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By Licensing Administrative Assistant at 1:32 pm, Jul 22, 2011

Water Resources Nunavut Regional Office P.O. Box 100 Iqaluit, NU, X0A 0H0

July 21, 2011

Phyllis Beaulieu Licensing Administrator Nunavut Water Board P.O. Box 119 Gjoa Haven, NU, X0A 1J0 Your file - Votre référence 2BE-WPP----Our file - Notre référence CIDM# 472534

Re: 2BE-WPP---- Western Permits Project – Advanced Explorations Inc. – Qikiqtani Region – New Application

Aboriginal Affairs and Northern Development Canada (AANDC) has performed a review of the new water licence application, 2BE-WPP---- (Western Permits Project) submitted by Advanced Explorations Inc. (AEI) to the Nunavut Water Board (NWB). 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* (NWNSRTA) and the *Department of Indian Affairs and Northern Development Act* (DIAND Act). In conducting our review, AANDC referred to the documents on the NWB's FTP-site under 2BE-WPP----.

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@aandc-aadnc.gc.ca

Sincerely,

Original Signed By

Jean Allen Water Management Specialist

Cc. Tanya Trenholm, A/Manager of Water Resources, Aboriginal Affairs and Northern Development Canada, Nunavut Regional Office Andrew Keim, Water Resource Officer, Aboriginal Affairs and Northern Development Canada, Nunavut Regional Office Ian Rumbolt, Water Resource Officer, Aboriginal Affairs and Northern Development Canada, Nunavut Regional Office

Technical Review Memorandum

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

From: Jean Allen - Water Management Specialist, Aboriginal Affairs and

Northern Development Canada

Re: 2BE-WPP---- Western Permits Project – Advanced Explorations Inc. – Qikiqtani Region – New Application

A. Project Description

On June 22, 2011, the Nunavut Water Board (Board) distributed Advanced Exploration Inc.'s (AEI) application for a Type B water licence for water use and waste disposal in association with the Western Permits Project located on Crown and Inuit Owned lands. The applicant has requested a licence term of 5 years (June 2011 to May 2016) for mineral exploration and diamond drilling programs.

AEI proposes the set up a temporary but multi-seasonal camp (location to be determined) to accommodate 10-15 people for approximately 6 months per year. The camp will be situated on Crown land and will be similar in design and materials as AEI's Roche Bay and Tuktu Camps. The closest communities, Hall Beach and Igloolik, are located approximately 155 km NE and 160 km NE of the Western Permits Camp respectively.

Water will be drawn from the nearest lakes for drinking and drilling operations, however the majority of drinking water will be flown into camp. The estimated quantity of water required is 95 m³ per day (5 m³ for domestic use and 90 m³ for drilling). Sewage will be disposed of in compost toilets or removed from site for incineration at another AEI camp. Greywater and drill cuttings will be filtered and released into a sump. Solid waste will be removed from site and incinerated at another AEI camp and ashes stored in drums and shipped to a proper disposal facility. Non-combustible waste, bulky items, waste oil, and empty barrels will be removed from site for proper disposal.

B. Results of Review

AANDC Water Resources Division offers the following comments/ recommendations for the Board's consideration.

1. General

 The applicant indicates that all solid waste will be removed from the site but a disposal facility was not identified. AANDC recommends that the applicant obtain written authorization from a municipality confirming the use of their facilities to dispose of wastes and provide a copy of the authorization to the Board.

2. Camp

 AANDC recommends that the camp location and the water source for camp use be submitted to the Board once established by the applicant.

3. Oil and Hazardous Material Spill Contingency Plan

- The fax number for AANDC Manager of Field Operations should be updated to 867-975-6445
- The MSDS for propane should be included in the spill plan
- cc. Tanya Trenholm, A/Manager of Water Resources, Aboriginal Affairs and Northern Development Canada, Nunavut Regional Office Andrew Keim, Water Resource Officer, Aboriginal Affairs and Northern Development Canada, Nunavut Regional Office Ian Rumbolt, Water Resource Officer, Aboriginal Affairs and Northern Development Canada, Nunavut Regional Office