

## Application for Water Licence Renewal

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## DOCUMENT MANAGEMENT

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## **DOCUMENT AMENDMENTS**

	Description	Date
(1)	Updated for public distribution as separate document	June 2010
	from NWB Guide 7	
(2)	Updated NWB logos and reformatted table to allow rows	May 2011
	to break across page	
(3)	New NWB logo and request for background information	April 2013
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		



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## APPLICATION FOR WATER LICENEC RENEWAL

Your application may be classified as a renewal only if all operations remain the same as previously licensed and only the term of the licence requires change. If your application contemplates:

- a change to the volume of water authorized for use:
- a new activity related to water use or waste disposal;
- a new component related to water use or waste disposal:
- a change in predicted environmental impacts(s); and/or
- a change to any term or condition of the original licence

your application is NOT classified as a renewal but rather an amendment and will require submission of an Application for Water Licence Amendment. Licensees applying for combined renewal / amendment are also referred to the Application for Water Licence Amendment.

The applicant is referred to the NWB's Guide 7: Licensee Requirements Following the Issuance of a Water Licence for more information about this application form.

Where possible, provide background information regarding the original licence application or attach previously submitted information.

EXISTING LICENCE NO: \_2BE-ANG1318\_

1. LICENSEE CONTACT INFORMATION
Is the licensee the same as that referred to on the existing licence?
✓ Yes □ No
If No, a licence assignment must be completed and approved by the NWB. A renewal will only be issued in the name of the current licensee in the absence of assignment of the licence.
If the licensee is the same, but the <u>name</u> of the licensee has changed, attach a certificate of name change.
Name: Kivalliq Energy Corporation
Address: Suite 1020-800 West Pender Street, Vancouver, British Columbia, V6C 2V6
Phone: 604-646-4527 Fax: 604-646-4526 e-mail: info@kivalliqenergy.com
2. LICENSEE REPRESENTATIVE CONTACT INFORMATION – If different from Block 1.
Name: Andrew Berry, Chief Operating Officer
Address: Suite 1020-800 West Pender Street, Vancouver, British Columbia, V6C 2V6
Phone:604-646-4529
(Attach authorization letter.) Please refer to authorization letter attached.
3. NAME OF PROJECT
Is the name of the project the same as that considered in the existing water licence?
✓ Yes □ No
Indicate the name of the project including the name of the location: Angilak Property, Kivalliq Region, Nunavut_

4.	LOCATION OF UNDERTAKING			
Is the	Is the location of the undertaking the same as that considered in the existing water licence?			
Project	t Extents	✓ Yes □ No		
NW: NE: SE: SW:	Latitude: (62 °47 '14 " N) Latitude: (62 °47 '10 " N) Latitude: (62 °27 ' 35 " N) Latitude: (62 °27 ' 38 " N)	Longitude: (99 °24 '15 " W) Longitude: (98 °21 ' 40" W) Longitude: (98 °22 '00 " W) Longitude: (99 °23 ' 55" W)		
Latitud	Latitude: (62 °34 '15 " N) Longitude: (98 °27 ' 20" W)			
5.	MAP			
Are the locations of the main components of the undertaking the same as those considered in the existing licence?				
✓ Yes □ No				
		✓ Yes		
Attach	a topographical map, indicating	✓ Yes ☐ No the main components of the undertaking.		
		_		
NTS M	ap Sheet No.: 65J M	the main components of the undertaking.		

6.	NATURE OF INTEREST IN THE LAND
Is the	nature of the interest in the land the same as that considered in the existing water licence?
	✓ Yes
	any of the following that are applicable to the proposed undertaking (at least one box under the ce' header must be checked).
	Sub-surface
	☐ Mineral Lease from Nunavut Tunngavik Incorporated (NTI)  Date (expected date) of issuance: Date of expiry:
	☐ Mineral Lease from Indian and Northern Affairs Canada (INAC)  Date (expected date) of issuance: Date of expiry:
	Surface
	✓ Crown Land Use Authorization from Indian and Northern Affairs Canada (INAC)  Date (expected date) of issuance: March 30, 2013 Date of expiry: _August 6, 2019
	☐ Inuit Owned Land (IOL) Authorization from Kitikmeot Inuit Association (KIA)  Date (expected date) of issuance: Date of expiry:
	✓ IOL Authorization from Kivalliq Inuit Association (KivIA)  Date (expected date) of issuance: _August 1, 2017 Date of expiry: _August 1, 2019
	☐ IOL Authorization from Qikiqtani Inuit Association (QIA)  Date (expected date) of issuance: Date of expiry:
	Commissioner's Land Use Authorization  Date (expected date) of issuance: Date of expiry:
	✓ Other _Exploration Agreement on IOL from NTI – with Mineral Lease Rights
	Date (expected date) of issuance: <u>April 1, 2007</u> Date of expiry: <u>March 31, 2027</u>
Is the	name of the entity(s) holding authorizations the same as that considered in the existing water licence?
	✓ Yes
If No,	a licence assignment must be completed and approved by the NWB.
	of entity(s) holding authorizations:

7.	NUNAVUT PLANNING COMMISSION (NPC) DETERMINATION
Is the	undertaking located in the same land use planning area as that considered in the existing licence?
	✓ Yes
Indicat	te the land use planning area in which the project is located.
	North Baffin ✓ Keewatin   South Baffin Sanikiluaq   Akunniq West Kitikmeot
Was a	a land use plan conformity determination required from NPC prior to the issuance of the existing water e?
	☐ Yes ✓ No
If Yes	, indicate date issued and attach copy
Does	the proposed renewal change the original NPC conformity determination or the need to obtain one?
	☐ Yes ✓ No
If No,	, indicate date issued (or expected) and attach a copy provide written confirmation from NPC confirming that a land use plan conformity review is not required. refer to the attached NPC documents.
8.	NUNAVUT IMPACT REVIEW BOARD (NIRB) DETERMINATION
Was a	a screening determination required from NIRB prior to the issuance of the existing water licence?
	☐ Yes ✓ No
If Yes	, indicate date issued and attach copy
Does	the proposed renewal change the original NIRB screening determination or the need to obtain one?
	☐ Yes ✓ No
If No,	, indicate date issued (or expected) and attach a copy

9. DESCRIPTION OF UNDERTAKING			
Is the description of the undertaking the same as that considered in the existing water licence?			
✓ Yes □ No			
List and attach plans and drawings or project proposal.			
2018 Work Plan for NWB Licence Renewal			
10. OPTIONS			
Are the alternative methods and locations that were considered to carry out the project the same as those considered in the existing water licence?			
✓ Yes □ No			
Provide a brief explanation of the alternative methods or locations that were considered to carry out the project.			
This licence application is for an existing program. The existing property and camp location were approved by NIRB and NPC. Drill targets are led by discoveries and drilling occurs where mineralization is within the Angilak Property. Some of the target areas have changed since 2013 and others have remained the same.			
11. CLASSIFICATION OF PRIMARY UNDERTAKING			
Is the primary undertaking the same as that considered in the existing water licence?			
✓ Yes □ No			
Indicate the primary classification of undertaking by checking one of the following boxes.			
<ul> <li>☐ Industrial</li> <li>✓ Mining and Milling (includes exploration/drilling/exploration camps)</li> <li>☐ Conservation</li> <li>☐ Municipal (includes camps/lodges)</li> <li>☐ Recreational</li> <li>☐ Power</li> <li>☐ Miscellaneous (describe below):</li> </ul>			
See Schedule II of the Northwest Territories Waters Regulations for Description of Undertakings.			

12. WATER USE	
Is the type(s) of water use(s) the same as that considered in the existing water licence?	
✓ Yes □ No	
Check the appropriate box(s) to indicate the type(s) of water use(s) being applied for.	
✓ To obtain water for camp/ municipal purposes ✓ To obtain water for industrial purposes □ To cross a watercourse □ To alter the flow of, or store water □ Other: □ Other: □ Other: □ To modify the bed or bank of a watercourse	

