



NUNAVUT IMALIRIYIN KATIMAYIT
NUNAVUT WATER BOARD
OFFICE DES EAUX DU NUNAVUT

DOCUMENT MANAGEMENT

Original Document Date: April 2010

DOCUMENT AMENDMENTS

	Description	Date
(1)	Updated for public distribution as separate document from NWB Guide 7	June 2010
(2)	Updated NWB logos and reformatted table to allow rows to break across page	May 2011
(3)	New NWB logo and request for background information	April 2013
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		



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NUNAVUT WATER BOARD

NUNAVUT IMALIRIYIN KATIMAYIT

OFFICE DES EAUX DU NUNAVUT

APPLICATION FOR WATER LICENCE RENEWAL

Your application may be classified as a **renewal** only if all operations remain the same as previously licensed and only the term of the licence requires change. If your application contemplates:

- a change to the volume of water authorized for use;
- a new activity related to water use or waste disposal;
- a new component related to water use or waste disposal;
- a change in predicted environmental impacts(s); and/or
- a change to any term or condition of the original licence

your application is **NOT** classified as a renewal but rather an amendment and will require submission of an Application for Water Licence Amendment. Licensees applying for combined renewal / amendment are also referred to the Application for Water Licence Amendment.

The applicant is referred to the NWB's Guide 7: Licensee Requirements Following the Issuance of a Water Licence for more information about this application form.

Where possible, provide background information regarding the original licence application or attach previously submitted information.

EXISTING LICENCE NO: 2BM-ULU0914

1. LICENSEE CONTACT INFORMATION

Is the licensee the same as that referred to on the existing licence?

☒ Yes ☐ No

If No, a licence assignment must be completed and approved by the NWB. **A renewal will only be issued in the name of the current licensee in the absence of assignment of the licence.**

If the licensee is the same, but the name of the licensee has changed, attach a certificate of name change.

Name: Bonito Capital Corp.

Address: #1204 – 700 West Pender Street, Vancouver, BC V6C 1G8

Phone: 604-682-3366

Fax: 604-682-3363

e-mail: klewis@elginmining.com

2. LICENSEE REPRESENTATIVE CONTACT INFORMATION – If different from Block 1.

Same as Block 1

Name:

Address:

Phone: _____

Fax: _____

e-mail: _____

(Attach authorization letter.)

3. NAME OF PROJECT

Is the name of the project the same as that considered in the existing water licence?

☒ Yes ☐ No

Indicate the name of the project including the name of the location: Ulu Gold Project

4. LOCATION OF UNDERTAKING

Is the location of the undertaking the same as that considered in the existing water licence?

☒ Yes ☐ No

Project Extents – no change

Camp Location(s) – no change

5. MAP

Are the locations of the main components of the undertaking the same as those considered in the existing licence?

☒ Yes ☐ No

Attach a topographical map, indicating the main components of the undertaking.

See Figures provided as Attachment #2.

- a. Figure 1 – Ulu Project Location Map
- b. Figure 2 – Main Areas Ulu Site
- c. Figure 3 – Ulu Mine Site Plan

NTS Map Sheet No.: 76L 14/15

Map Name: NA

Map Scale: _____

6. NATURE OF INTEREST IN THE LAND

Is the nature of the interest in the land the same as that considered in the existing water licence?

☒ Yes ☐ No

Check any of the following that are applicable to the proposed undertaking (at least one box under the 'Surface' header must be checked).

Sub-surface

☐ Mineral Lease from Nunavut Tunngavik Incorporated (NTI)

Date (expected date) of issuance: _____ Date of expiry: _____

☒ Mineral Lease from Indian and Northern Affairs Canada (INAC)

Date (expected date) of issuance: _____ Date of expiry: _____

Surface

☐ Crown Land Use Authorization from Indian and Northern Affairs Canada (INAC)

Date (expected date) of issuance: _____ Date of expiry: _____

☒ Inuit Owned Land (IOL) Authorization from Kitikmeot Inuit Association (KIA) – KTL311C013

Date (expected date) of issuance: renewal in progress Date of expiry: _____

☐ IOL Authorization from Kivalliq Inuit Association (KivIA)

Date (expected date) of issuance: _____ Date of expiry: _____

☐ IOL Authorization from Qikiqtani Inuit Association (QIA)

Date (expected date) of issuance: _____ Date of expiry: _____

☐ Commissioner's Land Use Authorization

Date (expected date) of issuance: _____ Date of expiry: _____

☐ Other _____

Date (expected date) of issuance: _____ Date of expiry: _____

Name	Type	Description	Expiry
3563	Mining Lease	Lot 1000, Quad 76-L-14	November 18, 2017

Is the name of the entity(s) holding authorizations the same as that considered in the existing water licence?

