

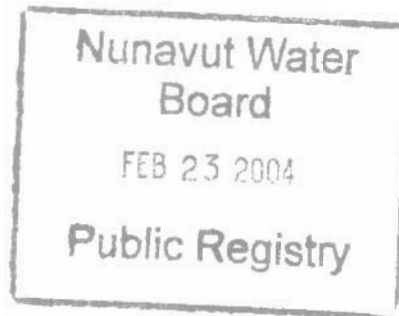


**MATRIX**  
AVIATION SOLUTIONS INC.

February 20, 2004

Mr. David Porter  
Water License Administrator  
Nunavut Water Board  
Gjoa Haven, NU X0E 1J0  
Canada

Re: Land Use Permit



| INTERNAL |     |
|----------|-----|
| PC       | chp |
| MA       |     |
| FO       |     |
| LA       |     |
| BS       |     |
| ST       |     |
| TA1      |     |
| TA2      |     |
| RC       |     |
| ED       |     |
| CH       |     |
| BRD      |     |
| EXT.     |     |

Dear David:

Matrix Aviation Solutions is a Yellowknife based company involved in expediting for exploration companies in Northern Canada. Matrix offers a turn key solution for companies by managing there camp, aviation and expediting needs. Matrix will ensure that maximum regional hire is adhered to as well ensuring environmental impact is kept to a minimum. Matrix will act as a liaison between southern exploration companies and the north to insure all northern issues are clearly understood and rules are followed.

Sincerely,

Martin Knutson  
Principal  
Matrix Aviation Solutions

**Yellowknife**

#8 Yellowknife Airport  
Yellowknife, NT X1A 3T2  
Tel: 867.766.4952  
Fax: 867.766.3374  
Web: [www.matrixaviation.ca](http://www.matrixaviation.ca)



P.O. Box 119  
GJOA HAVEN, NU XOE 1J0  
TEL: (867) 360-6338  
FAX: (867) 360-6369

Effective January 1, 2004

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NUNAVUT WATER BOARD  
NUNAVUT IMALIRIYIN KATIMAYINGI

| INTERNAL |     |
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**WATER LICENCE  
APPLICATION FORM**

Nunavut Water  
Board  
FEB 23 2004  
Public Registry

Application for: (check one)

☒ **X** New    ☐ Amendment    ☐ Renewal    ☐ Assignment

LICENCE NO: NW 86A1C  
(for NWB use only)

**1. NAME AND MAILING ADDRESS OF  
APPLICANT/LICENSEE**

Matrix Aviation Solutions Inc.  
#8 Yellowknife Airport  
Yellowknife, NT X1A 3T2

Phone: (867) 766-4952  
Fax: (867) 766-3374  
e-mail: mknutson@matrixhelicopters.com

**2. ADDRESS OF CORPORATE  
OFFICE IN CANADA (if applicable)**

Phone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
e-mail: \_\_\_\_\_

**3. LOCATION OF UNDERTAKING** (describe and attach a topographical map, indicating the main components of the Undertaking)

*Approximately 60 km southwest of Kugluktuk, Nunavut and approximately 2 km northwest of the Hope Lake Airstrip. Refer to Figures 1 and 2 attached to this application.*

Latitude: 67°26.42 N    Longitude: 116°27.10 W    NTS Map No. 86N/8    Scale 1:50,000

**4. DESCRIPTION OF UNDERTAKING** (attach plans and drawings)

*Remote exploration camp to be operated as a base for mineral exploration activities. The proposed camp will occupy an area of approximately 1.15 hectares and will consist of ten Weatherhaven tents, latrine pits and a fuel cache area and will accommodate an average of 10 people and a maximum of 24 people at one time. Existing trails, airstrip and cleared areas from a previous exploration camp operation built in the 1960's will be utilized for the proposed camp (refer to Figures 2 to 4).*

**5. TYPE OF PRIMARY UNDERTAKING** (A supplementary questionnaire must be submitted with the application for undertakings listed in "bold")

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

See Schedule II of Northwest Territories Waters Regulations for Description of Undertakings

**6. WATER USE**

- ☒ To obtain water  
☐ To modify the bed or bank of a watercourse  
☐ To alter the flow of, or store, water  
☐ To cross a watercourse
- ☐ To divert a watercourse  
☐ Flood control  
☐ Other (describe): \_\_\_\_\_

**7. QUANTITY OF WATER INVOLVED** (cubic metres per day including both quantity to be used and quantity to be returned to source)

*Approximately 0.5 cubic meters per day on average and approximately 1.2 cubic meters per day maximum.*

**8. WASTE** (for each type of waste describe: composition, quantity (cubic metres per day), methods of treatment and disposal, etc.)

