

NWB File No: 2AM-LUP1520

November 8, 2019

Karyn Lewis Project Manager Lupin Mines Incorporated 76 Richmond Street East, Suite 330 Toronto, ON M5C 1P1

Email: k.lewis@mandalayresources.com

Re: Type "A" Water Licence 2AM-LUP1520 Renewal and Amendment Application, Lupin Mines Incorporated; Lupin Mine Project; Update on Public Hearing

Dear Ms. Lewis,

Further to the Nunavut Water Board (NWB or Board) correspondence of July 6, 2019¹, with respect to the next steps in the process leading up to the Public Hearing for the Type "A" Water Licence 2AM-LUP1520 renewal and amendment application (Application) submitted by the Lupin Mines Incorporated (LMI or Applicant) for the Lupin Mine Project, the Board received written submissions from the Applicant fulfilling their commitments to date, as outlined in the Pre Hearing Conference Decision Report, and included the following submissions:

August 15, 2019:

• Commitment #3 and #4 – Historical data analysis of ARD potential for waste rock in the Tailings Containment Area (tailings dams, roadways, etc.). In this submission, LMI stated that "As only one of the TCA waste rock sampling sites indicated significant potential for ARD generation in 2005 and the waste rock has been exposed to weathering action for decades (oxidizing the sulfide since the early 1990s), as noted in Commitment No.3 there is no need to proceed to the geochemical modeling mentioned in Commitment No.4."²

¹ Type "A" Water Licence 2AM-LUP1520; Pre-Hearing Conference Decision Regarding an Application for the Amendment and Renewal of Type "A" Water Licence No: 2AM-LUP1520.

² Technical Memo: 2AM-LUP1520 Technical Meeting Commitment Number 3 and 4 Responses – Waste Rock Information from Lupin Mine Tailings Containment Area; August 14, 2019.

October 15, 2019:

- Commitment #1 Human Health and Ecological Risk Assessment (HHERA) report;
- Commitment #5 Conceptual design of the waste rock cover dome technical memorandum;
- Commitment #7 Surface Water Quality Model and Thermal-Seepage Model Memorandum, contained in Appendix C of the HHERA;
- Commitment #8 Decision Matrix for Contaminants Exposed above Lupin Mine Tailings Containment Area Closure Water Levels, Technical Memo;
- Commitment #10 Cover Data from Lupin Mine Tailings Containment Area Tailings, Technical Memo, results from the test-pits and "ground truth" exercise;
- Commitment #11 Geophysical Survey Lupin Mine Tailings Containment Area Dams, Technical Memo;
- Commitment #13 Lupin Mine Tailings Containment Area Dams Thermal Modelling Results, Technical Memo.

November 4, 2019:

• Commitment #2 – Updated security estimate RECLAIM model.

These documents are on the Board's Public Registry and are available through the NWB's FTP site using the following link:

ftp://ftp.nwb-oen.ca/registry/2%20MINING%20MILLING/2A/2AM%20-%20Mining/2AM-LUP1520%20LMI/2%20ADMIN/4%20HEARINGS/2%20HEARING/2019%20Amendment%20Renewal/

The NWB is awaiting the following commitments to be fulfilled prior to the public hearing and by November 15, 2019, as outlined in the Pre-Hearing Conference Decision Report:

- Commitment #6 Geotechnical details of engineered structures (dams, waste rock, etc.);
- Commitment #9 LMI and Crown-Indigenous Relations and Northern Affairs (CIRNA) jointly submit a framework for progressive release of security;

- Commitment #12 Risk Assessment of Dam 3D (internal dam) and Dam 4 (external dam), following the geophysical survey provided under Commitment #11;
- Commitment #15 LMI to submit a Draft Licence Framework identifying where amendments apply to the Licence.

Commitment #14, LMI to provide a Post-Closure Monitoring Plan one year following the approval of the Licence Amendment, will require further discussion with stakeholders.

Reflecting the discussions at the Pre-Hearing Conference and the commitments listed above that were provided by the Applicant since the Technical Meeting and Pre Hearing Conference, the NWB has determined that the Public Hearing will be held on **January 15-16**, **2020**, when all materials required to be filed by the Applicant, Interveners and interested members of the Public have been provided to the Board. Accordingly, the following timeline was established in the Pre Hearing Conference Decision Report and requiring participants to adhere by:

- LMI will file all Pre-Hearing Conference commitment documents, including a discussion draft of the Water Licence Framework in respect to the proposed amendment and renewal of Water Licence No. 2AM-LUP1520, with the Board on or before **November 15, 2019**;
- Any party requesting French translation of any component of any other parties' submissions, presentation materials and/or requesting the Board to provide simultaneous French translation at the Public Hearing must make such requests to the Board in writing on or before **December 2, 2019**;
- All further and final written submissions to be provided by Interveners or interested members of the public must be filed with the Board on or before Monday, **December 16, 2019**;
- All further and final responses of LMI to the information filed to date must be filed with the Board on or before Friday, **January 3, 2020**;
- Any presentations (e.g. PowerPoint Presentations, etc.) upon which anyone intends to rely at the Public Hearing must be filed with the Board on or before Friday, **January** 10, 2020; and
- If the Interveners and/or the Applicant file additional written submissions, final responses and presentation materials as outlined above, they are also required to make

best efforts to provide an Executive Summary of their written submissions in English, French, and Inuinnaqtun and fully translated copies of their presentation materials or final responses in English and Inuinnaqtun at the same time as they file the full submission.

All submissions will be posted on the NWB's ftp-site (ftp://ftp.nwb-oen.ca/) and in the public registry upon receipt.

Following the Public Hearing, within 45 days of the Public Hearing Record closing the Board will issue Reasons for Decision and a Record of Proceedings (Reasons for Decision) and, if the Board recommends the Application be granted, a recommended renewal water licence will also be attached. The Reasons for Decision will be provided to the Minister of Crown-Indigenous Relations and Northern Affairs for consideration.

If you have any questions regarding procedural matters related to the file, please contact Richard Dwyer, Licensing Manager, at licensing@nwb-oen.ca or by phone at (867) 360-6338, ext. 27. For any Technical inquiries, please contact Derek Donald, Technical Advisor at derek.donald@nwb-oen.ca or by phone at 867-360-6338, ext. 32.

Sincerely,

Richard Dwyer Manager of Licensing Nunavut Water Board

Cc: Lupin Distribution