

TECHNICAL MEMORANDUM**DATE** 15 November 2019**Project No.** 19120487**TO** Karyn Lewis, Project Manager
Lupin Mines Incorporated**CC** Ken Bocking**FROM** Dionne Filiatrault**EMAIL** dionne_filiatrault@golder.com**RE: Draft Water Licence Framework Rev0**

The Nunavut Water Board (NWB or Board) confirmed in its Pre-hearing Conference (PHC) decision of June 18, 2019, Lupin Mines Incorporated (LMI or Company) commitment to filing a draft Water Licence Framework for the review of the Interveners and the NWB on or before November 15, 2019.

Attachment A outlines LMI's comments on potential water licence conditions to proceed with the activities and infrastructure associated with the Final Closure and Reclamation related to the Amendment/Renewal of Type A Water Licence No: 2AM-LUP1520, should the Board exercise its jurisdiction and authority under the Nunavut Waters and Nunavut Surface Rights Tribunal Act (NWNSRTA or Act) to proceed and re-issue/amend a licence. Attachment B shows these potential changes compared to the original conditions.

This framework incorporates applicable conditions included in renewal Type A Water Licence issued by the NWB on 19 August 2015 and any amendments issued to the Type A subsequent to the initial renewal licence including:

- Amendment No. 1 – 28 March 2017
- Amendment No. 2 – 18 April 2018
- Amendment No. 3 – 21 December 2018

LMI committed to submit a Draft Licence Framework (DLF) document to highlight the proposed amendments to the existing water licence terms and conditions to reflect the change in status to final closure of the Lupin Mine, to align with the NWB's recent approaches to issues such as phased security, and to reflect LMI's commitments and various submissions from the Applicant as well as the current public record (i.e., commitments from information requests, and technical comments) received to date. As stipulated by the NWB, the intention of the DLF is to simplify and focus the parties' discussion of the amendments sought in the Application. Further, the NWB expects LMI to address the issue of the progressive release of security in the DLF document to ensure that all parties have an opportunity to review and comment on the approach. Statements and conditions provided in this table are intended to support the NWB and staff in their development of an amended/renewed water licence for the Mine. LMI proposed to provide an update to this DLF in their Final submission to the NWB on January 3, 2020 to reflect final written submission received from Interveners on or before December 16, 2019.

As stipulated at the Technical meeting, LMI herein confirms the request for a change to the Application for the purpose of clarification to the "Term of Licence". LMI has requested a 12-year Licence Term.

DRAFT

Attachments:

Attachment A: Draft Water Licence Framework Clean Version

Attachment B: Draft Water Licence Framework Track Change

Attachment C: Schedule C - Conditions Applying to Security

Dionne Filiatrault
Project Manager

Ken Bocking
Principle

DF/KB/md

[https://golderassociates.sharepoint.com/sites/107254/project files/6 deliverables/phc commitments 15 november/dwlf/191115 2am-lup1520 lupin phc commitment 15 draft water licence framework rev0 cover letter -ilae.docx](https://golderassociates.sharepoint.com/sites/107254/project%20files/6%20deliverables/phc%20commitments%2015%20november/dwlf/191115%20am-lup1520%20lupin%20phc%20commitment%2015%20draft%20water%20licence%20framework%20rev0%20cover%20letter-ilae.docx)