- |                                                             |                                                                   |
|-------------------------------------------------------------|-------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Sewage                  | <i>Latrine Pits</i>                                               |
| <input checked="" type="checkbox"/> Solid Waste             | <i>Incinerate and transport to Yellowknife</i>                    |
| <input checked="" type="checkbox"/> Hazardous               | <i>Transport to Yellowknife for disposal at approved facility</i> |
| <input checked="" type="checkbox"/> Bulky Items/Scrap Metal | <i>Transport to Yellowknife for disposal at approved facility</i> |
| <input checked="" type="checkbox"/> Waste oil               | <i>Transport to Yellowknife for disposal at approved facility</i> |
| <input checked="" type="checkbox"/> Greywater               | <i>Discharge to ground at least 30 meters from any waterbody</i>  |
| <input type="checkbox"/> Sludges                            |                                                                   |
| <input type="checkbox"/> Other (describe): _____            |                                                                   |

**9. PERSONS OR PROPERTIES AFFECTED BY THIS UNDERTAKING** (give name, mailing address and location; attach if necessary)**Land Use Permit**

*An application for a Land Use Permit was submitted at the same time as this Water License application.*

- DIAND ☒ Yes ☐ No If no, date expected \_\_\_\_\_
- Regional Inuit Association ☒ Yes ☐ No If no, date expected \_\_\_\_\_
- Commissioner ☐ Yes ☐ No If no, date expected \_\_\_\_\_

**10. PREDICTED ENVIRONMENTAL IMPACTS OF UNDERTAKING AND PROPOSED MITIGATION MEASURES** (direct, indirect, cumulative impacts, etc.)

*Environmental impacts during the construction of the exploration camp are expected to be minimal due to the utilization of existing roads, airstrip and cleared areas for the camp. There is the potential for environmental impacts associated with the operation of an exploration camp, including the potential for fuel spills and impacts associated with sewage and grey water disposal. These impacts are expected to be minimal as there will be a spill contingency plan in place and latrine pits and grey water discharge will be located at least 30 meters away from all water bodies. Debris left by previous camp activities will be collected and transported off-site by aircraft back-hauls as space permits. It is anticipated that local people from the region will be hired to collect the debris.*

- NIRB Screening ☒ Yes ☐ No If no, date expected \_\_\_\_\_

**11. INUIT WATER RIGHTS**

Will the project or activity substantially affect the quality, quantity, or flow of water flowing through Inuit Owned Lands and the rights of Inuit under Article 20 of the Nunavut Land Claims Agreement?

*The exploration camp will not substantially affect the quality, quantity, or flow of water through Inuit Owned Lands.*

**11. (Continued)**

If yes, has the applicant entered into an agreement with the Designated Inuit organization to pay compensation for any loss or damage that may be caused by the alteration. If no compensation agreement has been made, how will compensation be determined?

**12. CONTRACTORS AND SUB-CONTRACTORS (name, address and functions)**

*Not applicable*

**13. STUDIES UNDERTAKEN TO DATE (list and attach copies of studies, reports, research, etc.)**

*No known studies have been undertaken to date.*

**14. THE FOLLOWING DOCUMENTS MUST BE INCLUDED WITH THE APPLICATION FOR THE REGULATORY PROCESS TO BEGIN**

Supplementary Questionnaire (where applicable: see section 5) ☒ Yes ☐ No If no, date expected \_\_\_\_\_

Inuktitut/English Summary of Project ☐ Yes ☐ No If no, date expected \_\_\_\_\_

Application fee \$30.00 (Payee Receiver General for Canada) ☒ Yes ☐ No If no, date expected \_\_\_\_\_

Water Use fee (see Section 9 of the *NWT Waters Regulations*; Payee Receiver General for Canada) ☒ Yes ☐ No If no, date expected \_\_\_\_\_

**15. PROPOSED TIME SCHEDULE**

☐ Annual (or) ☒ Multi Year

Start Date: March 2004

Completion Date: Unknown

M Knutson  
Name (Print)

Principal  
Title (Print)

[Signature]  
Signature

Feb 19, 2004  
Date

For Nunavut Water Board use only

**APPLICATION FEE**

Amount: \$

Pay ID No.:

**WATER USE DEPOSIT**

Amount: \$

Pay ID No.:



P.O. Box 119

GJOA HAVEN, NT X0E 1J0

kNK5 wmoEp5 vtmpq

TEL: (867) 360-6338

NUNAVUT WATER BOARD

FAX: (867) 360-6369

NUNAVUT IMALIRIYIN KATIMAYINGI

## EXPLORATION/ REMOTE CAMP SUPPLEMENTARY QUESTIONNAIRE

Applicant: *Matrix Aviation Solutions Inc.* Licence No: \_\_\_\_\_

(For NWB Use Only)