☒ Yes ☐ No

If No, a licence assignment must be completed and approved by the NWB.

Name of entity(s) holding authorizations: Bonito Capital Corp.

7. NUNAVUT PLANNING COMMISSION (NPC) DETERMINATION

Is the undertaking located in the same land use planning area as that considered in the existing licence?

☒ Yes ☐ No

Indicate the land use planning area in which the project is located.

☐ North Baffin

☐ Keewatin

☐ South Baffin

☐ Sanikiluaq

☐ Akunnig

☒ West Kitikmeot

Was a land use plan conformity determination required from NPC prior to the issuance of the existing water licence?

☐ Yes ☒ No

If Yes, indicate date issued and attach copy. _____

Does the proposed renewal change the original NPC conformity determination or the need to obtain one?

☐ Yes ☒ No

If Yes, indicate date issued (or expected) and attach a copy. _____

If No, provide written confirmation from NPC confirming that a land use plan conformity review is not required.

N/A – Outside of NPC planning region – see [Attachment 3](#): Email from NPC dated Oct 28, 2008.

8. NUNAVUT IMPACT REVIEW BOARD (NIRB) DETERMINATION

Was a screening determination required from NIRB prior to the issuance of the existing water licence?

☒ Yes ☐ No

If Yes, indicate date issued and attach copy. November 19, 2008 NIRB File 99WR055

A copy of the NIRB Screening Decision dated November 19, 2008 is included in the application package as [Attachment No. 4](#): NIRB Exemption from screening as the project was screened previously.

Does the proposed renewal change the original NIRB screening determination or the need to obtain one?

☐ Yes ☒ No

If Yes, indicate date issued (or expected) and attach a copy. _____

If No, provide written confirmation from NIRB confirming that a screening determination is not required.

Bonito Capital has copied this renewal Application to the NIRB, and included NIRB's previous screening exemption for the renewal in [Attachment No. 4](#).

9. DESCRIPTION OF UNDERTAKING

Is the description of the undertaking the same as that considered in the existing water licence?

☒ Yes

List and attach plans and drawings or project proposal.

Project plans are available on the NWB ftp site at:
[ftp://nunavutwaterboard.org/1%20PRUC/2%20MINING%20MILLING/2B/2BM%20-%20Mining/2BM-ULU0914%20Bonito/3%20TECH/1%20GENERAL%20\(B\)/2%20ANNUAL%20RPT/2012/](ftp://nunavutwaterboard.org/1%20PRUC/2%20MINING%20MILLING/2B/2BM%20-%20Mining/2BM-ULU0914%20Bonito/3%20TECH/1%20GENERAL%20(B)/2%20ANNUAL%20RPT/2012/)

including:

- Spill Contingency Plan
- Sewage Treatment Plant Operation and Maintenance Plan
- Care and Maintenance Plan
- Interim Closure and Reclamation Plan
- Waste Management Plan

10. OPTIONS

Are the alternative methods and locations that were considered to carry out the project the same as those considered in the existing water licence?

☒ Yes ☐ No

Provide a brief explanation of the alternative methods or locations that were considered to carry out the project.

The Project is located based on the location of the ore body.

11. CLASSIFICATION OF PRIMARY UNDERTAKING

Is the primary undertaking the same as that considered in the existing water licence?

☒ Yes ☐ No

Indicate the primary classification of undertaking by checking one of the following boxes.

