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NUNAVUT WATER BOARD
NUNAVUT IMALIRIYIN KATIMAYINGI
OFFICE DES EAUX DU NUNAVUT

File: 2AM-LUP1520 – Amendment No. 3

December 21, 2018

Honourable Dominic LeBlanc, PC, MP
Minister of Intergovernmental Affairs, Northern Affairs and Internal Trade
House of Commons
Ottawa, ON K1A 0A6

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RE: Licence No: 2AM-LUP1520, Type “A” – Amendment No. 3

Dear Honourable Minister LeBlanc:

Please find attached Amendment No. 3 to the Type “A” Water Licence No. 2AM-LUP1520 along with the associated Reasons for Decision, duly issued by the Nunavut Water Board (NWB or Board) to Lupin Mines Incorporated (Motion 2018-17-P11-06), pursuant to the Board’s authority under Article 13 of the *Agreement between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in Right of Canada* and the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*.

The above-mentioned Amendment primarily addresses changes to Part C, Item 1 of the terms and conditions contained in Licence No. 2AM-LUP1520 to allow for a reduction in the reclamation security posted under the Licence for the Project, from \$29.305 million to \$26.1 million associated with the progressive reclamation works as per Licensee’s Interim Abandonment and Reclamation Plan approved by the Board on July 20, 2018. As no further changes were included in the above-referenced Amendment, the remaining terms and

conditions of Licence No: 2AM-LUP1520, which authorises the use of Waters and/or the deposit of Waste for a mining undertaking, remain an integral part of this approval.

With respect to pre-licensing requirements, it should be noted that the relevant determinations or decisions that have been previously issued by the Nunavut Planning Commission (NPC)¹ and the Nunavut Impact Review Board (NIRB)² remain applicable to the Project and undertakings.

In accordance with section 56 of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*, the above referenced Amendment requires your approval in order to take effect and to be valid. As such, the NWB submits the attached amendment (Licence No: 2AM-LUP1520 – Amendment No. 3) and Reasons for Decision for your consideration.

If you have any questions regarding to the above, please contact the undersigned, in writing, at your earliest convenience.

Sincerely,

NUNAVUT WATER BOARD

Lootie Toomasie
Chairman

LT/ak/rqd

Attachments: **Licence No: 2AM-LUP1520 – Amendment No. 3**
Reasons for Decision

cc: Lupin Mine Distribution

¹ Nunavut Planning Commission Land Use Conformity Determination, February 26, 2014.

² Nunavut Impact Review Board (NIRB) Screening Decision, June 9, 2014.

LICENCE AMENDMENT No. 3

Licensee:	Lupin Mines Incorporated
Licence No:	2AM – LUP1520, Type “A”
Licence Issued:	August 19, 2015
Licence Expiry:	August 18, 2020
Amendment No. 1 Effective Date:	March 28, 2017
Amendment No. 2 Effective Date:	April 18, 2018
Amendment No. 3 Effective Date:	December 21, 2018

Pursuant to its authority under Article 13 of the *Agreement between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in Right of Canada* and the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*, with respect to an amendment request by Lupin Mines Incorporated (LMI), submitted on July 27, 2018, to reduce the security provisions under Part C, Item 1 of Licence No: 2AM-LUP1520, the Nunavut Water Board hereby grants the following Licence amendment.

The Licence, issued August 19, 2015 with an expiry date of August 18, 2020 shall be amended to include the following, with respect to the use of Waters and/or the Deposit of Waste at the Lupin Mine, located in the Kitikmeot Region, Nunavut, at the following general geographic coordinates: Latitude 65° 46' N and Longitude 111° 14' W.

PART C **CONDITIONS APPLYING TO SECURITY**

Amend Item 1 to Read:

The Licensee shall, within sixty (60) days following approval by the Minister of Amendment No. 3 to Licence No. 2AM-LUP1520, furnish and maintain reclamation security with the Minister in the amount of \$26,107,303 dollars, in a form that is satisfactory to the Minister and consistent with the Act and Regulations.

Amend Item 2 to Read:

The Licensee shall furnish and maintain such further or other amounts as may be required by the Board, based on subsequent periodic estimates of mine reclamation liability, including any progressive reclamation activities completed in accordance with the *Interim Abandonment and Restoration Plan* dated August 2017 and approved by the Board on July 20, 2018. The Licensee shall submit proof of completed reclamation activities to the Board and to the Minister for the Minister's consideration under sections 76(2) and (5) of the Act.

Amend Item 3 to Read:

The security referred to in Part C, Item 1 shall be maintained until such time as it is fully or in part refunded by the Minister pursuant to section 76(5) of the Act. This clause shall survive the expiry of this Licence or renewals thereof and until full and final reclamation has been completed to the satisfaction of the Minister.

Remove Item 4.

Amend Item 5 to Read.

The Licensee shall submit an updated security assessment as part of any application to renew the Licence. The updated security assessment shall take into consideration the latest version of RECLAIM and address any amendments to the reclamation security under Part C of the Licence, changes to reclamation security occurring under the Act and/or Regulations, as well as any changes in the Project scope associated with the application.

All remaining terms and conditions of Type “A” Water Licence No. 2AM-LUP1520 issued on August 19, 2015, as amended by Amendment No. 1 issued on March 28, 2017 and as further amended by Amendment No. 2, issued on April 18, 2018, remain applicable.

This Licence Amendment No.3 issued and recorded at Gjoa Haven, NU, on **December 21, 2018** under **Motion No. 2018-17-P11-06**.

Lootie Toomasie
Chairperson, Nunavut Water Board

APPROVED BY:

Dominic LeBlanc
Minister of Intergovernmental
Affairs, Northern Affairs and
Internal Trade

DATE: