Water Resources Division Nunavut Regional Office Indian and Northern Affairs Canada Iqaluit, NU X0A 0H0

Monday, June 23, 2008

Richard Dwyer Licence Administrator Nunavut Water Board Gjoa Haven, NU X0B 1J0

Re: 2BE-TRN, Rockgate Capital Corporation, Turner Lake Project, Kitikmeot Region, New Licence Application

Dear Mr. R. Dwyer,

Indian and Northern Affairs Canada (INAC) has reviewed the April 6, 2008 Type B licence application submitted by Rockgate Capital Corporation for its Turner Lake Project. The project area is situated on Inuit Owned Lands in the Kitikmeot Region, approximately 55 kilometers (km) northwest of the community of Bathurst Inlet and 270 km south southwest of the Hamlet of Cambridge Bay. This project will allow for a better understanding of the Turner Lake Property's mineral reserves. A helicopter assisted diamond drill program has been planned and project staff will be accommodated within the community of Bathurst Inlet.

The following advice has been provided pursuant to INAC'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*. Indian and Northern Affairs Canada recommends that these comments be considered when reviewing this licence renewal application.

A. General

- 1. INAC supports the Type B Mineral Exploration water licence application submitted by Rockgate Capital Corporation.
- 2. The Proponent should consider having a licence term of five (5) years rather than the proposed term for two (2) years. Setting a longer licence term would alleviate water licence renewal efforts faced by the Board, licence applicants, and interveners.
- 3. The GPS coordinates of the Turner Lake Property, fuel caches, and emergency shelter should be referenced in a Spill Contingency Plan, Abandonment and Reclamation Plan, and water licence.



Our File: 9545-1-2TURG / CIDMS 219047

Waste Disposal

4. Solid waste should be delivered to an approved solid waste management facility. If the Proponent has made arrangements to transfer its solid wastes to a municipality situated within Nunavut, a letter of agreement between the municipality and the Proponent should be provided to the Board. No solid waste should be delivered to the community of Bathurst Inlet since this community does not hold a water licence for the use of water and management of waste.

B. **Drilling Operations**

- Upon completion of land-based drilling activities, drill holes should be sealed and capped to prevent possible vertical movement of water which may induce thermal erosion. All drill holes should be sealed at their lower and upper permafrost levels. Drill holes should be capped or sealed through the thermal active layer if artesian flows due to impervious layers and/or naturally occurring, confined salt water are encountered.
- 2. Drill cuttings must be located at least 30 meters from the high water mark of any freshwater body. Sumps should have enough freeboard to contain this material.
- 3. Drill holes should have all rods and casings, if possible, removed prior to their abandonment.

C. Spill Contingency Planning

- The Proponent should submit a stand alone Spill Contingency Plan specific for the Turner Lake Project to the Board for review. The Project Description Spill Plan submitted with the licence application is considered incomplete. A site specific plan with detailed hazardous material management and spill response procedures should be developed.
- Detailed schematic diagrams of all project fuel caches should be included in a Spill Contingency Plan. These diagrams should be set at appropriate scales and reference their global positioning system coordinates, proximity to adjacent freshwater sources, base contour lines, spill response equipment, and fuel transfer areas.
- 3. The NWT/NU Spill Report form should be included in a Spill Contingency Plan. A copy of this form can be accessed from the Nunavut Water Board's online public registry.

4. Contact information for the INAC Kitikmeot Region Water Resource Officer, Melissa Joy, should be referenced in a Spill Contingency Plan.

Her contact information is as follows,

Melissa Joy, Water Resources Officer Kugluktuk Tel. (867) 982-4302 Fax. (867) 982-4307 Email JoyM@inac-ainc.gc.ca

D. Abandonment and Reclamation Planning

- The Proponent should submit an Abandonment and Reclamation Plan specific to the Turner Lake Project to the Board for review and approval. This Plan should describe those reclamation procedures that will be practiced in the Turner Lake Project area (e.g., drill site and fuel cache reclamation).
- 2. The Proponent should provide detailed written and photo documentation specific to the reclamation of a minimum of five (5) drill sites in an annual water licence report. This will allow for an increased understanding of progressive reclamation work specific to exploration drilling activities.

E. Monitoring Program

- 1. Upon receipt of a water licence, the Proponent should write a Monitoring Plan specific to any monitoring requirements set by the Board. This Plan should be provided to the Board for review and approval.
- 2. The Proponent should monitor basic water quality at the water sources downstream of each drill site as part of best practices. A total of four (4) parameters; pH, temperature, conductivity, and dissolved oxygen, should be collected / analysed on three (3) separate occasions at the water source downstream of each drill site. These parameters should be collected prior to the commencement of drilling, upon completion of drilling activities (i.e., abandonment), and one (1) week following the completion of site drilling activities using a calibrated field meter or other approved method. The information should be provided to the Board in an annual report and, if a substantial change in pH or conductivity was noted, the Board should be made aware of any mitigation actions taken by the proponent.

Indian and Northern Affairs Canada requests notification of any changes in the proposed project, as further review may be necessary. Please contact me should you have any questions or comments with regards to the foregoing. I can be reached by telephone at (867) 975-4555 or email at AbernethyD@inac-ainc.gc.ca.

Regards, *Original signed by*

David W. Abernethy Regional Coordinator

Carbon copy:

Jim Rogers, Manager of Water Resources – INAC, Nunavut Regional Office Melissa Joy, Water Resource Officer – INAC, NRO Phyllis Beaulieu, Manager of Licensing – Nunavut Water Board Lorne Warner, VP Exploration, Director – Rockgate Capital Corporation