- | | |
|----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|
| <input type="checkbox"/> Industrial | <input type="checkbox"/> Agricultural |
| <input checked="" type="checkbox"/> Mining and Milling (includes exploration/drilling/exploration camps) | |
| <input type="checkbox"/> Conservation | |
| <input type="checkbox"/> Municipal (includes camps/lodges) | <input type="checkbox"/> Recreational |
| <input type="checkbox"/> Power | <input type="checkbox"/> Miscellaneous (describe below): _____ |

See Schedule II of the *Northwest Territories Waters Regulations* for Description of Undertakings.

12. WATER USE

Is the type(s) of water use(s) the same as that considered in the existing water licence?

☒ Yes ☐ No

Check the appropriate box(s) to indicate the type(s) of water use(s) being applied for.

- | | |
|----------------------------------------------------------------------------------|---------------------------------------------------------------------|
| <input checked="" type="checkbox"/> To obtain water for camp/ municipal purposes | |
| <input checked="" type="checkbox"/> To obtain water for industrial purposes | <input type="checkbox"/> To divert a watercourse |
| <input type="checkbox"/> To cross a watercourse | <input type="checkbox"/> To modify the bed or bank of a watercourse |
| <input type="checkbox"/> To alter the flow of, or store water | <input type="checkbox"/> Flood control |
| <input type="checkbox"/> Other: _____ | |

13. QUANTITY OF WATER INVOLVED

Is the source of water the same as that considered in the existing licence? ☒ Yes ☐ No

Name of water source(s): [West Lake](#)
(show location(s) on map) [See Attachment No 2 – Figures](#)

Is the quality of the water source and its available capacity the same as that considered in the existing licence?

☒ Yes ☐ No

Describe the quality of the water source(s) and the available capacity(s):

A hydrological assessment of West Lake is available on the NWB ftp site at:
[ftp://nunavutwaterboard.org/1%20PRUC/2%20MINING%20MILLING/2B/2BM%20-%20Mining/2BM-ULU0914%20Bonito/3%20TECH/3%20WATER%20USE%20\(C\)/2006](ftp://nunavutwaterboard.org/1%20PRUC/2%20MINING%20MILLING/2B/2BM%20-%20Mining/2BM-ULU0914%20Bonito/3%20TECH/3%20WATER%20USE%20(C)/2006)

Is the overall estimated quantity of water to be used the same as that considered in the existing licence?

☒ Yes ☐ No

Provide the overall estimated quantity of water to be used: [100 m3/day](#)

Are the quantity(s) of water to be used from each source the same as those considered in the existing licence?

☒ Yes ☐ No

Provide the estimated quantity(s) of water to be used from each source: [All water comes from West Lake](#)

Are the quantity(s) of water to be used for each purpose the same as those considered in the existing licence?

☒ Yes ☐ No

Provide the estimated quantities to be used for each purpose (camp, drilling, etc.): [Depends on level of activity at site.](#)

Are the method(s) of extraction the same as those considered in the existing licence? ☒ Yes ☐ No

Describe the method(s) of extraction: [Pumping](#)

Are the quantity(s) of water returned to source(s) the same as those considered in the existing licence?

☒ Yes ☐ No

Estimated quantity(s) of water returned to source(s): [STP treated water returned to East Lake. Unused drill circulation water is returned to West Lake with quantities depending on level of activity.](#)

Are the quality(s) of water(s) returned to source(s) the same as those considered in the existing licence?

☒ Yes ☐ No

Describe the quality(s) of water(s) returned to source(s):

The water licence Part D details the quality of water returned to waterbodies.

14. WASTE

Are the type(s) of waste(s) to be generated and/ or deposited the same as those considered in the existing licence?

☒ Yes ☐ No

Check the appropriate box(s) to indicate the types of waste(s) generated and deposited.

<input checked="" type="checkbox"/> Sewage	<input checked="" type="checkbox"/> Waste oil
<input checked="" type="checkbox"/> Solid Waste	<input checked="" type="checkbox"/> Greywater
<input checked="" type="checkbox"/> Hazardous	<input checked="" type="checkbox"/> Sludges
<input checked="" type="checkbox"/> Bulky Items/Scrap Metal	<input checked="" type="checkbox"/> Contaminated soil and/or water
<input type="checkbox"/> Animal Waste	
<input checked="" type="checkbox"/> Other (describe): minewater from underground	

15. QUANTITY AND QUALITY OF WASTE INVOLVED

Are the quantity(s) of the types of wastes involved the same as those considered in the existing licence?

