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NUNAVUT WATER BOARD
NUNAVUT IMALIRIYIN KATIMAYINGI
OFFICE DES EAUX DU NUNAVUT

EXPLORATION/ REMOTE CAMP SUPPLEMENTARY QUESTIONNAIRE

Applicant: Qulliq Energy Corporation **Licence No:** _____
(For NWB Use Only)

ADMINISTRATIVE INFORMATION

1. Environment Manager: Richard Cook Tel: (705) 476-2165 Fax: 705-474-8095
   E-mail: rcook@knightpiesold.com

2. Project Manager: Stephen Kerr Tel: (867) 979-7540 Fax: (867) 979-7548
   E-mail: skerr@npc.nu.ca

3. Does the applicant hold the necessary property rights?

QEC is in the process of applying for the appropriate land use permits.

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

No.

5. Duration of the Project

   ☐ One year or less Start and completion dates: _____
   ☑ Multi Year:

   If Multi-Year indicate proposed schedule of on site activities
   Start: 1 March 2013 Completion: February 28th, 2015

CAMP CLASSIFICATION

6. Type of Camp

   ☐ Mobile (self-propelled)
   ☑ Temporary
   ☐ Seasonally Occupied: owned by Canadian Wildlife Service (CWS)
   ☐ Permanent
   ☐ Other:_____

7. What is the design, maximum and expected average population of the camp?

22 people

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

The site has been used in the past and there was a 4-5 person camp at Jaynes Inlet

CAMP LOCATION

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

Temporary camp on South Baffin Island near Armshow River South and Frobisher Bay. 63°36'28.409"N, 68°51'10.123"W. The camp will be located on a flat river terrace near the mouth of the Armshow River.

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 site was selected due to its proximity to the proposed project sites and Iqaluit, and because the ground is both flat and has adequate bearing capacity (will not easily rut). The camp location was discussed with AANDC lands, as well as QIA lands and resources staff.

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

- ☑ Crown Lands — Permit Number (s)/Expiry Date: N/A .
- ☑ Commissioners Lands — Permit Number (s)/Expiry Date: N/A .
- ☑ Inuit Owned Lands — Permit Number (s)/Expiry Date: N/A .

QEC is in the process is of applying for the above land use permits.

12. Closest Communities (direction and distance in km):

Iqaluit ~ 25 km NE

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

See attached consultation summary. QEC plans to discuss the project with government agencies and stakeholders in late 2012.

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?

No. Drilling in lake or stream beds will take place in the winter months and will drill through casing set down to minimize impacts on the aquatic environment.

PURPOSE OF THE CAMP

15.
- ☐ Mining (includes exploration drilling)
- ☐ Tourism (hunting, fishing, wildlife observation, adventure/expedition, etc.) (Omit questions # 16 to 21)
- ☑ Other: *Geotechnical Drilling and Environmental Baseline Studies*

16. Activities (check all applicable)

- ☐ 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 (exploration focus): *none*

☐ 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?

Drill cuttings will be used to backfill drill holes, or will be stored on land in local depressions

20. Describe what will be done with drill water?
Brine drill water will be re-circulated, but losses in a sump will occur.

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.
Calcium chloride – MSDS sheet attached

22. Will any core testing be done on site? Describe.
Core will be logged, and shipped off-site to a materials laboratory for geotechnical testing. Select samples will be collected for representative geochemical analysis.

SPILL CONTINGENCY PLANNING

23. The proponent is required to have a site specific Spill Contingency Plan prepared and submitted with the application This Plan should be prepared in accordance with the *NWT Environmental Protection Act, Spill Contingency Planning and Reporting Regulations, July 22, 1998* and *A Guide to the Spill Contingency Planning and Reporting Regulations, June 2002*. Please include for review.
See QEC`s Spill Contingency Plan attached. Fuel spills of any volume will be reported to the Nunavut Spill Line and the landowner (Quikiqtani Inuit Association), and immediate action will be taken to remove any contaminated materials and restore the land to a stable condition.

24. How many spill kits will be on site and where will they be located?
See attached Spill Contingency Plan

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

Fuel	Number of Containers and Capacity of Containers	Total Amount of Fuel (in Litres)	Proposed Storage Methods
Diesel	75 - 205L	15,000	Drums (minimum of 30 m from the high water mark of any water body)
Gasoline	2 - 205L	410	
Aviation fuel	200 - 205L	41,000	Drums (minimum of 30 m from the high water mark of any water body)
Propane	12 - 20lbs/100lbs		

See attached Material Safety Data Sheets.

