



WATER LICENCE INSPECTION FORM

☒ Original
☐ Follow-Up Report

Licensee		Licensee Representative	
Lupin Mines Inc		Karyn Lewis	
Licence No. / Expiry		Representative's Title	
2AM-LUP2032		Project Manager	
Land / Other Authorizations		Land / Other Authorizations	
Date of Inspection		Inspector	
2020 July 2		Baba Pedersen	
Activities Inspected			
<input type="checkbox"/> Camp	<input type="checkbox"/> Drilling	<input type="checkbox"/> Mining	<input type="checkbox"/> Construction
<input type="checkbox"/> Roads/Hauling	<input type="checkbox"/> Other:	<input checked="" type="checkbox"/> Other: Reclamation Security	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Fuel Storage			

Conditions:		A - Acceptable	C - Concern	U - Unacceptable	NA – Not Applicable	NI – Not Inspected	
Water Use		Condition	Comment	Site Conditions		Condition	Comment
Intake/Screen				Water Management Structures			
Flow Measure. Device				Culverts / Bridges			
Source:				Drainage			
Water Use:				Erosion / Sediment			
Recirculation (y /n)				Mitigation Measures			
				Reclamation Activities		A	All
				Materials Storage			
Waste Disposal				Signage			
Waste Water							
Solid Waste				Monitoring			
Hazardous Waste				Sample Collection / Analysis			
*The number in the comments field will correspond with specific comments provided below.							
Samples taken by Inspector:		Location(s):					
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No							

SECTION 1	<input checked="" type="checkbox"/> Comments (s. __)	<input type="checkbox"/> Non-Compliance with Act or Licence (s. __)	<input type="checkbox"/> Action Required (s. __)
<p>On Thursday July 2, 2020 I, Baba Pedersen, Resource Management and Water Resources Officer with Crown-Indigenous Relations and Northern Affairs Canada, the Writer of this Report, did Inspect the holder (Lupin Mines Incorporated) of Water Licence number 2AM-LUP2032 issued for the Reclamation of the Lupin Mine Site located at approximately N 65*46' and W 111*14'in the Kitikmeot Region of the Territory of Nunavut (Photos 1 and 2).</p> <p>Upon arrival to the site, the writer was accompanied by Gord Peckford, Mine Manager of the Lupin Mine Site for Nahanni Construction Ltd and John Franklin Kaodluak, CIRNAC Contracted Bear Monitor. The purpose of the Inspection was the following:</p> <p>1. To Inspect Terms and Conditions pertaining to the Water Licence stated above and additionally to ensure that the Licensee is abiding by named Terms and Conditions within the Licence Permit.</p> <p>2. To follow up on the Progress Made by Nahanni/LMI as per their Reclamation Security Release Request.</p> <p>THIS REPORT IS PERTAINING TO ITEM 2.</p> <p>Due to the ongoing global Covid-19 Pandemic situation, this was a very unique Inspection process. The writer flew in to the site on an Air Charter, which is the only accessible means of travel to and from the mine site during the summer months. Recommended health guidelines including social distancing in response to the pandemic were respected the entire time the writer was on the ground at the Lupin Site. John Franklin Kaoudluak and the writer followed Gord Peckford around the site using their own ATV's while Gord was using his company's truck. At NO Time did any named parties including the 2 Pilots of the Charter Flight come into contact with anyone working at the Lupin Site.</p>			
SECTION 2	<input checked="" type="checkbox"/> Comments	<input type="checkbox"/> Non-Compliance with Act or Licence	<input type="checkbox"/> Action Required
<p>As part of the report for Confirmation of Work Completed, as it pertains to Reclamation Security, the writer included 2 Photos that were taken of how the Lupin Site appeared as at 2019 Aug 25 (Photos 1 and 2) for a purpose of Comparison and 2 Photos that the writer took on 2020 July 2 (Photos 3 and 4). The writer also has included a snapshot (Photo 5) of an email dated 2020 June 30 provided by the Contractor, Nahanni Construction, to LMI stating the Demolished Items they would like the writer to look at during the Inspection of 2020 July 2.</p> <p>The following is a list of Specific Locations that were observed during this Inspection;</p> <p>TAILINGS FACILITIES AS PER SCHEDULE C, TABLE 4 on Page 29 of the Water Licence</p> <p>Cell 3 (Photos 6 and 7), the June 30 email states that the contractor estimates they are 43% Complete and on site during the Inspection Gord Peckford estimated that they are around 80% Complete. From the writer's observations and photos it does appear that about 80% of the Cell 3 Tailings Area has been covered. The writer did NOT confirm the depth of the cover, nor did the writer see any Aerial Photos.</p>			



Cell 5 (Photos 8 and 9), the June 30 email states that the contractor estimates they are 52% Complete and on site during the Inspection Gord Peckford estimated that they are around 80% Complete. From the writer’s observations and photos it does appear that about 80% of the Cell 5 Tailings Area has been covered. The writer did NOT confirm the depth of the cover, nor did the writer see any Aerial Photos.