☒ Yes ☐ No

Are the composition(s) of the types of wastes involved the same as those considered in the existing licence?

☒ Yes ☐ No

Are the method(s) of treatment for the types of waste involved the same as those considered in the existing licence?

☒ Yes ☐ No

Are the method(s) of disposal for the types of waste involved the same as those considered in the existing licence?

☒ Yes ☐ No

For each type of waste indicated in Block 14, describe its composition, quantity in cubic meters/day, method of treatment and method of disposal.

[See the Waste Management Plan available on the NWB ftp site.](#)

16. OTHER AUTHORIZATIONS

In addition to the sub-surface and surface land use authorizations provided in Block 6, are the same authorizations required as considered in the existing licence?

☒ Yes ☐ No

17. PREDICTED ENVIRONMENTAL IMPACTS OF UNDERTAKING AND PROPOSED MITIGATION MEASURES

Are predicted environmental impacts of the undertaking and proposed mitigation measures the same as those considered in the existing water licence?

☒ Yes ☐ No

Describe direct, indirect, and cumulative impacts related to water and waste.

See the [NIRB screening application available on the NIRB ftp site file # 99WR055](#).

18. WATER RIGHTS OF EXISTING AND OTHER WATER USERS

Are the effects of the undertaking on any known persons or property including those that hold licences for water use in precedence to the application, domestic users, in-stream users, authorized waste depositors, owners of property, occupiers of property, and/or holders of outfitting concessions, registered trapline holders, and holders of other rights of a similar nature, the same as those considered in the existing water licence?

☒ Yes ☐ No

Provide the names, addresses and nature of use for any known persons or properties that may be adversely affected by the proposed undertaking, including those that hold licences for water use in precedent to the application, domestic users, in-stream users, authorized waste depositors, owners of property, occupiers of property, and/or holders of outfitting concessions, registered trapline holders, and holders of other rights of a similar nature.

Advise the Board if compensation has been paid and/or agreement(s) for compensation have been reached with any existing or other users.

19. INUIT WATER RIGHTS

Are the effects of the undertaking on the quality, quantity or flow of waters flowing through Inuit Owned Land (IOL) the same as those considered in the existing water licence?

☒ Yes ☐ No

Advise the Board of any substantial affect of the quality, quantity or flow of waters flowing through Inuit Owned Land (IOL), and advise the Board if negotiations have commenced or an agreement to pay compensation for any loss or damage has been reached with one or more Designated Inuit Organization (DIO).

20. CONSULTATION - Provide a summary of any consultation meetings including when the meetings were held, where and with whom. Include a list of concerns expressed and measures to address concerns.

Since Elgin Mining Inc. acquired Bonito Capital Corp, which holds the Ulu Project, in July, 2011, the following consultations have been undertaken:

- August 09, 2011: Meeting with KIA in Kugluktuk to introduce Elgin Mining Inc and provide an update on planned activities at Ulu Project.
- November 16, 2011: Meeting with KIA in Yellowknife to provide project update and discuss employment and training contact information.
- January 16, 2012: Meeting with the KIA Board in Cambridge Bay to provide update on planned activities.
- January 23, 2012: Meeting with KIA (Charlie Avalik) at the Mineral Exploration Roundup in Vancouver, BC to provide an update on planned activities.

- March 06, 2012: Meeting with KIA (Stanley Anablak and Geoffrey Clark) at Prospectors and Developers Association of Canada convention in Toronto, ON to provide an update on planned activities.
- April 15-20, 2012: Made a presentation at the Nunavut Mining Symposium in Iqaluit.
- May 29-31, 2012: Meeting with the KIA and community Elders at Kugluktuk and provided an update on planned activities. No major concerns were expressed. General inquiries pertaining to employment opportunities.

21. SECURITY INFORMATION

Is the financial security assessment the same as that considered in the existing water licence?

☒ Yes ☐ No

Is the estimate of the total financial security for final reclamation the same as that considered in the existing water licence?