### ADMINISTRATIVE INFORMATION

1. Environment Manager: \_\_\_\_\_ Tel: \_\_\_\_\_ Fax: \_\_\_\_\_ E-mail: \_\_\_\_\_

2. Project Manager: *Martin Knutson* Tel: *(867) 766-4952* Fax: *(867) 766-3374*  
E-mail: *mknutson@matrixhelicopters.com*

3. Does the applicant hold the necessary property rights?

*No*

4. Is the applicant an 'operator' for another company (i.e., the holder of the property rights)?  
If so, please provide letter of authorization.

*Matrix Aviation Solutions Inc. will be constructing and operating the proposed exploration camp for use as a base for mineral exploration activities performed by Coronation Minerals who hold a drilling permit for the property. It is possible the camp may be used to support other exploration operations in the future.*

5. Duration of the Project

☐ Annual

☒ Multi Year:

If Multi-Year indicate proposed schedule of on site activities

Start: *March 2004* Completion: *Unknown*

### CAMP CLASSIFICATION

6. Type of Camp

☐ Mobile (self-propelled)

☐ Temporary

☒ Seasonally Occupied: *March 15 to October 15 of each year*

☐ Permanent

☐ Other: \_\_\_\_\_

7. What are the design population of the camp and the maximum population expected on site at one time? What will be the fluctuations in personnel?

*The exploration camp will be designed for 24 people with a maximum of 24 people expected on site at one time. The average population at the camp at one time is expected to be 10 people.*

8. Provide history of the site if it has been used in the past.

*The site was previously occupied by an exploration camp that was built in the 1960's. The camp was a base for copper exploration and has since been abandoned. The state of the site is unknown although it is expected that considerable clean-up of infrastructure and debris from past operations will need to be completed before the proposed camp can be constructed. It is anticipated that local people from the region will be hired to collect the debris and help construct the camp. The existing airstrip allows access to the site via aircraft.*

*There is an extensive existing trail system. All Terrain Vehicle (ATV) use will only be permitted on existing, pre-approved trails. Approved trails will be marked.*

## CAMP LOCATION

9. Please describe proposed camp location in relation to biogeographical and geomorphological features, and water bodies.

*Figures 1 to 5 show the proposed camp location in relation to existing map features. The proposed camp location is approximately 60 km southwest of Kugluktuk, Nunavut and approximately 2 km northwest of the Hope Lake Airstrip. The camp will be located on a flat area at coordinates 67°26.4 N, 116°27.1 W, approximately 50 meters south of an unnamed lake and approximately 50 meters east of a watercourse that enters the lake. Refer to Figures 1 and 2 attached to this application.*

10. How was the location of the camp selected? Was the site previously used? Was assistance from the Regional Inuit Association Land Manager sought? Include maps and/or aerial photographs.

*The camp location was selected in an area that had been previously cleared and occupied by an exploration camp and is in close proximity to a water source. Mr. Jack Kaniak, Lands Manager of the Kitikmeot Inuit Association (KIA) has been contacted regarding the proposed camp construction.*

11. Is the camp or any aspect of the project located on:

|                                                       |                                                 |
|-------------------------------------------------------|-------------------------------------------------|
| <input checked="" type="checkbox"/> Crown Lands       | Permit Number (s)/Expiry Date: <u>NTS 86N</u>   |
| <input type="checkbox"/> Commissioners Lands          | Permit Number (s)/Expiry Date: _____            |
| <input checked="" type="checkbox"/> Inuit Owned Lands | Permit Number (s)/Expiry Date: <u>CO-54/86N</u> |

12. Closest Communities (distance in km):

*Kugluktuk is the closest community at approximately 60 km northeast of the proposed camp location. Refer to Figure 1.*

13. Has the proponent notified and consulted the nearby communities and potentially interested parties about the proposed work?

Jack Kaniak of the KIA, Pat Laroche of INAC and Allan Nip, Conservation Officer for Kugluktuk have been notified and consulted regarding the proposed exploration camp.

14. Will the project have impacts on traditional water use areas used by the nearby communities?  
Will the project have impacts on local fish and wildlife habitats?

