

File Nos.: 2AM-DOH1335 and 2AM-BOS1835

December 7, 2018

By Email

The Honorable Dominic LeBlanc, P.C. Minister of Intergovernmental Affairs, Northern Affairs and Internal Trade House of Commons Ottawa, ON K1A 0A6

Email: dominic.leblanc@parl.gc.ca

Subject: Amended Type "A" Water Licence 2AM-DOH1335 (Amendment No. 2)

(Doris-Madrid Project) and New Type "A" Water Licence No. 2AM-BOS1835 (Boston Project) associated with the Phase 2 Hope Bay Belt Project; TMAC

Resources Inc.

Dear Honourable Minister LeBlanc:

Please find enclosed the amended Type "A" Water Licence 2AM-DOH1335 (Amendment No. 2) and new Type "A" Water Licence No. 2AM-BOS1835, that the Nunavut Water Board (NWB or Board) recommends be issued to TMAC Resources Inc. (TMAC) for a Mining Undertaking as defined under Schedule 1, Item 2 of the *Nunavut Waters Regulations*, SOR/2013-69.

These Water Licences, in combination, will authorize TMAC to use Water and deposit Waste in support continuous mining at Doris North site and mine construction and operation activities at Madrid and Boston sites, located approximately 125 kilometres (km) southwest of Cambridge Bay and 75 km northeast of Omingmaktok (Bay Chimo), within the Kitikmeot Region of Nunavut.

As the Phase 2 Hope Bay Belt Project falls outside an area with an approved Land Use Plan in effect, as set out in the Agreement between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in right of Canada (*Nunavut Agreement*) and the Nunavut Waters and Nunavut Surface Rights Tribunal Act, S.C. 2002, c. 10 (*NWNSRTA*) the Nunavut Planning Commission was not required to conduct a land use conformity assessment for the Project. On January 12, 2012, the Nunavut Impact Review Board (NIRB) received the referral of the Phase 2 Hope Bay

Belt Project for screening. The NIRB subsequently recommended (and the Minister agreed and referred the Project to the NIRB) the Project for review by the NIRB pursuant to the *Nunavut Agreement*, Article 12, Part 5 (the Review). The NIRB's assessment of the Project did not proceed in 2012-2013 as the owner of the Project at that time, Hope Bay Mining Ltd., had placed the existing Doris North Project in care and maintenance and did not advance the Project. In 2013, the ownership of the project was transferred from Hope Bay Mining Ltd. to TMAC Resources Inc. The NIRB's assessment of the potential ecosystemic and socio-economic effects of the Project, and subsequent reconsideration took place from late December 2016 through to November 2018, culminating in the NIRB's completion of the Review, recommending that the Project be allowed to proceed to the licensing stage and issuing NIRB Project Certificate [No. 009] to TMAC on November 9, 2018.

Please note that, as required under s. 63 of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*, S.C. 2002, c. 10 (*NWNSRTA*), the NWB required formal confirmation from the Kitikmeot Inuit Association (KIA) and TMAC that there are no outstanding issues of water user compensation, which was received during the NWB Public Hearing on October 24-25, 2018.

In accordance with s. 56 of the *NWNSRTA*, the new Licence requires your approval and, as such, the NWB provides the three (3) attached documents: Reasons for Decision, including Record of Proceedings, an Amended Licence and a new Licence for your review and consideration.

Should you have any questions and/or require clarification on the above, or wish to discuss further, please contact the undersigned in writing.

Sincerely,

Lootie Toomasie Nunavut Water Board, Chair

Cc: Phase 2 Hope Bay Belt Project Distribution List

Enclosures: Water Licence No: 2AM-DOH-1335 Amendment No. 2 and 2AM-BOS1835,

Reasons for Decision and Record of Proceedings.

Water Licence 2AM-DOH1335 (Amendment No. 2), and

Water Licence 2AM-BOS1835.