


Kitikmeot Inuit Association

KIA Technical Review of Hope Bay
Project Phase 2 Type A Water License



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Purpose of Presentation



- Present a summary of KIA's Technical Review of TMAC Resources Inc.'s Hope Bay Project Phase 2 Type A water license application.
- KIA conducted a thorough review in the areas of fish and fish habitat, aquatic environment, and water quality monitoring.
- 8 Issues for Technical Meeting in May 2018.

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NUNAVUT WATER BOARD

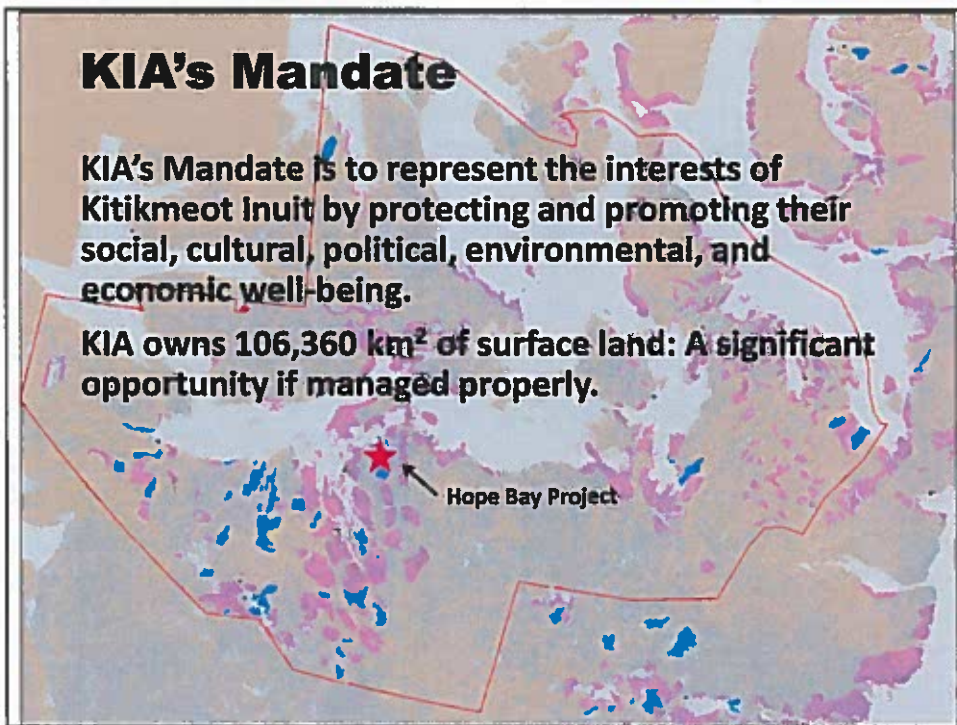
Date: October 24, 2018

Exhibit No.: # 10

KIA's Mandate

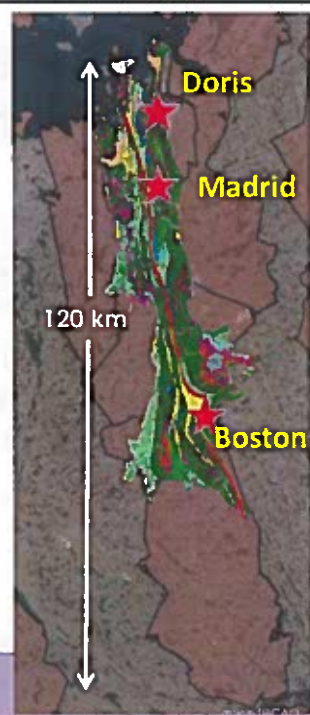
KIA's Mandate is to represent the interests of Kitikmeot Inuit by protecting and promoting their social, cultural, political, environmental, and economic well-being.

KIA owns 106,360 km² of surface land: A significant opportunity if managed properly.

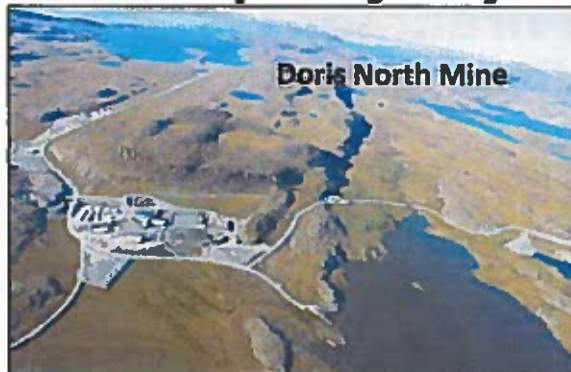


The Hope Bay Project

- Located on 4 parcels of Inuit Owned Land.
- The Hope Bay greenstone belt has had significant exploration since 1965.
 - Vast exploration potential remains
- TMAC took over development of the project in 2012



The Hope Bay Project



Doris North Mine



Boston Advanced
Exploration Camp



Exploratory Drilling

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Fisheries and Aquatic Environment Issues



1. Fisheries offsetting.
2. Aquatic Effects Monitoring Plan (AEMP).
3. Water withdrawal Potential Alteration and/or Destruction of Fish habitat (PAD) calculations.
4. Arsenic Site-Specific Water Quality Objective (SSWQO).

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Aquatic Environment & Water Quality Issues



5. Aquatic Effects Monitoring Plan (AEMP) water quality sampling frequency.
6. Aquatic Effects Monitoring Plan (AEMP) Parameter Suite.
7. Preparation for Metal and Diamond Mine Effluent Regulations (MDMER).
8. Confirmation of Model Predictions – Water Quality.

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Proposed Split of IOL and Crown Land & Water Security



- KIA agreed with TMAC on total security of \$61,174,597 for the Doris-Madrid Type A water license.
- KIA agreed with TMAC on total security of \$36,712,621 for the Boston Type A water license.
- KIA requested 85% for IOL and 15% for Crown Land & Water for Doris-Madrid security.
- KIA requested 23% for IOL and 77% for Crown Land and Water for Boston security.

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Proposed Split of IOL and Crown Land & Water Security



- CIRNAC has calculated a total amount of security for Doris-Madrid of \$65,774,448 and \$40,543,869 for Boston.
- CIRNAC has determined a security split of 56.2% land and 43.8% water for Doris-Madrid and a split of 50.2% land and 49.8% water for Boston.
- No three-way agreement has been arrived at on security in terms of the total amount or land and water split.
- TMAC has proposed staged security to which KIA has reviewed and agrees with.

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Conditions for Stage Security for Hope Bay Phase 2



- KIA is open to receiving staged security under particular water license conditions.
 - KIA must receive security for construction phases 60 days prior to construction.
 - Staged security is subject to NWB process.
 - TMAC provides annual summary reports on construction progress.
 - Reclamation costs be updated periodically and reviewed.
 - Additional security provided within 60 days of review and determination by NWB.

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Conclusion



- KIA believes that with all technical issues being successfully resolved between KIA and TMAC Resources Inc. the issue of reclamation security can be fully resolved with all parties.
- Thank You
- Questions?

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