*The proposed camp will likely have no impact on water use areas used by the nearby communities as the nearest community is located approximately 60 km away. Potential impacts to local fish and wildlife are expected to be minimal as there are no planned activities on site likely to result in disturbance to the land or discharge of deleterious materials to any water body. The camp will be constructed in an area that was previously occupied by an exploration camp and latrine pits and grey water discharge will be located at least 30 meters away from all water bodies. A spill contingency plan will also be in place at the camp.*

#### PURPOSE OF THE CAMP

15. ☐ Mining  
☐ Tourism (hunting, fishing, wildlife observation, adventure/expedition, etc.)  
(Omit questions # 16 to 21)  
☐ Other Base for Mineral Exploration (Omit questions # 16 to 22)
16. ☐ Preliminary site visit  
☐ Prospecting  
☐ Geological mapping  
☐ Geophysical survey  
☐ Diamond drilling  
☐ Reverse circulation drilling  
☐ Evaluation Drilling/Bulk Sampling (also complete separate questionnaire)  
☐ Other: \_\_\_\_\_
17. Type of deposit:
- ☐ Lead Zinc  
☐ Diamond  
☐ Gold  
☐ Uranium  
☐ Other: \_\_\_\_\_

#### DRILLING INFORMATION

18. Drilling Activities  
☐ Land Based drilling  
☐ Drilling on ice
19. Describe what will be done with drill cuttings?
20. Describe what will be done with drill water?

21. List the brand names and constituents of the drill additives to be used? Includes MSDS sheets and provide confirmation that the additives are non-toxic and biodegradable.
22. Will any core testing be done on site? Describe.

### SPILL CONTINGENCY PLANNING

23. Does the proponent have a spill contingency plan in place? Please include for review.

*Yes. The Spill Contingency Plan is attached.*

24. How many spill kits will be on site and where will they be located?

*Two spill kits will be located at the camp and two spill kits will be located at the fuel cache located at the airstrip.*

25. Please describe the types, quantities, and method of storage of fuel and chemicals on site, and provide MSDS sheets.

*A maximum of 50, 205-litre barrels each of Jet B fuel and diesel fuel (P50) and 10, 205-litre barrels of gasoline will be stored at the fuel cache located at the airport (Figure 4). Other chemicals anticipated to be stored at the site will include oils for the operation of ATVs and small quantities of cleaning solvents.*

### WATER SUPPLY AND TREATMENT

26. Describe the location of water sources.

*The water source is an unnamed lake located approximately 50 meters north of the proposed camp location. Refer to Figures 2 and 3.*

27. Estimated demand (in L/day \* person):

- ☐ Domestic Use: 50 L/day/person Water Source: Unnamed Lake
- ☐ Drilling Units: Not applicable Water Source: \_\_\_\_\_
- ☐ Other: \_\_\_\_\_ Water Source: \_\_\_\_\_

28. Describe water intake for camp operations? Is the water intake equipped with a mesh screen to prevent entrapment of fish? Describe:

*Water will be pumped from the unnamed lake to the camp using a gasoline water pump and associated hose. The intake will be equipped with a mesh screen to prevent entrapment of fish.*

29. Will drinking water quality be monitored? What parameters will be analyzed and at what frequency?

*Drinking water will be tested for parameters outlined in the Canadian Drinking Water Criteria. Water quality will be sampled on a monthly basis while the camp is in operation.*

30. Will drinking water be treated? How?

*Drinking water will be treated with charcoal filters and chlorination.*

31. Will water be stored on site?

*Water will be stored in an aboveground water storage tank located at the camp.*

## **WASTE TREATMENT AND DISPOSAL**

32. Describe the characteristics, quantities, treatment and disposal methods for:

- ☐ Camp Sewage (blackwater)

*Latrine Pits located approximately 50 m outside of camp and approximately 50 m from any waterbody.*

---

- ☐ Camp Greywater

*Discharge to ground at least 30 meters from any waterbody.*

---

- ☐ Solid Waste

*Burnable solid waste will be incinerated in an oil-fired incinerator.*

---

- ☐ Bulky Items/Scrap Metal

*Scrap metal will be transported to Yellowknife.*

---

- ☐ Waste Oil/Hazardous Waste

*Waste oil and hazardous waste will be transported to Yellowknife and disposed at an approved facility.*

---

- ☐ Empty Barrels/Fuel Drums

*Empty barrels and fuel drums will be transported to Yellowknife and disposed at an approved facility.*

---

- ☐ Other:
- 

33. Please describe incineration system if used on site. What types of wastes will be incinerated?

*Oil-fired incinerator. Food waste and untreated burnable waste will be incinerated on site.*

34. Where and how will non-combustible waste be disposed of? If in a municipality in Nunavut, has authorization been granted?

