalvaakhiokniaktot nunap kanganit: oyakanik pukoklotik ehivgiokhiniaktot ovalo kangani nunap evvakhialotik kanogitonik oyagantik emakak mikkiligakmiakhakatonik kovvikhaknik. Okoa oyagakhioktit ovalo oktugahoaliktot kagaktitailotik nalakniaktot oyakanik ovalo ekutaklotik tahamani oyagantik emakak oyakat kovvikhakagonakhikmata pinniktonik mikkiligakmiakhanik. Hapkoa enikagit titigakniaktait okaotigilogit NTI-konot okonongalo DIAND-konot okiotoagaikpat. Ona nunami oyagakhioknik oyagakhioktikakniaktot Kennecott oyagakhioktingitnik ekayuktikaklotik inuknik. Okoa oyagakhioktit ekayuktingit inuit Nunavutmiotaoniaktot inuinait Kugluktumiotat emakak homitlo kitikmeotat. Amigaitot Inuinait havaktitaoniaktot havaktikhat piyaolotik 1999 havakhimayut havakhimayut Kennecott-mi ovani 2000.

Kennecott apikhitaktot ovalo toniyaotakhok angiktaoyunik okonanit Kitikmeot Inuit Katimayiniit ovalo DIAND-konit Nunanik Atutikhanik Laisinik ema akilikhitaktot oyagakhiogotikhanik ovalo ekutaotikhaniklo.

Kennecott angikhimayut havaklotik eliogaitaktot ovalo pihimalotik inuknit ehoagiyaovlotik havakatikakniaktot nunaliknik ema oyagakhiogotini havaklotik. Ovagut oyagakhiogotivut ovalo nunanik kayagitiakoyaohimayut oyagakhiogomagomik ema havaktivut pittiakoyavut kantolaktivut ovaptingnot havagahotat, ovalo nuna kayagilogo pinahoaktogut inuinait nunaotainik ema nunaotainik oyagakhioktitaogupta.



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NUNAVUT WATER BOARD

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NUNAVUT IMALIRIYIN KATIMAYINGI

**EXPLORATION/ REMOTE CAMP
SUPPLEMENTARY QUESTIONNAIRE**

NUNAVUT WATER BOARD

JAN 24 2000

PUBLIC REGISTRY

Applicant: Kennecott Canada Exploration Inc.

Licence No:

nwb2TAK

(For NWB Use Only)

ADMINISTRATIVE INFORMATION

1. Environment Manager: Danie Gregory Tel: (604) 668-1880 Fax: 669-5255 E-mail: gregoryd@kcivan.com
2. Project Manager: Kevin Wallis Tel: (604) 668-1880 Fax: 669-5255 E-mail: wallisk@kcivan.com
3. Does the applicant hold the necessary property rights? **YES**
4. Is the applicant an 'operator' for another company (i.e., the holder of the property rights)? **NO**
If so, please provide letter of authorization.

Duration of the Project

☒ Annual

☐ Multi Year:

If Multi-Year indicate proposed schedule of on site activities

Start: **March 15, 2000**

Completion: **September 30, 2000**

CAMP CLASSIFICATION

6. Type of Camp

☐ Mobile (self-propelled)

☒ Temporary

☒ Seasonally Occupied: _____

☐ Permanent

☐ Other: _____

7. What are the design population of the camp and the maximum population expected on site at one time? What will be the fluctuations in personnel?

The Tak camp is designed to hold up to 32 people. The maximum expected on site at any time is ~20, though it maybe as high as 24 and as low a 4.

8. Provide history of the site if it has been used in the past.

The campsite was first used by Lytton Minerals Inc. from 1992 until 1996. KCEI became operators of the Tak camp in 1997. Since then the camp has been used in the summer and spring as a base for mineral exploration on the area.

CAMP LOCATION

9. Please describe proposed camp location in relation to biogeographical and geomorphological features, and water bodies

The Tak camp is located on the top of a sand and gravel esker, with little to no vegetation cover. The nearest body of water is located over 250 metres away.