13. QUANTITY OF WATER INVOLVED
Is the source of water the same as that considered in the existing licence? ✓ Yes ☐ No
Name of water source(s): <u>Nutaaq Lake, small lakes supporting drilling (Lac Cinquante, JML Lake, J4 Lake, Eastern</u> Extension Lake, Western Extension Lake, Blaze Lake, Pulse Lake, Spark Lake, Dipole Lake, VGR Lake, YAT Drill Lake)
(show location(s) on map)
Is the quality of the water source and its available capacity the same as that considered in the existing licend
✓ Yes □ No
Describe the quality of the water source(s) and the available capacity(s): <u>Clean and clear. Unlimited capacity a proposed usage.</u>
Is the overall estimated quantity of water to be used the same as that considered in the existing licence?
✓ Yes
Provide the overall estimated quantity of water to be used:Diamond drilling 297 m³/day, Nutaaq Camp 3 m³/dafor a total of 300 m³/day.
Are the quantity(s) of water to be used from each source the same as those considered in the existing licence?
✓ Yes □ No
Provide the estimated quantity(s) of water to be used from each source: 3 m³/day from Nutaaq Lake to support the Nutaaq Camp, 98.2 m³/day/drill rig for up to 3 drill rigs from selected lakes while drilling is being conducted.
Are the quantity(s) of water to be used for each purpose the same as those considered in the existing licence
✓ Yes □ No
Provide the estimated quantities to be used for each purpose (camp, drilling, etc.): <u>Diamond drilling 297 m³/day</u> Nutaaq Camp 3 m³/day
Are the method(s) of extraction the same as those considered in the existing licence? ✓ Yes □ No.
Describe the method(s) of extraction: 15 gal/min electric pump. The drill pumps use a 1" diameter suction hose of diesel pump with a fine screen on the foot valve. For drilling, a fiberglass window screen with a nominal opening size less than 1/16" opening is generally wrapped around the foot valve to prevent the intake of silt and sand into the pum In addition, it is common practice to place the foot valve of the intake hose in a perforated 20 litre pail which furth protects against harmful materials and fish being entrained into the water intake hose. For camp use, a portal gasoline-powered water pump will be used to pump water to a camp storage tank. The pump will be operational approximately 15 minutes per day. When operating the pump will be staged on a containment platform adjacent to the water source. When not operating the pump will be staged within secondary containment no less than 31m from the high water mark of the water source. Water intake valves will be properly placed and screened in accordance with the "Freshwater Intake End-of-Pipe Screen Guideline" (DFO).

Are the quantity(s) of water returned to source	(s) the same as those considered in the existing licence?
	✓ Yes
Estimated quantity(s) of water returned to sour	ce(s): <u>0 m³/day</u>
Are the quality(s) of water(s) returned to source	e(s) the same as those considered in the existing licence?
	✓ Yes
directed into a sump for slow infiltration into the water mark of any water body. A grease trap and	o source(s): Water will not be directly returned to its source, but soil. The sump will be located at least 31 metres away from the high screens will be installed on kitchen drains to ensure grease and food charge pipe into the sump will be inaccessible to wildlife.
14. WASTE  Are the type(s) of waste(s) to be generated and licence?	d/ or deposited the same as those considered in the existing
	✓ Yes
Check the appropriate box(s) to indicate the type	pes of waste(s) generated and deposited.
<ul> <li>☐ Sewage</li> <li>✓ Solid Waste</li> <li>✓ Hazardous</li> <li>☐ Bulky Items/Scrap Metal</li> <li>☐ Animal Waste</li> <li>☐ Other (describe):</li> </ul>	✓ Waste oil ✓ Greywater ✓ Sludges ☐ Contaminated soil and/or water

15. QUANTITY AND QUALITY OF WASTE INVOLVED
Are the quantity(s) of the types of wastes involved the same as those considered in the existing licence?
✓ Yes
Are the composition(s) of the types of wastes involved the same as those considered in the existing licence?
✓ Yes
Are the method(s) of treatment for the types of waste involved the same as those considered in the existing licence?
✓ Yes
Are the method(s) of disposal for the types of waste involved the same as those considered in the existing licence?
✓ Yes
For each type of waste indicated in Block 14, describe its composition, quantity in cubic meters/day, method of treatment and method of disposal.

Type of Waste	Composition	Quantity Generated	Treatment Method	Disposal Method
Sludges	drill cutting fines	0.53 m³ /day	Settling tanks	Naturally occurring sumps
Hazardous	radioactive drill cutting fines	0.004 m <sup>3</sup> /day	Containment	45 gallon drums & shipped off site to authorized facility
Waste Oil	oils from drills and heavy equipment	0.01 m <sup>3</sup> /day	Containment	45 gallon drums & shipped off site to authorized facility
Greywater	shower and sink water	2.5 m <sup>3</sup> /day	Weeping bed	Weeping bed
Solid Waste	Incinerator ash, non- combustibles/plastics	0.3 m³ /day ash 0.2 m³ /day non- combustibles	Containment	45 gallon ash drums & bulk bag of plastics shipped off site to authorized facility

16. OTHER AUTHORIZATIONS	
In addition to the sub-surface and surface land use authorizations provided in Block 6, are the same authorizations required as considered in the existing licence?	
☐ Yes ☐ No N/A	
For each provide the following:	
Authorization:	
Administering Agency:	
Project Activity:	
Date (expected date) of issuance: Date of expiry:	
17. PREDICTED ENVIRONMENTAL IMPACTS OF UNDERTAKING AND PROPOSED MITIGATION MEASURES	
Are predicted environmental impacts of the undertaking and proposed mitigation measures the same as those considered in the existing water licence?	
✓ Yes □ No	
Describe direct, indirect, and cumulative impacts related to water and waste.	
The proposed amendment does not change the predicted environmental impacts of the undertaking or the mitigation measures.	
Approved mitigations and SOPs for water use and waste water management are applied at the Kivalliq Energy Angil Property. Water and aquatic life is protected. Waterlines for drilling and domestic use are properly placed to minimi disturbance to the shoreline and substrate and are screened in accordance with the "Freshwater Intake End-of-Pipe Scre Guideline" prepared by the Department of Fisheries and Oceans. A copy of this guideline document is kept at the head office in Vancouver and at the field office at the project.	ize en
No wastes enter any water bodies. This includes discharge from the camp and seepage from the drill and grey water sump. The grey water sump will be inspected daily. In addition to drill sumps, Kivalliq employs specialized drill cutting settli systems to collect cuttings. Drill sumps will be inspected prior to the drill being moved and the area being reclaimed. Wat use is recorded for both the domestic camp water and the water used at the drill.	ing
With the current approved mitigation measures and SOPs in place there are no significant impacts or cumulative effect anticipated as a result of Kiyallig Energy's water use and waste water management at the Angilak Property	cts

l8. \	WATER RIGHTS OF EXISTING AND OTHER WATER USERS				
use in p property	effects of the undertaking on any known persons or property including those that hold licences for water precedence to the application, domestic users, in-stream users, authorized waste depositors, owners of property, and/or holders of outfitting concessions, registered trapline holders, and holders of phts of a similar nature, the same as those considered in the existing water licence?				
	✓ Yes				
Provide the names, addresses and nature of use for any known persons or properties that may be adversely affected by the proposed undertaking, including those that hold licences for water use in precedent to the application, domestic users, in-stream users, authorized waste depositors, owners of property, occupiers of property, and/or holders of outfitting concessions, registered trapline holders, and holders of other rights of a similar nature.					
	Advise the Board if compensation has been paid and/or agreement(s) for compensation have been reached with any existing or other users.				
conducte	ing water licence holders are known. No significant adverse effects of water use are anticipated. Work will be ed in a socially and environmentally responsible manner to ensure that no impact to local water bodies occurs and er quality is not compromised.				
19. I	NUIT WATER RIGHTS				
	effects of the undertaking on the quality, quantity or flow of waters flowing through Inuit Owned Land e same as those considered in the existing water licence?				
	✓ Yes				
Advise the Board of any substantial affect of the quality, quantity or flow of waters flowing through Inuit Owned Land (IOL), and advise the Board if negotiations have commenced or an agreement to pay compensation for any loss or damage has been reached with one or more Designated Inuit Organization (DIO).					
his proje	ect will not substantially affect the quality, quantity, or flow of water flowing through IOL and the rights of the Inuit.				
	CONSULTATION - Provide a summary of any consultation meetings including when the meetings were neld, where and with whom. Include a list of concerns expressed and measures to address concerns.				
Please fin	d the Community Consultation Log attached				

21. SECURITY INFORMATION					
Is the financial security assessment the same as that considered in the existing water licence?					
	✓ Yes	□No			
•	final reclar	mation the same as that considered in the existing water			
licence?	✓ Yes	□No			
Provide an estimate of the total financial security for final reclamation equal to the total outstanding reclamation liability for land and water combined sufficient to cover the highest liability over the life of the undertaking. Estimates of reclamation costs must be based on the cost of having the necessary reclamation work done by a third party contractor if the operator defaults. The estimate must also include contingency factors appropriate to the particular work to be undertaken.  Where applicable, the financial security assessment should be prepared in a manner consistent with the principals respecting mine site reclamation and implementation found in the <i>Mine Site Reclamation Policy for Nunavut</i> , Indian and Northern Affairs Canada, 2002.  This section does not apply to the project. Under the <i>Mine Site Reclamation Policy for Nunavut</i> , the policy does not apply to activities undertaken during the prospecting, exploration or advanced exploration stages of the development of a mineral property.					