☒ Yes ☐ No

Provide an estimate of the total financial security for final reclamation equal to the total outstanding reclamation liability for land and water combined sufficient to cover the highest liability over the life of the undertaking. Estimates of reclamation costs must be based on the cost of having the necessary reclamation work done by a third party contractor if the operator defaults. The estimate must also include contingency factors appropriate to the particular work to be undertaken.

Where applicable, the financial security assessment should be prepared in a manner consistent with the principals respecting mine site reclamation and implementation found in the *Mine Site Reclamation Policy for Nunavut*, Indian and Northern Affairs Canada, 2002.

An updated restoration liability estimate was submitted on August 25, 2011. Comments were received from Environment Canada, AANDC and the KIA prior to the comment closure date of December 31, 2011.

There were no changes to the estimate due to care and maintenance status. However, an update is in progress during 2014 and will be provided with the 2014 annual report.

22. FINANCIAL INFORMATION

Is the statement of financial security the same as that considered in the existing water licence?

☒ Yes ☐ No

Provide an updated statement of financial security.

The Irrevocable Standby Letter of Credit (referenced in Block 21 above) No. GTE HTO 119128 is attached to the Application Package (**Attachment No. 5 and Attachment No. 5a**) and attachment No.5 can also be found at the following link on the NWB FTP site:

<ftp://nunavutwaterboard.org/1%20PRUC/2%20MINING%20MILLING/2B/2BM%20-%20Mining/2BM-ULU0914%20Bonito/3%20TECH/2%20SECURITY/2011/110705%202BM-ULU0914%20Letter%20of%20Credit%20ULU-IMLE.pdf>

Acknowledgement of receipt of the Letter of Credit:

<ftp://nunavutwaterboard.org/1%20PRUC/2%20MINING%20MILLING/2B/2BM%20-%20Mining/2BM-ULU0914%20Bonito/3%20TECH/2%20SECURITY/2011/110708%203BM-ULU0914%20Elgin%20INAC%20Acknowledge%20Receipt%20of%20LOC-IMLE.pdf>

If the applicant is a business entity please answer the questions below:

Is the list of the officers of the company the same as those considered in the existing water licence?

☐ Yes ☒ No

Provide a list of the officers of the company.

Patrick Downey, President

Peter Tam, Treasurer

Michele Jones, Secretary

Is the Certificate of Incorporation or evidence of registration of the company name the same?

☒ Yes ☐ No

Attach a copy of the Certificate of Incorporation or evidence of registration of the company name.

See [Attachment No. 6.](#)

23. STUDIES UNDERTAKEN TO DATE

List and attach updated studies, reports, research etc.

All information, plans and studies are available on the NWB ftp site.

Operational Plans are located at:

[ftp://nunavutwaterboard.org/1%20PRUC/2%20MINING%20MILLING/2B/2BM%20-%20Mining/2BM-ULU0914%20Bonito/3%20TECH/1%20GENERAL%20\(B\)/2%20ANNUAL%20RPT/2012](ftp://nunavutwaterboard.org/1%20PRUC/2%20MINING%20MILLING/2B/2BM%20-%20Mining/2BM-ULU0914%20Bonito/3%20TECH/1%20GENERAL%20(B)/2%20ANNUAL%20RPT/2012)

Annual Reports for 2010-2013 are located at:

[ftp://nunavutwaterboard.org/1%20PRUC/2%20MINING%20MILLING/2B/2BM%20-%20Mining/2BM-ULU0914%20Bonito/3%20TECH/1%20GENERAL%20\(B\)/2%20ANNUAL%20RPT/](ftp://nunavutwaterboard.org/1%20PRUC/2%20MINING%20MILLING/2B/2BM%20-%20Mining/2BM-ULU0914%20Bonito/3%20TECH/1%20GENERAL%20(B)/2%20ANNUAL%20RPT/)

Geotechnical Inspection Reports for 2009-2013 at:

[ftp://nunavutwaterboard.org/1%20PRUC/2%20MINING%20MILLING/2B/2BM%20-%20Mining/2BM-ULU0914%20Bonito/3%20TECH/4%20WASTE%20DISP%20\(D\)/D9%20Geotechnical/](ftp://nunavutwaterboard.org/1%20PRUC/2%20MINING%20MILLING/2B/2BM%20-%20Mining/2BM-ULU0914%20Bonito/3%20TECH/4%20WASTE%20DISP%20(D)/D9%20Geotechnical/)

Provide a compliance assessment and status report including a response to any inspector's reports. The licensee must contact the NWB for licence specific direction in completing the assessment and report.

