

NWB File No: 2AM-LUP2032

February 28, 2020

Honourable Daniel Vandal, PC, MP Minister of Northern Affairs The Valour Building, Suite 550 House of Commons Ottawa, Ontario K1A 0A6

Email: aadnc.ministrean-ministerna.aandc@canada.ca

Subject: Water Licence No. 2AM-LUP2032; Lupin Mines Incorporated for the Lupin

Mine Project

Dear Honourable Minister Vandal:

Please find enclosed, the Nunavut Water Board (NWB or Board) Decision regarding application to renew and amend the Type "A" Water Licence No. 2AM-LUP1520 along with the copy of the Type "A" Water Licence No. 2AM-LUP2032 (Licence), duly issued by the NWB to Lupin Mines Incorporated for a Mining undertaking in accordance with Schedule 1 of the *Nunavut Waters Regulations*. The Licence authorizes Lupin Mines Incorporated to use Water and deposit Waste in support of the Final Closure and Reclamation of the Lupin Mine site (Lupin or the Project), a gold mine located approximately 285 kilometres southeast of the Hamlet of Kugluktuk, in the Kitikmeot Region, Nunavut.

In its Decision to issue the Licence and consistent with the *Agreement between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in Right of Canada (Nunavut Agreement)*, the Board considered the outcome of its review process as well as the determinations made by the Nunavut Planning Commission (NPC) and the Nunavut Impact Review Board (NIRB) with respect to the undertaking. It should be noted that the initial or original regulatory approvals including the initial water licence(s) issued for exploration activities and mine development pre-dated the existence of the NWB, the NPC, and the NIRB. As such, a project certificate has never been issued by the NIRB to the Project. The NIRB has, however, issued several screening decisions to the Project, and the relevant recommendations in the most recent decision have been considered in drafting the attached Licence.

The NPC in its February 1, 2019, correspondence¹ determined that the Project falls outside of an area with an applicable Land Use Plan, and therefore does not require a conformity assessment by the NPC. In addition, the NPC determined that the project proposal is exempt from screening by the NIRB because the application does not involve changes to the general scope of the previously assessed activities, and the exceptions noted in Section 12.4.3 (a) and (b) of the *Nunavut Agreement* do not apply. Previously, on June 9, 2014, the NIRB issued correspondence indicating that the original project proposal (NIRB File No.: 99WR053) was received by the NIRB from the NWB on July 12, 1999, and was screened by the Board in accordance with Part 4, Article 12 of the *Nunavut Agreement* (referenced at the time as the "Nunavut Land Claims Agreement" or NLCA). ²

On the basis of the NPC's consideration and the NIRB's screening of the project, the NWB concluded that the land use planning and environmental assessment requirements for the application under Articles 10-13 of the *Nunavut Agreement*, Part 3 of the *Nunavut Planning and Project Assessment Act (NuPPAA)*, and s. 38 of *the Nunavut Waters and Nunavut Surface Rights Tribunal Act*, S.C. 2002, c. 10 (*NWNSRTA*) have been met and the application could be processed by the Board.

In accordance with section 56 of the *NWNSRTA*, the above referenced Licence requires your approval in order to take effect. As such, the NWB submits the attached Reasons for Decision including Records of Proceedings rendered by the Board, and a copy of the amended renewal Licence No. 2AM-LUP2032 for your 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 LT/dd/rqd

Enclosure: Renewal Water Licence No. 2AM-LUP2032 and Reasons for Decision

Cc: Lupin Distribution List

¹ Nunavut Planning Commission (NPC) Conformity Determination; NPC File # 148938 [Lupin Mine - Closure and Reclamation], February 1, 2019.

² NIRB Screening Decision Report, NIRB File No.: 99WR053, June 9, 2014.