CHEMICALS & CONTAMINATED SOIL MANAGEMENT, AS PER SCHEDULE C, TABLE 6, on Page 31 of the Water Licence

Landfill Area Construction (Photos 10, 11 and 12), The writer walked the entire perimeter of the Temporary Land Fill area where contents of the various Building Demolishens are being stored. To the best of the writer’s knowledge, it does appear that the contractor has Decontaminated all the Oil, Fuel & Glycol Systems, as well all Asbestos Containing Materials appear to have been Removed. The writer did NOT see an Itemized Inventory List nor did the writer see where the removed Used Oils and Asbestos were being Stored. The writer did observe work in progress on the construction of the permanent Land Fill Area.

BUILDINGS & EQUIPMENT, AS PER SCHEDULE C, TABLE 7, on Pages 32 & 33 of the Water Licence

The following is a list of the remains of the Buildings the writer observed and to what state they have been Demolished

the **Paste Plant (Photo 13)**, 100% Demolished, Debris on Site

the **Electrical Shop (Photo 14)**, 100% Demolished, Debris on Site in the process of being removed to Temporary Land Fill area

the **Mill Building (Photo 15)**, 100% Demolished, Debris on Site

the **Power House (Photo 16)**, 100% Demolished, Debris on Site

the **Head Frame (Photo 17)**, 100% Demolished, 100% Debris Removed, there is a large Steel Plate Covering the Shaft Hole

the **Shaft House (Photo 18)**, 100% Demolished, 100% Debris Removed

the **Hoist House (Photo 19)**, 100% Demolished, Debris on Site

the **Kitchen/Gymnasium and 100-400 Block (Photos 20 & 21)**, 100% Demolished, 100% Debris Removed

the **Fresh Air Vents (Photo 22)**, 100% Demolished, 100% Debris Removed

the **RTL Shop (Photo 23)**, 100% Demolished, 100% Debris Removed

the **Surface Storage Building #2 (Photo 24)**, 100% Demolished, 100% Debris Removed

the **Surface Storage Building #1 (Photo 25)**, 100% Demolished, 100% Debris Removed

and the **old Airport Weather Station Building (Photo 26)**. 100% Demolished, 100% Debris Removed

SECTION 3	<input checked="" type="checkbox"/> Comments	<input type="checkbox"/> Non-Compliance with Act or Licence	<input type="checkbox"/> Action Required
While on the ground at the Lupin site, Mr. Peckford was informed that the purpose of this Inspection is to verify that the demolishen work claimed to having been completed actually has been completed. For those that do make any decisions regarding Reclamation Security, this Inspection Report is one of many tools that the deciding authorities will use to make their decisions. The writer stresses this fact to anyone reading this report as well. At this time, the writer is satisfied that all Demolishin Work claimed to have been completed by the Contractor at the Lupin Site, has been completed as stated.			

Licensee or Representative	Inspector's Name
	Baba Pedersen
Signature	Signature
	Signed Original on File
Date	Date
	2020 July 15

Office Use Only: Follow-up report to be issued by Inspector ☐ Yes ☒ No

cc. CIRNAC, Manager Field Operations, Iqaluit, justin.hack@canada.ca

Nunavut Water Board, Manager of Licensing, Gjoa Haven, licensing@nwb-oen.ca



PHOTO LOG

Date	Camera	Inspector	Authorization
2020 July 2	Sony DSC-HX50V	Baba Pedersen	2AM-LUP2032
Photo Log # DSC05446			
Photo 1			
			
Description: Lupin Mine Site as at 2019 August 25 – View 1 as a “BEFORE” Photo for comparison			
Photo Log # DSC05456			
Photo 2			
			
Description: Lupin Mine Site as at 2019 August 25 – View 2 as a “BEFORE” Photo for comparison			



Photo Log # DSC05582

Photo 3



Description: Lupin Mine Site as at 2020 July 2 – View 1 as an “AFTER” Photo for comparison