10. How was the location of the camp selected? Was the site previously used? **NO** Was assistance from the Regional Inuit Association Land Manager sought? **NO** Include maps and/or aerial photographs.

The Tak camp was selected on that site due to the ability of wheeled/float and ski equipped aircraft to land in close proximity to the camp.

11. Is the camp or any aspect of the project located on:
☒ Crown Lands Permit Number (s)/Expiry Date: **N1999J0049**
☐ Commissioners Lands Permit Number (s)/Expiry Date: **N/A**
☒ Inuit Owned Lands Permit Number (s)/Expiry Date: **KTL199F013/KTL399C002**

12. Closest Communities (distance in km)

Kugluktuk is located 160km to the NW.

13. Has the proponent notified and consulted the nearby communities and potentially interested parties about the proposed work?

Yes, in April of 1999 two representatives (Ian Graham & Kevin Wallis) traveled to Kugluktuk and had discussions with the local KIA, wildlife conservation officer and RWED people.

14. Will the project have impacts on traditional water use areas used by nearby communities? **NO**
Will the project have impacts on local fish and wildlife habitats? **NO**

PURPOSE OF THE CAMP

15. ☒ Mining
☐ Tourism (hunting, fishing, wildlife observation, adventure/expedition, etc.)
(Omit questions # 16 to 21)
☐ Other _____ (Omit questions # 16 to 22)

16. ☐ Preliminary site visit
☒ Prospecting
☒ Geological mapping
☒ Geophysical survey
☒ Diamond drilling
☐ Reverse circulation drilling
☐ Evaluation Drilling/Bulk Sampling (also complete separate questionnaire)
☐ Other: _____

17. Type of deposit:

- ☐ Lead Zinc
- ☒ Diamond
- ☐ Gold
- ☐ Uranium
- ☐ Other: _____

DRILLING INFORMATION

18. Drilling Activities

- ☒ Land Based drilling
- ☒ Drilling on ice

19. Describe what will be done with drill cuttings?

On land the drill cuttings are to be left on the ground on natural hollows at a distance >30m from lakes or rivers. On the ice the drill cuttings are to be settled out in a settling tank and move on land to natural hollows locate >30m from a body of water. The ice surface is to be scrapped clean after the drill hole is completed.

20. Describe what will be done with drill water?

The drill water is to be pumped to natural depressions >30m from a body of water.

21. List the brand names and constituents of the drill additives to be used? Includes MSDS sheets and provide confirmation that the additives are non-toxic and biodegradable.

- See enclosed a complete list of any chemical that maybe used on the drill or at the campsite.

22. Will any core testing be done on site? Describe.

The drill core is to be geotechnically and geologically logged at the drill site or at the camp.

SPILL CONTINGENCY PLANNING

23. Does the proponent have a spill contingency plan in place? Please include for review.

YES, please see attached is KCEI's spill contingency plan.

24. How many spill kits will be on site and where will they be located?

At the Tak camp there are 2 spill kits one located at the generator refueling area and the second located at the main fuel storage site. A third spill kit is located at the drill rig.

25. Please describe the types, quantities, and method of storage of fuel and chemicals on site, and provide MSDS sheets.

~9000l of P50 (winter diesel fuel)

~9000l of Jet-B

~12 cylinders of propane

~400l of unleaded Gasoline

varying amounts of the other products listed on the attached WHIMIS sheets all less than 20l

WATER SUPPLY AND TREATMENT

26. Describe the location of water sources.

The water source for camp is located ~250m to the NW in a small lake. The water source for drilling will be the closest lake to the drill site, which is not frozen to bottom.

27. Estimated demand (in L/day * person):

- ☐ Domestic Use: ~1000l/day Water Source: lake
- ☐ Drilling Units: ~20,000 to 50,000l/day Water Source: lake
- ☐ Other: _____ Water Source: _____

28. Describe water intake for camp operations? Is the water intake equipped with a mesh screen to prevent entrapment of fish? Describe:

The water for the camp is drawn from the lake using a 1.5Hp pump with a 4" intake hose fitted with a 4mm strainer and a 2" outlet hose.

