



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

Your file - Votre référence
2BM-ULU2030
Our file – Notre référence
CIDM#1292585

January 29, 2021

Richard Dwyer
Manager of Licensing
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU, X0B 1J0
E-mail: licensing@nwb-oen.ca

Re: Crown-Indigenous Relations and Northern Affairs Canada Review of the Design Plans for the Soil Treatment Facility at the Ulu Mine, Blue Star Gold Corp., Type B Water Licence No. 2BM-ULU2030

Dear Richard Dwyer,

Thank you for the January 8, 2021 invitation to review the referenced licence required plans, submitted by Blue Star Gold Corporation, for Type B Water Licence No. 2BM-ULU2030.

Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) examined the application pursuant to its mandated responsibilities under the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Department of Crown-Indigenous Relations and Northern Affairs Act*. Please find CIRNAC comments and recommendations in the attached Technical Memorandum.

If there are any questions or concerns, please contact me at (867) 975-3877 or miriame.giroux-paniloo@canada.ca.

Sincerely,

Miriame Giroux-Paniloo,
Water Resource Technician



Technical Review Memorandum

Date: January 29, 2021

To: Richard Dwyer – Manager of Licensing, Nunavut Water Board

From: Miriame Giroux-Paniloo – Water Resources, CIRNAC

Subject: Crown-Indigenous Relations and Northern Affairs Canada Review of the Design Plans for the Soil Treatment Facility at the Ulu Mine, Blue Star Gold Corp., Type B Water Licence No. 2BM-ULU2030

Region: ☒ Kitikmeot ☐ Kivalliq ☐ Qikiqtani

A. BACKGROUND

The Ulu Gold Project (Ulu) is located approximately 220 km southeast of Kugluktuk in the Kitikmeot Region of Nunavut. The Project is located entirely on Inuit-owned land, adjacent to the Hood River property. The project is currently a surface and underground exploration site with a small camp (Camp 3) capable of housing 20 people. The project consists of sleeping and dining quarters, a vehicle repair shop, fuel containment areas (tanks removed in 2018) for bulk diesel and day tank storage, core storage area, core shack, and fuel staging area. Unused facilities were demolished by the previous owner and stockpiled for disposal in the underground workings and in a landfill at the portal entrance. Also on site are an airstrip, a winter access trail, and legacy waste and contaminated soil.

Blue Star Gold Corp. (Blue Star) has recently been approved to add the following to the project scope:

- a non-hazardous waste landfill;
- a soils treatment facility;
- a temporary camp proximal to the existing airstrip;
- bulk fuel storage in tanks or bladders up to 100,000 L capacity;
- new water supplies;
- increase of water use to 299 m³/day;
- use of biodiesel as an alternative fuel;
- a new quarry for construction materials; and
- Seasonal use of the historic winter trail between Ulu and the Lupin Mine.

On January 7, 2021, Blue Star submitted Issued for Construction Drawings and an associated memo to construct the soils treatment facility to the Nunavut Water Board. CIRNAC provides the following comments and recommendations pertaining to both the



renewal and the amendment to Water Licence 3BM-IGL1520. A summary of the subjects of recommendations can be found in Table 1. Detailed technical review comments and recommendations can be found in Section C.

Table 1: Summary of Recommendations

Recommendation Number	Subject
R-01	Water Storage Pond Inflow and Outflow Details

B. DOCUMENTS REVIEWED

The following table (Table 2) provides a summary of the documents reviewed under the submission.

Table 2: Documents Reviewed

Document Title	Author, File No., Rev., Date
Letter to the Nunavut Water Board Re. 2BM-ULU2030 Part E Item 3 – Soil Treatment Facility	Peter Kuhn, Advisor, Blue Star Gold Corp. January 7, 2021.
Soil Treatment Facility issued for Construction Drawings	SRK Consulting, June, 2020.

C. RESULTS OF REVIEW

1. Water Storage Pond Inflow and Outflow Details

Comment:

CIRNAC is unclear how the discharge water will flow in and out of the water storage pond, and whether considerations for overflow and spills have been made. As the water could contain hydrocarbons, the surrounding area could be impacted by direct discharge.

Recommendation:

(R-01) CIRNAC recommends that Blue Star provide details on how water will flow in and out of the water storage pond and, if direct discharge is planned, how impacts of hydrocarbons will be mitigated.

D. REFERENCES

Works Cited

No other works cited.