



P.O. Box 119, Gjoa Haven, NU X0B 1J0, Tel: (867) 360-6338, Fax: (867) 360-6369

If Canadian North Resources and Development Corp. contemplates changes to its undertaking involving a change in scope or increased activity, a water licence may be required. It is Canadian North Resources and Development Corp.'s responsibility to apply to the NWB for a water licence in accordance with the timelines set out for licences.

This Approval has been posted to the NWB's Public Registry and FTP site and is accessible from the following link (using the username "public" and password "registry", without the quotes):

<ftp://nunavutwaterboard.org/1%20PRUC/2%20MINING%20MILLING/2WL/2WLE%20-%20Exploration/> .

Sincerely,



Thomas Kabloona
Nunavut Water Board
Chair

TK/kk/pb

Enclosure: Approval Number: 2WLE-FER1314

Cc. Kivalliq Distribution List



NUNAVUT WATER BOARD APPROVAL WITHOUT A LICENCE

APPROVAL DECISION

APPROVAL NUMBER: 2WLE-FER1314

This is the decision of the Nunavut Water Board (NWB) with respect to an application for Approval for the use of waters and deposit of waste, without a licence, dated July 22, 2013 made by:

CANADIAN NORTH RESOURCES AND DEVELOPMENT CORP.

to authorize the use of waters and deposit of waste during camp maintenance procedures including maintenance and repair of site buildings and mechanized equipment, re-grading of landing strip, water sampling and analysis in fuel storage area sump to assess the leakage of hydrocarbons at the Ferguson lake project located within the KIVALLIQ Region, Nunavut and, Ferguson Watershed (12) Water Management Area generally located at the geographical coordinates as follows:

Camp:	Latitude: 62.800000	Longitude: -96.900000
Project:	Max Latitude: 62.90000	Max Longitude: -97.500000
	Min Latitude: 62.500000	Min Longitude: -96.200000

DECISION

After ensuring that the application satisfied the requirements of Articles 11 and 12 of the *Nunavut Lands Claim Agreement* (NLCA) regarding land use plan conformity and development impact assessment; that the application satisfied the requirements of section 3 of the *Nunavut Waters Regulations* (NWR or *Regulations*); that the undertaking satisfied the requirements of sections 4 and 5 of the *Regulations* and that the applicant agreed to comply with sections 4(3), 5(4), and 6(1) of the *Regulations*, the NWB determined that:

Approval Number 2WLE-FER1314 be issued, subject to the conditions of Schedule 1 contained therein (Motion # 2013-WL-007).

SIGNED this 31th day of July, 2013 at Gjoa Haven, NU.

Thomas Kabloona
Nunavut Water Board
Chair

TK/kk/pb



**NUNAVUT WATER BOARD
APPROVAL WITHOUT A LICENCE**

APPROVAL No. 2WLE-FER1314

Pursuant to the *Nunavut Waters Regulations*, *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Agreement Between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in Right of Canada*, the Nunavut Water Board hereinafter referred to as the Board, hereby grants to

CANADIAN NORTH RESOURCES AND DEVELOPMENT CORP.

299 COURTNEYPARK DRIVE EAST, MISSISSAUGA, ON L5T 2T6

of

Hereinafter called the Authorized Entity, the right to use waters and deposit of waste for a period of one (1) year after the day on which the Board approved the Application, subject to the conditions contained in Schedule 1 attached to this Approval:

Project Name: **FERGUSON LAKE**

Location: **KIVALLIQ REGION, NUNAVUT**

Water Management Area: **FERGUSON WATERSHED, 12**

Classification of Undertaking: **MINING AND MILLING UNDERTAKING**

Purpose: **USE OF WATERS AND DEPOSIT OF WASTE**

Approval Criteria: **TOTAL WATER USE OF 10 CUBIC METERS PER DAY, DEPOSIT OF SEWAGE AND GREY WATER**

Date of Approval: **JULY 31, 2013**

Expiry of Approval: **JULY 30, 2014**

Dated this 31th day of July, 2013, at Gjoa Haven, NU

Thomas Kabloona
Nunavut Water Board
Chair



SCHEDULE 1

CONDITIONS FOR USE OF WATER OR DEPOSIT OF WASTE WITHOUT A LICENCE

General

1. In the case of an Authorized Entity who has a mineral right and who intends to use waters or deposit waste in relation to that right, the Authorized Entity shall respect the priority conferred on Inuit by section 62 of the *Act* as if that applicant had a licence for the use or deposit.

Use of Waters

2. The Authorized Entity shall take measures prior to the use of waters to minimize any alteration to the bed or banks of a watercourse whose waters are to be used, and the measures shall be maintained during the operation of the undertaking.

Deposit of Waste

3. The Authorized Entity shall not deposit waste to surface water or within thirty-one (31) metres of the ordinary high water mark of any body of water.
4. The waste must not contain more than 15 milligrams per litre of petroleum or petroleum product and must not have a visible hydrocarbon sheen.

Abandonment and Restoration

5. Prior to the closure or abandonment of the undertaking or end of the period authorized for the use of waters or deposit of waste without a licence, whichever occurs first, the site shall be restored — to the extent practicable — to the state in which it was before the use of waters or the deposit of waste occurred.^a

Record Keeping

6. The Authorized Entity shall:
 - a. maintain accurate and detailed books and records of:
 - i. the quantity of water, in cubic metres, used each day,
 - ii. the quantity, in cubic metres, of waste deposited each day,
 - iii. the type of waste deposited each day,
 - iv. where the waste is deposited including GPS coordinates in Latitude and Longitude,
 - v. the concentration of the substance, or substances, in the deposited solid or liquid that has the effect of making the deposit waste,
 - vi. the methodology used to calculate or determine the information referred to in items (i) to (v), and
 - vii. the measures that were taken to avoid or mitigate any adverse impacts of the deposit of waste.



SCHEDULE 1 (Cont.)

- b. keep the books and records on the site of the undertaking during the period of its operation and make them available during that period to an inspector on request;
- c. submit to the Board a report containing a summary description and supporting photographs of the restoration of the site of the undertaking within thirty (30) days after the earliest of (i) the day on which the undertaking is closed or abandoned, and (ii) the last day of the period authorized for the unlicensed use or deposit;^b and
- d. keep the books and records for two years after submitting the report describing the restoration of the site of the undertaking.

Notes:

- a) A site need not be restored prior to the end of the period authorized for the use of water or the deposit of waste without a licence, as required by Item 5, if the Board issues a licence for the use of water or deposit of waste on that site prior to the end of that period.
- b) The Authorized Entity need not submit the report referred to in Item 6 (c) if the Authorized Entity obtains the Board's renewed approval for a use of water or deposit of waste without a licence, or a licence for a use of water or deposit of waste on the same site within thirty (30) days after the last day of the period previously authorized.