See [Attachment No. 7.](#)

If in non-compliance, a licence may not be issued until compliance is achieved. If in non-compliance, attach plans/reports for consideration. Application will not be processed if significant issues of non-compliance exist.

24. PROPOSED TIME SCHEDULE

Is the time schedule for all phases of development (construction, operations, closure and post closure) the same as that considered in the existing licence?

☒ Yes ☐ No

Indicate the proposed start and completion dates for each applicable phase of development (construction, operation, closure, and post closure).

Construction

Proposed Start Date: _____ NA _____ Proposed Completion Date: _____ NA _____
(month/year) (month/year)

Operation

Proposed Start Date: _____ TBD _____ Proposed Completion Date: _____ TBD _____
(month/year) (month/year)

Closure

Proposed Start Date: _____ TBD _____ Proposed Completion Date: _____ TBD _____
(month/year) (month/year)

Post - Closure

Proposed Start Date: _____ TBD _____ Proposed Completion Date: _____ TBD _____
(month/year) (month/year)

For each applicable phase of development indicate which season(s) activities occur.

Construction

☐ Winter ☐ Spring ☐ Summer ☐ Fall ☒ All season

Operation

☐ Winter ☐ Spring ☐ Summer ☐ Fall ☒ All season

Closure

☐ Winter ☐ Spring ☐ Summer ☐ Fall ☒ All season

Post - Closure

☐ Winter ☐ Spring ☐ Summer ☐ Fall ☒ All season

25. PROPOSED TERM OF LICENCE

On what date does the existing licence expire? August 31, 2014

Indicate the proposed term of the renewal (maximum of 25 years): 10 years commencing in 2014

Requested date of renewal issuance: August 2014
(month/year)

Requested Expiry Date: August 2024
(month/year)

(The requested date of renewal issuance must be at least three (3) months from the date of application for a type B water licence and at least one (1) year from the date of application for a type A water licence, to allow for processing of the water licence application. These timeframes are approximate and do not account for the time to complete any pre-licensing land use planning or development impact requirements, time for the applicant to prepare and submit a water licence application in accordance with any project specific guidelines issued by the NWB, or the time for the applicant to respond to requests for additional information. See the NWB's *Guide 5: Processing Water Licence Applications* for more information)

26. ANNUAL REPORTING

Is the annual report template expected to be the same as that considered in the existing licence?

☒ Yes ☐ No

If not using the NWB's *Standardized Form for Annual Reporting*, provide details regarding the content of annual reports and a proposed outline or template of the annual report.

27. CHECKLIST

The following must be included with the application for renewal for the water licensing process to begin.

Completed Application for Water Licence Renewal form.

☒ Yes ☐ No If no, date expected _____

Updated plans, including designs and reports (see Block 23).

☒ Yes ☐ No If no, date expected _____

Updated security assessment (see Block 21).

☒ Yes ☐ No If no, date expected _____

Updated financial statement (see Block 22).

☒ Yes ☐ No If no, date expected _____

Compliance Assessment / Status Report (see Block 23).

☒ Yes ☐ No If no, date expected _____

English Summary of Renewal Application.

☒ Yes (in process) ☐ No If no, date expected _____

Inuktitut and/or Inuinnaqtun Summary of Renewal Application.

☒ Yes (in process) ☐ No If no, date expected _____

Application fee of \$30.00 CDN (Payee Receiver General for Canada).

☒ Yes ☐ No If no, date expected _____

Water Use Fee Deposit of \$30.00 CDN (Payee Receiver General for Canada). The actual water use fee will be calculated by the NWB based upon the amount of water authorized for use in accordance with the Regulations at the time of issuance of the licence.

☒ Yes ☐ No If no, date expected _____

28. SIGNATURE

I, Patrick Downey (print name)

certify that the application requires no changes to water use or waste disposal as previously authorized and that the information given on this form is, to the best of my knowledge, correct and complete.


Signature

May 30/2014
Date