29. Will drinking water quality be monitored? What parameters will be analyzed and at what frequency?

Drinking water is monitored twice a year at camp start-up in the spring and summer. The parameters that the water is tested for are attached.

30. Will drinking water be treated? How?

The drinking water is not treated.

31. Will water be stored on site?

The water at the camp is stored in three 250gallon drinking water reservoir tanks.

WASTE TREATMENT AND DISPOSAL

32. Describe the characteristics, quantities, treatment and disposal methods for:

☐ Camp Sewage (blackwater)

- 2m deep x 1m x 1m pit toilets have been dug each year, as they fill they are covered with lime and the top 0.5m's are covered with sand. The site is >100m from any body of water.

☐ Camp Greywater

- 1m deep x 3m x 2m grey water sump has been dug on the side of the esker, lime is spread on the pit at the end of the spring work and weekly during summer use. The site is >100m from any body of water.

☐ Solid Waste

- all combustible solid waste is burned in 2 incinerators (modified fuel drums), the remaining ash and non-burnable material is flown out to Yellowknife or Lupin in 45gal drums.

Bulky Items/Scrap Metal

- all scrape metal and bulky items are flown out to Yellowknife or Lupin in 45gal drums.

☐ Waste Oil/Hazardous Waste

- waste oil is burnt in the incinerators and the hazardous wastes are flown back to Yellowknife.

☐ Empty Barrels/Fuel Drums

are stored in camp and back hauled to Lupin and Yellowknife.

☐ Other:

33. Please describe incineration system if used on site. What types of wastes will be incinerated?

The incineration system used is supplied by Northern Service & Supply Ltd. and consists of 2 converted 45 gal fuel drums. All combustible materials are burned in the drums.

34. Where and how will non-combustible waste be disposed of? If in a municipality in Nunavut, has authorization been granted?

All material of this nature is flown back to Yellowknife or Lupin.

35. Describe location (relative to water bodies and camp facilities) dimensions and volume, and freeboard for sumps (if applicable).

-See question #32

36. Will leachate monitoring be done? What parameters will be sampled and analyzed, and at what frequency?

OPERATION AND MAINTENANCE

37. Have the water supply and waste treatment and disposal methods been used and proven in cold climate? What known O&M problems may occur? What contingency plans are in place?

Don't know

ABANDONMENT AND RESTORATION

38. Provide a detailed description of progressive and final abandonment and restoration activities at the site.

Site closure will be to fly out all scrap metal and non-combustible materials to Yellowknife and Lupin, all timber and combustible materials will be burned on site.

BASELINE DATA

39. Has or will any baseline information be collected as part of this project? Provide bibliography.
- YES** Physical Environment (Landscape and Terrain, Air, Water, etc.)
 - YES** Biological Environment (Vegetation, Wildlife, Birds, Fish and Other Aquatic Organisms, etc.)
 - YES** Socio-Economic Environment (Archaeology, Land and Resources Use, Demographics, Social and Culture Patterns, etc.)
 - ☐ Other:

REGULATORY INFORMATION

40. Do you have a copy of
- ☐ Article 13 - Nunavut Land Claims Agreement
 - ☐ NWB - Water Licensing in Nunavut - Interim Procedures and Information Guide for Applicants
 - ☐ NWB - Interim Rules of Practice and Procedure for Public Hearings
 - ☐ NWTWB - Guidelines for the Discharge of Treated Municipal Wastewater in the NWT
 - ☐ NWTWB - Guidelines for Contingency Planning
 - ☐ DFO - Freshwater Intake End of Pipe Fish Screen Guideline
 - ☐ Fisheries Act - s.35
 - ☐ RWED - Environment Protection- Spill Contingency Regulations
 - ☐ Canadian Drinking Water Quality Guidelines
 - ☐ Public Health Act Camp Sanitation Regulations
 - ☐ Public Health Act Water Supply Regulations
 - ☐ Territorial Land Use Act and Regulations

You should consult the above document, guidelines, and legislation for compliance with existing regulatory requirements