

NWB File No: 1AR-NAN1419 Short Term Renewal Application

October 11, 2019

Johan Skoglund, Canzinco Mines Ltd. c/o Nyrstar Tessinerplatz 7, 8002 Zurich, Switzerland

Email: johan.skoglund@nyrstar.com

Subject: Licence No. 1AR-NAN1419; Short Term Renewal Application by Canzinco

Mines Ltd. for Nanisivik Mine Project.

Dear Mr. Skoglund,

The Nunavut Water Board (NWB or Board) acknowledges receipt of the Short-Term Renewal application (STR Application or Application) and supporting documentation submitted on October 10, 2019 by Canzinco Mines Ltd. (Canzinco or Applicant), a wholly owned subsidiary of Breakwater Resources Ltd., which in turn is a wholly owned subsidiary of Nyrstar Sales and Marketing AG, for Licence No. 1AR-NAN1419.

The application has been placed in the Board's Public Registry and is available from our ftp site using the following link:

ftp://ftp.nwb-oen.ca/registry/1%20INDUSTRIAL/1A/1AR%20-%20Remediation/1AR-NAN1419/1%20APPLICATION/2019%20Short-Term%20Renewal/

The NWB's preliminary review of your submission determines that your Application meets the requirements allowing for public distribution in support of a technical assessment. It is essential to note that the Board recognizes that the Application is for a short-term renewal, a maximum of 180 days of the Licence term **ONLY**, which has been requested primarily to minimize the risk of the Applicant, being without a valid operating licence on December 22, 2019, while a more comprehensive renewal application is being processed by the Board.

Considering the fact that this application involves a short-term renewal request not to exceed 180 days, the Board requests reviewers to confine their technical review comments on this Application to the Short-Term Renewal (STR) request, which involves:

- Absolutely no changes to the existing Licence (administrative or otherwise);
- The term of the renewal not to exceed 180 days, with the expiry of the STR occurring on the earlier of June 21, 2020 or on the grant of the amended and renewed water licence requested in the comprehensive water licence renewal application;
- No plans, studies, reports, or designs have been submitted in support of the STR as this information has already been provided or will be provided during the Board's processing of the comprehensive renewal application dated June 20, 2019 (the contents of which are outlined below); and
- The assumption that even if the STR is granted, the comprehensive renewal application will continue to be processed by the Board in as timely and efficient a manner as possible.

For the information of all parties, the comprehensive renewal application being processed by the Board was received by the Board on June 20, 2019 and contained the following documents:

Appendix A: Executive summary of Water License amendment application (English)

Appendix B: Executive summary of Water License amendment application (Inuktitut)

Appendix C: Resolution Canzinco Mines Ltd.

Appendix D: Site location map

Appendix E: Nunavut Planning Commission conformity determinations Appendix F: Nunavut Impact Review Board 2002 screening decision

Appendix G: Nunavut Impact Review Board 2014 screening exemption decision

Appendix H: Geotechnical monitoring beyond 2019
Appendix I: Water quality monitoring beyond 2019

Appendix J: Canzinco Mines Ltd. appointment of officers

Appendix K: Canzinco Mines Ltd. Certificate

Appendix L: Compliance assessment 1AR-NAN1419

The Technical Meeting and Pre-hearing Conference, which are components of the NWB's process in consideration of the comprehensive renewal application, were completed on September 13, 2019 and a Pre-hearing Conference Decision Report summarizing the outcome of those meetings was issued by the Board on September 27, 2019.

With respect to the STR Application, pursuant to s. 55(1) of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*, (the Act), the Board gives notice, by copy of this letter, of the STR Application received from Canzinco Mines Ltd. for the short term renewal of Type "A" Water Licence 1AR-NAN1419. By this Notice, the Board invites interested persons or parties to commence their technical review of the STR Application for a period of three weeks and to file their written comments with the Board on or before **November 01, 2019 (3:00 p.m. MST)**. Notice of the STR Application will also be forwarded to the council of each municipality in the area(s)

most affected by the STR Application and shall be published in a newspaper of general circulation in the area affected.

All parties are advised that, as the STR Application requests the short term renewal (not greater than 180 days from the date of expiry of Water Licence 1AR-NAN1419) on the same terms and conditions as the existing licence, this Application is **NOT** subject to a Public Hearing (as permitted by s. 9(1)(b) of the *Nunavut Waters Regulations*). Consequently all interested parties wishing to comment on the STR Application must file their comments, in writing, with the NWB on or before **November 01, 2019 (3:00 p.m. MST)**, after which time the Board may make its decision regarding the Application without further notice or additional opportunities to comment. Parties are further advised that the right to compensation for other water users affected by the STR Application may be lost if those users fail to respond and participate in the NWB licensing process as outlined in ss. 59 and 60(2) of the Act.

If you have any questions regarding the above or procedural matters, please contact Richard Dwyer, Manager of Licensing, at (867) 360-6338 or by e-mail to licensing@nwb-oen.ca. For inquiries related to technical matters, please contact Mohammad Ali Shaikh, Technical Advisor, by email to ali.shaikh@nwb-oen.ca.

Sincerely,

Richard Dwyer Manager of Licensing

RD/as/rqd

Cc: Nanisivik Mine distribution