

NEWS RELEASE

NIRB File No. 05MN047

Nunavut Impact Review Board issues Public Hearing Report following Assessment of TMAC Resources Inc.'s "2015 Amendment Application" for changes to the Doris North Gold Mine

CAMBRIDGE BAY, NU – June 13, 2016: The Nunavut Impact Review Board (NIRB or the Board) has completed its assessment of the "2015 Amendment Application" as submitted by TMAC Resources Incorporated for proposed amendments to the approved Doris North Gold Mine Project. The NIRB has reconsidered the terms and conditions of Project Certificate No. 003 and has submitted its Public Hearing Report, including recommendations, to the federal Minister of Indigenous and Northern Affairs for her review and decision.

After a thorough review of the potential ecosystemic and socio-economic impacts of the proposed Project, the Board has concluded that the proposed amendments to the Project may proceed, in accordance with the Board's recommendations for including revised terms and conditions into the existing Doris North Gold Mine Project Certificate No. 003.

The scope of the approved Doris North Gold Mine included the construction, operation, and eventual reclamation of an underground gold mine (Doris Hinge zone) located 125 kilometres (km) south of Cambridge Bay and 150 km north of Omingmaktok (Bay Chimo) on Inuit-owned surface lands; associated infrastructure for the extraction, transportation, and shipment of gold from the single deposit; and the construction of a 4.8 km long all-weather road with associated airstrip linking Roberts Bay infrastructure with the main camp and mine site.

Under the 2015 Amendment Application TMAC proposed to include a number of additional activities and undertakings to expand the mine life for the approved Doris North Gold Mine to six (6) years by allowing for mining of additional deposits via the existing portal with a substantial increase to originally-projected mining and milling rates. Material changes in the methods and processes for cyanide destruction, tailings deposition and containment, groundwater management, and discharge of groundwater and effluent were also assessed, among other modifications.

The Board provided several opportunities for technical and public comments on the proposed amendments over an approximately one (1) year period, the assessment process concluded with a three (3) day Public Hearing in Cambridge Bay on April 12-14, 2016. During the Public Hearing, the NIRB received information from more than 60 people, including Elders, students, interested parties, Intervenors, representatives from potentially affected communities, and members of the public, who all shared their knowledge, vision, hopes, experiences and concerns.

The Board heard from Intervenors, Community Representatives and members of the public in attendance at the Public Hearing that there is support for the amendments to the Project, as proposed

in the 2015 Amendment Application. However, these parties also identified concerns regarding ensuring that the Proponent minimize the potential for negative impacts to caribou, Doris Lake, fish and fish habitat, as well as freshwater and marine environments. Reflecting these concerns, mitigation and management of the tailings facility, the discharge of effluent into Roberts Bay via the discharge pipeline and overall site surface and saline groundwater management received considerable focus during the technical review of the application for the proposed amendments and during the technical component of the Public Hearing. In addition, the potential for climate change to affect the mine, mine infrastructure, winter roads and eventual closure and reclamation planning were also discussed throughout the Board's reconsideration process.

During its assessment, the Board heard there was uncertainty associated with the potential for ecosystemic impacts associated with the Proponent's planned discharge into the marine environment, as it has not been used by any other existing or proposed mines in Nunavut. In recommending that the proposed pipeline be allowed to proceed, the Board has required that the pipeline remains stable, secure, and protected from damage through the addition of terms and conditions to Project Certificate No. 003. The Board has also recommended the Proponent be required to remove the pipeline from the marine environment during decommissioning unless it can be demonstrated to the NIRB's satisfaction in the future that it would not cause adverse effects to the environment if left in place.

Other key revisions and additions to Project Certificate No. 003 as recommended by the Board to address the proposed changes to the Project include:

- New terms and conditions have been included to minimize the potential for effects arising from the effluent pipeline discharging into Roberts Bay;
- A new term and condition has been added to require periodic monitoring of the water levels in Doris Lake;
- A new term and condition requiring the development and submission of a detailed groundwater management plan;
- New and modified terms and conditions to continue monitoring for potential socioeconomic project-induced effects, including new measures aimed at planning for and assessing effects associated with temporary closures of the mine, and measures to identify potential project-induced effects on in-migration in the region; and
- A new term and condition confirming TMAC's reporting obligations to the Government of Nunavut with respect to the presence of archaeological sites encountered by TMAC.

The Public Hearing Report and the complete record of the technical review comments, extensive written submissions and evidence presented at the Public Hearing in respect of the Board's reconsideration are available from the Board's public registry, accessible from the NIRB website at www.nirb.ca by using either of the following search criteria: Project Name = Doris North Gold Mine; NIRB File No. = 05MN047.

Translated versions of the report will be prepared posted on the online public registry as soon as it becomes available.

The NIRB is very grateful to all who actively participated in this assessment, and who worked in a collaborative and productive manner during this process. Specifically, the Board thanks TMAC Resources Inc., various federal, territorial, and local government representatives, the Kitikmeot Inuit Association, Elders, community representatives, and members of the public who gave of their time, shared their experiences and expertise and supported the Board's efforts to complete a thorough and timely assessment of the changes to the Project proposed in the 2015 Amendment Application.

If the Minister of Indigenous and Northern Affairs accepts the NIRB's report and agrees with the Board's conclusion that the amendments to the Doris North Gold Mine and its associated Project Certificate No. 003 can proceed, the NIRB looks forward to continuing to work with all parties to update the existing monitoring program for the Project moving forward.

Sincerely,

Elizabeth Copland Chairperson

Nunavut Impact Review Board

For more information, the media may contact:

Ryan Barry, Executive Director Nunavut Impact Review Board 1-866-233-3033 or rbarry@nirb.ca