*All non-combustible waste will be transported to Yellowknife to be disposed of at an approved facility. Waste will be transported by aircraft back-hauls.*

35. Describe location (relative to water bodies and camp facilities) dimensions and volume, and freeboard for sumps (if applicable).

*Not applicable*

36. Will leachate monitoring be done? What parameters will be sampled and analyzed, and at what frequency?

*Not applicable*

## **OPERATION AND MAINTENANCE**

37. Have the water supply and waste treatment and disposal methods been used and proven in cold climate? What known O&M problems may occur? What contingency plans are in place?

*Yes. The proposed water supply and waste treatment/disposal methods are typical of small exploration camps in the north.*

## **ABANDONMENT AND RESTORATION**

38. Provide a detailed description of progressive and final abandonment and restoration activities at the site.

*Restoration plans include the removal of all tents, equipment, fuel drums and other infrastructure associated with the exploration camp. The permit area will be restored as nearly as possible to the condition it was prior to the installation of the exploration camp.*

## **BASELINE DATA**

39. Has or will any baseline information be collected as part of this project? Provide bibliography.
- ☐ Physical Environment (Landscape and Terrain, Air, Water, etc.)
  - ☐ Biological Environment (Vegetation, Wildlife, Birds, Fish and Other Aquatic Organisms, etc.)
  - ☐ Socio-Economic Environment (Archaeology, Land and Resources Use, Demographics, Social and Culture Patterns, etc.)
  - ☐ Other:

*No known baseline information has been collected at this site.*

## **REGULATORY INFORMATION**

40. Do you have a copy of
- ☐ Article 13 - Nunavut Land Claims Agreement
  - ☐ NWB - Water Licensing in Nunavut - Interim Procedures and Information Guide for Applicants
  - ☐ NWB - Interim Rules of Practice and Procedure for Public Hearings
  - ☐ NWTWB - Guidelines for the Discharge of Treated Municipal Wastewater in the

#### NWT

- NWTWB - Guidelines for Contingency Planning
- DFO - Freshwater Intake End of Pipe Fish Screen Guideline
- Fisheries Act - s.35
- RWED - Environment Protection- Spill Contingency Regulations
- Canadian Drinking Water Quality Guidelines
- Public Health Act Camp Sanitation Regulations
- Public Health Act Water Supply Regulations
- Territorial Land Use Act and Regulations

You should consult the above document, guidelines, and legislation for compliance with existing regulatory requirements.

## **Summary**

Matrix Aviation Solutions Inc.  
#8 Yellowknife Airport  
Yellowknife, NT  
X1A 3T2

### **Proposed Hope Lake Camp**

67° 26.4'N, 116° 27.1'W  
NTS 86N/8

Matrix Aviation Solutions Inc. has been requested by Coronation Minerals to provide camp facilities and services in support of their planned exploration program. Coronation holds drilling permits for their planned exploration. Matrix proposes to set up the camp at the location of an old exploration camp used for exploration for copper in the 1960's. Matrix proposes to minimize additional impact by setting up the camp on clearings and pads from the earlier camp. The proposed camp is located approximately 60 km southwest of Kugluktuk, and 2 km northwest of an existing airstrip. There is an extensive system of existing trails in the area, including trails between the airstrip and the proposed camp site.

The camp would be established approximately 50 metres from an unnamed lake (approximately 1.5 km long by 0.75 km wide). The camp would comprise ten (10) Weatherhaven tents, a latrine and a generator enclosure. All facilities would be constructed a minimum of 30 metres from any water body. The latrine would be constructed a minimum of 50 metres from any water body and 50 metres from the camp. Water would be drawn by a gasoline engine powered pump from the lake. Grey water would be discharge to land at least 30 metres from any water body.

It is anticipated that some existing debris from the previous camp will be found on site. Matrix proposes to clean as much of this debris as practical from the site prior to setting up their camp. Debris cleaned up would be limited to materials of a size and weight that could be handled by manual labour. All Terrain Vehicles (ATV's) will haul the material from the camp area to the airstrip. Debris will be shipped by air to Yellowknife on a space-permitting basis. Labour for this work will be locally hired for the purpose. ATV's will only be permitted to travel on existing trails. These trails will be pre-approved and will be marked.

A fuel cache will be established at the airstrip. This cache will be comprise no more than 50 – 205 litre drums of P50 heating fuel, 50 – 305 litre drums of aviation fuel and 10 – 205 litre drums of gasoline. Drums will be stacked neatly in a designated area near the airstrip.

After the camp is no longer required all tents, equipment, fuel drums and other infrastructure associated with the camp will be removed and shipped to Yellowknife, and the site will be left in a similar condition as near as practical to the condition prior the camp establishment.