

| Original | |
|-----------|--------|
| Follow-Up | Report |

WATER AND LAND USE INSPECTION FORM

| Permittee | Representative | | |
|--|--------------------------------|--------------------|--|
| Bathurst Inlet Developments | Boyd Warner | | |
| Permit No. / Expiry | Representative's Title | | |
| 76F04002 (expired) | | | |
| Other Authorizations Land / Other Authorizations | | | |
| 8WLC-PEL1718 | | | |
| Date of Inspection Inspector | | | |
| 08/08/2017 Eva Paul | | | |
| Activities Inspected | | | |
| Camp Drilling Mining | Construction Reclamation | | |
| Roads/hauling Other: | Other: | | |
| Conditions: A- Accentable II-Unaccenta | hle C-Concern NI-Not Inspected | NA- Not applicable | |

| Conditions: | A- Acceptable | U-Unacceptable | C-Concern | NI-Not Inspe | ected NA- | Not applicable |
|----------------------|---------------------|--------------------|-----------|--------------|-----------|-----------------|
| Lease # 76F/4-2-2 | | | | Term No.* | Condition | Observation No. |
| Term | | | | 2 | U | 1 |
| Rent and Taxes | | | | 3 | U | 2 |
| Use | | | | | NI | |
| Assignments | | | | | NI | |
| Breach | | | | | С | |
| Termination | | | | | С | |
| Restoration | | | | | С | |
| Waste Disposal | | | | 16 | U | 3 |
| Environmental | | | | 17 | U | 4 |
| Fuel and Hazardous C | hemicals | | | 21,22,23 | U | 5 |
| Boundaries/Survey | | | | | NI | |
| Improvements | | | | | NI | |
| Access | | | | | А | |
| Indemnification | | | | | А | |
| Review | | | | | NI | |
| Notices | | | | | NI | |
| General | | | | | NI | |
| NWB Approval witho | ut a Licence 8WLC-F | PEL1718 | | Term No.* | Condition | Observation No. |
| GENERAL CONDITION | S | | | | А | |
| CONDITIONS APPLYIN | IG TO WATER USE | | | | NI | |
| CONDITIONS APPLYIN | IG TO WASTE DISPO | SAL | | 3 | U | 3 |
| CONDITIONS APPLYIN | IG SPILL CONTINGEN | ICY PLANNING | | 5 | U | 5 |
| CONDITIONS APPLYIN | IG TO ABANDONME | NT AND RESTORATION | | | А | 6 |
| CONDITIONS APPLYIN | G TO RECORD KEEP | NG | | | NI | |

^{*}refers to specific terms and conditions found in the permit/lease in question.

| SECT | ION 1 | Comments (s.1) | Non-Compliance with Permit, Act or Regs (s.2) | Action Required (s.3) | |
|-------|--|------------------------------|---|-----------------------|--|
| of my | conducted an opportunistic inspection of this site on July 8, 2017, while working in the area. The camp was not in use at the time of my inspection. This site was well documented in the 2015 inspection report issued by Baba Pedersen. Some work has been done to address the concerns raised in that report; considerably fewer barrels were present. Numerous non-compliances persist as follows: | | | | |
| 1. | . This lease is expired. It appears that a renewal application was filed, but for some reason the lease was not renewed. If the Lessee does not intend to proceed immediately to reclamation, the renewal process is to be re-initiated. | | | | |
| 2. | . If annual lease payments have not been upkept, the lease is expired without overholding tenancy. This must be a priority to remedy. | | | | |
| 3. | 3. As described in the 2015 inspection report, there are barrels and debris seen in the neighbouring wetlands and in the lake. Please note that these form not only a contravention of the above permits, but also a contravention of the <i>Nunavut Waters</i> and <i>Nunavut Surface Rights Tribunal Act</i> and require prompt attention. | | | | |
| 4. | . The Lessee was instructed in 2015 to remove barrels and debris from the land and water bodies. | | | | |
| 5. | 5. Numerous barrels are seen less than 31 m from the water. No measures are in place to prevent the spread of potential spills, particularly to water (eg – secondary containment or storage of barrels at an appropriate distance). | | | | |
| 6. | Please note tha | t this NWB approval will red | quire renewal each year. | | |
| SECT | ION 2 | Comments | Non-Compliance with Permit, Act or Regs | Action Required | |
| 76F/4 | 4-2-2 specifies: | | | | |



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Affaires autochtones et du Nord Canada

- 16: The lessee shall not discharge or deposit any refuse substances or other waste materials in any body of water, or the banks thereof, which will, in the opinion of the Minister, impair the quality of the waters or the natural environment and any areas designated for waste disposal shall not be located within thirty-one (31) metres of the ordinary high water mark of any body of water, unless otherwise authorized by the Minister.
- 17: The lessee shall at all times keep the land in a condition satisfactory to the Minister.
- 21: The lessee shall prevent the possibility of migration of spilled fuel over the ground surface or through seepage in the ground.
- 22: The lessee shall take all reasonable precautions to prevent the migration of petroleum products into bodies of water.
- 23: The lessee shall ensure that fuel storage in excess of 205 litres, not be located within thirty-one (31) metres of any body of water unless otherwise authorized by the Minister.

8WLC-PEL1718 specifies:

- 3: ...shall not deposit Waste to surface water or within thirty-one (31) metres of the ordinary high water mark (OHWM) of any body of water.
- 5. ...measures developed to manage unforeseen spill involving petroleum and hazardous materials that may occur while carrying out the undertaking associated with this authorization involving the use waters and/or the deposit of waste without a licence.

| | These conditions are in support of the Nunavut Waters and Nunavut Surface Rights Tribunal Act (NWNSRTA) which states: 12(1) No person shall deposit or permit the deposit of waste under conditions in which the waste may enter waters in Nunavut. | | | |
|-----|---|---------------------------|--|---------------------------------|
| SEC | TION 3 | Comments | Non-Compliance with Permit, Act or Regs | Action Required |
| A. | Pursue renewal renewal | of the leases with INAC | Lands and ensure rent is paid and current to maintain of | verholding tenancy status until |
| В. | 3. A thorough cleanup of this site is required. All garbage and debris, old barrels, and any other waste are to be addressed as soon as practically possible. A report with photos demonstrating the cleanup is to be submitted to the Inspector by July 31, 2018. Failure to do so will result in enforcement measures taken under the relevant legislation. | | | |
| C. | Ensure latrines | and all storage (includin | g fuel) is located >31m from OHWM of any water body | including wetlands. |

| Licensee or Representative | Inspector's Name |
|----------------------------|---------------------|
| | Eva Paul |
| Signature | Signature |
| | Sent electronically |
| Date | Date |
| | 20 October, 2017 |

cc. Erik Allain, Director of Lands, INAC
Tracey McCaie, Manager of Lands Administration, INAC
Manager of Licensing, Nunavut Water Board











Description: Dock structure partially embedded in sand. Debris visible in the water beside the dock, and up the shoreline that must be removed. Barrels, waste, and all structures must be >31m from OHWM. Barrels and waste should not be stored next to the water.