Photo Log # DSC05644

Photo 4

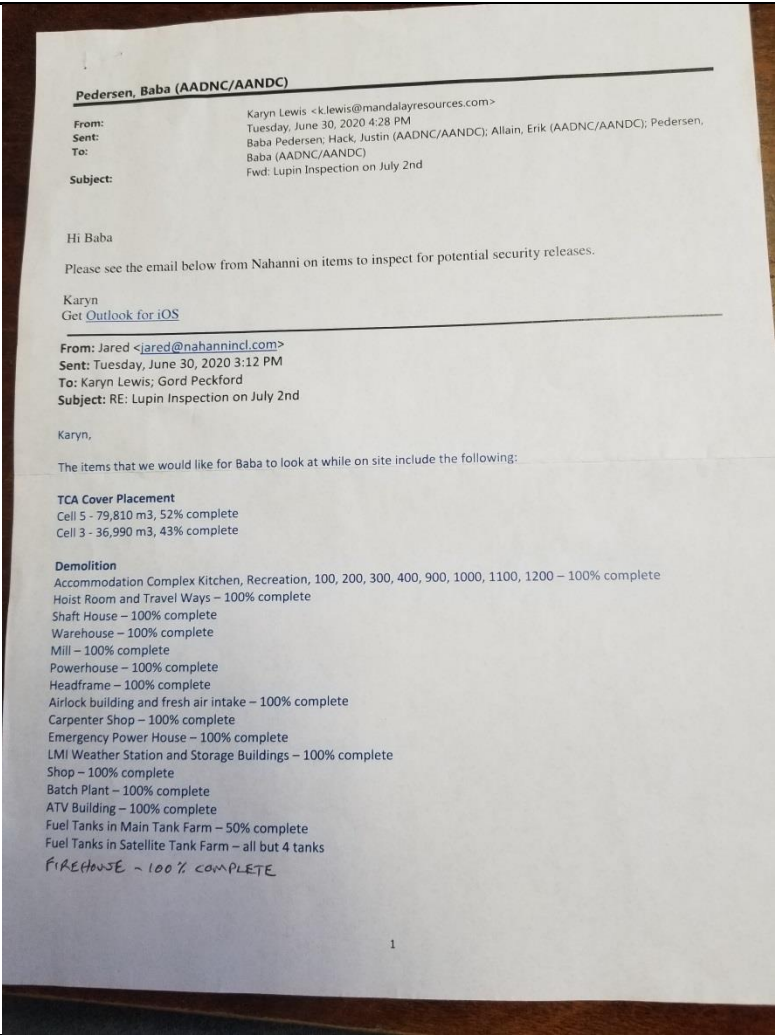


Description: Lupin Mine Site as at 2020 July 2 – View 2 as an “AFTER” Photo for comparison



Photo Log # 20200707_144006

Photo 5



Description: Snap Shot of Email dated 2020 June 30

Photo Log # DSC05627

Photo 6



Description: Cell 3 – View 1



Photo Log # DSC05631

Photo 7



Description: Cell 3 – View 2

Photo Log # DSC05633

Photo 8



Description: Cell 5 – View 1



Photo Log # DSC05635

Photo 9



Description: Cell 5 – View 2

Photo Log # DSC05674

Photo 10



Description: Land Fill Area under Construction – View 1



Photo Log # DSC05725

Photo 11



Description: Land Fill Area under Construction – View 2

Photo Log # DSC05726

Photo 12



Description: Land Fill Area under Construction – View 3



Photo Log # DSC05745

Photo 13



Description: Paste Plant

Photo Log # DSC05747

Photo 14



Description: Electrical Shop



Photo Log # DSC05751

Photo 15



Description: Mill Building

Photo Log # DSC05759

Photo 16



Description: Power House



Photo Log # DSC05762

Photo 17



Description: Head Frame

Photo Log # DSC05763

Photo 18



Description: Shaft House



Photo Log # DSC05768

Photo 19



Description: Hoist House in Background

Photo Log # DSC05772

Photo 20



Description: Kitchen/Gymnasium/100-400 Block – View 1



Photo Log # DSC05773

Photo 21



Description: Kitchen/Gymnasium/100-400 Block – View 2

Photo Log # DSC05774

Photo 22



Description: Fresh Air Vents



Photo Log # DSC05776

Photo 23



Description: RTL Shop

Photo Log # DSC05804

Photo 24



Description: Surface Storage Building #2



Photo Log # DSC05805

Photo 25



Description: Surface Storage Building #1

Photo Log # DSC05809

Photo 26



Description: Old Airport Weather Station Building