



Kitikmeot Inuit Association

KIA Final Submission on Hope Bay
Project Phase 2 Type A Water License
Application



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Purpose of Presentation



- Present a summary of KIA's Final Submission on the TMAC Resources Inc. Hope Bay Project Phase 2 Type A Water license applications to the NWB.
- KIA had conducted a thorough review in the areas of hydrology, hydrogeology, fisheries, aquatic environments, water quality and monitoring.
- 8 Issues were resolved before and at May 2018 Technical Meeting.

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NUNAVUT WATER BOARD

Date: October 24, 2018

Exhibit No.: # 35

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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Proposed Staged Split of IOL and Crown Land & Water Security for Doris-Madrid



Tranche	KIA % of Sub-Total	KIA \$	CIRNA % of Sub-Total	CIRNA \$	Sub Total	Sub Total %
Phase 1	40.2%	\$24,600,961	11.0%	\$6,705,192	\$31,306,153	51.2%
Roberts Bay	0.8%	\$486,065	0.0%	\$18,347	\$504,412	0.8%
Boston All-Weather Road	1.0%	\$588,867	0.0%	\$0	\$588,867	1.0%
Wind Turbines	8.0%	\$4,863,440	0.0%	\$0	\$4,863,440	8.0%
Madrid North Earthworks	0.2%	\$133,800	0.0%	\$0	\$133,800	0.2%
Madrid South Earthworks	0.1%	\$41,042	0.0%	\$0	\$41,042	0.1%
Madrid North Buildings	3.3%	\$2,044,069	2.8%	\$1,682,576	\$3,726,645	6.1%
Madrid South Buildings	1.3%	\$810,632	0.3%	\$185,459	\$996,091	1.6%
Tailings	29.7%	\$18,164,740	0.9%	\$550,686	\$18,715,426	30.6%
Madrid North Mining	0.3%	\$160,717	0.0%	\$5,843	\$166,560	0.3%
Madrid South Mining	0.2%	\$126,318	0.0%	\$5,843	\$132,161	0.2%
Total	85%	\$52,020,651	15%	\$9,153,946	\$61,174,597	100%

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Proposed Staged Split of IOL and Crown Land & Water Security



Tranche	KIA % of Sub-Total	KIA \$	CIRNA % of Sub-Total	CIRNA \$	Sub Total	Sub Total %
Mining	0.6%	\$206,966	2.6%	\$942,845	\$1,149,811	3.1%
Tailings	0.2%	\$59,418	67.1%	\$24,652,310	\$24,711,728	67.3%
Earthworks	2.0%	\$743,470	2.6%	\$942,845	\$1,686,315	4.6%
Buildings	20.5%	\$7,530,662	4.5%	\$1,634,104	\$9,164,766	25.0%
Total	23.3%	\$8,540,516	76.7%	\$28,172,104	\$36,712,620	100%

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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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