WATER SUPPLY AND TREATMENT

26. Describe the location of water sources.

Proposed water sources are: Armshow main stream near camp; Armshow River (draining Armshow South Lake); Armshow South Lake; and Jaynes upper lake, main river or lower lake.

27. Estimated water use (in cubic metres/day):

☑ Domestic Use: 3 m^3 daily Water Source: Armshow mainstream near camp

☑ Drilling: 65 m^3 daily Water Source: Various sources near Armshow South and Jaynes Inlet

☑ Other: _____ Water Source: _____

28. Describe water intake for camp operations? Is the water intake equipped with a mesh screen to prevent entrapment of fish? (see *DFO 1995, Freshwater Intake End-of-Pipe Fish Screen Guideline*) Describe:

Temporary water lines will be set up and equipped with mesh in order to prevent entrapment of fish.

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

A water sample will be collected at the beginning of the program to be analyzed for bacteriological parameters. Previous analyses indicate metals are low.

30. Will drinking water be treated? How?

Potable water will be disinfected using ultra-violet disinfection or chlorine.

31. Will water be stored on site?

No

WASTE TREATMENT AND DISPOSAL

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

☑ Camp Sewage (Blackwater)

Human waste will be disposed of in a pit latrine or in incinerating toilets

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☑ Camp Greywater

Will be discharged to a suitable location, 4 to 6 m^3/day

☑ Solid Waste

Combustible wastes, will be incinerated and non-combustable wastes will be brought to Iqaluit for disposal

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☐ Bulky Items/Scrap Metal

None

☐ Waste Oil/Hazardous Waste

Minimal oil, waste oil and possibly glycol for drill rig maintenance, will be removed to Iqaluit for disposal or off-site shipment to a licensed facility.

☑ Empty Barrels/Fuel Drums

Empty drums will be removed from site by helicopter on a regular basis.

☐ Other:

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

A basic camp incinerator will be used to dispose of food wastes at the camp. Ash will be disposed of in local depressions or will be taken offsite for disposal.

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 brought back and disposed of at the Iqaluit landfill, as part of QEC`s Iqaluit operations.

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

Drilling and greywater sumps will be constructed preferably in natural depressions, in free-draining soils, and will be set back from water by a minimum of 30 m.

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

No

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.

ABANDONMENT AND RESTORATION

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

All camp supplies, owned by the expeditor, will be removed by the expeditor at the conclusion of the program as part of its contract with QEC. Drilling equipment will be removed from site by QEC.

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: _Environmental baseline studies were undertaken from 2006-2009. Desktop studies were completed in 2006. _All reports are available online at www.nunavutpower.com .

REGULATORY INFORMATION

40. At a minimum, you should ensure you have a copy of and consult the documents below for compliance with existing regulatory requirements:

- ✓ ARTICLE 13 – *NCLA -Nunavut Land Claims Agreement*
- ✓ NWNSRTA – *The Nunavut Waters and Nunavut Surface Rights Tribunal Act, 2002*
- ✓ *Northwest Territories Waters Regulations, 1993*
- ✓ NWB - Water Licensing in Nunavut - Interim Procedures and Information Guide for Applicants
- ✓ NWB - Interim Rules of Practice and Procedure for Public Hearings
- ✓ RWED – *Environmental Protection Act, R-068-93- Spill Contingency Planning and Reporting Regulations, 1993*
- ✓ RWED A Guide to the Spill Contingency Planning and Reporting Regulations, 2002
- ✓ NWTWB - Guidelines for Contingency Planning
- ✓ *Canadian Environmental Protection Act, 1999 (CEPA)*
- ✓ *Fisheries Act, RS 1985* - s.34, 35, 36 and 37
- ✓ DFO - Freshwater Intake End of Pipe Fish Screen Guideline
- ✓ NWTWB - Guidelines for the Discharge of Treated Municipal Wastewater in the NWT
- ✓ Canadian Council for Ministers of the Environment (CCME); Canadian Drinking Water Quality Guidelines, 1987
- ✓ Public Health Act - Camp Sanitation Regulations
- ✓ Public Health Act - Water Supply Regulations
- ✓ *Territorial Lands Act* and *Territorial Land Use Regulations*; Updated 2000