22. FINANCIAL INFORMATION
Is the statement of financial security the same as that considered in the existing water licence?
☐ Yes ✓ No
Provide an updated statement of financial security.
If the applicant is a business entity please answer the questions below:
Is the list of the officers of the company the same as those considered in the existing water licence?
☐ Yes ✓ No
Provide a list of the officers of the company.
Jim Paterson – Chairman and CEO Jeff Ward – President Andrew Berry – Chief Operating Officer Robert J. Scott – Chief Financial Advisor Jeffrey Dare – Corporate Secretary Dale Wallster – Director Jim Malone – Director Garth Kirkham – Director
Is the Certificate of Incorporation or evidence of registration of the company name the same?
✓ Yes
Attach a copy of the Certificate of Incorporation or evidence of registration of the company name.
Please find copies of the company name registration and Certificate of Incorporation attached.
23. STUDIES UNDERTAKEN TO DATE
List and attach updated studies, reports, research etc.
Provide a compliance assessment and status report including a response to any inspector's reports. The licensee must contact the NWB for licence specific direction in completing the assessment and report.
If in non-compliance, a licence may not be issued until compliance is achieved. If in non-compliance, attach plans/reports for consideration. Application will not be processed if significant issues of non-compliance exist.
Please see most recent inspection report attached.

24.	PROPOSED TIME SCHEDULE
	time schedule for all phases of development (construction, operations, closure and post closure) the same as onsidered in the existing licence?
	✓ Yes □ No
	te the proposed start and completion dates for each applicable phase of development (construction, tion, closure, and post closure).
	Construction Proposed Start Date: N/A Proposed Completion Date: N/A (month/year)
	Operation Proposed Start Date: March 2018 to 2023 Proposed Completion Date: October 2018 to 2023 (month/year)  (month/year)
	Closure Proposed Start Date: October 1, 2018 to 2023 Proposed Completion Date: October 31, 2018 to 2023 (month/year) (month/year)
	Proposed Start Date: N/A Proposed Completion Date: N/A
For ea	(month/year) (month/year)  ch applicable phase of development indicate which season(s) activities occur.
	Construction         □ Winter       □ Spring       □ Summer       □ Fall       □ All season
	Operation  ☐ Winter ✓ Spring ✓ Summer ✓ Fall ☐ All season
	Closure  ☐ Winter ☐ Spring ☐ Summer ✓ Fall ☐ All season
	Post - Closure Winter Spring Summer All season

25. PROPOSED TERM OF LICENCE				
On what date does the existing licence expire?March 3, 2018				
Indicate the proposed term of the renewal (maximum of 25 years): _5 years				
Requested date of renewal issuance: <u>June 1, 2018</u> Requested Expiry Date: <u>June 1, 2023</u> (month/year) (month/year)				
(The requested date of renewal issuance must be <u>at least</u> three (3) months from the date of application for a type B water licence and <u>at least</u> one (1) year from the date of application for a type A water licence, to allow for processing of the water licence application. These timeframes are approximate and do not account for the time to complete any pre-licensing land use planning or development impact requirements, time for the applicant to prepare and submit a water licence application in accordance with any project specific guidelines issued by the NWB, or the time for the applicant to respond to requests for additional information. See the NWB's <i>Guide 5: Processing Water Licence Applications</i> for more information)				
26. ANNUAL REPORTING				
Is the annual report template expected to be the same as that considered in the existing licence?				
✓ Yes □ No				
If not using the NWB's <u>Standardized Form for Annual Reporting</u> , provide details regarding the content of annual reports and a proposed outline or template of the annual report.				

27.	CHECKLIST								
The f	ollowing must be inc	cluded with the applic	cation for renewal for the water licensing process to begin.						
	Completed Application for Water Licence Renewal form.								
	Yes	□No	If no, date expected						
	Updated plans, including designs and reports (see Block 23).								
	Yes	□No	If no, date expected						
	Updated security assessment (see Block 21).								
	Yes	□No	If no, date expected						
	Updated financia	Updated financial statement (see Block 22).							
	Yes	□No	If no, date expected						
	Compliance Asse	Compliance Assessment / Status Report (see Block 23).							
	Yes	□No	If no, date expected						
	English Summary of Renewal Application.								
	Yes	□No	If no, date expected						
	Inuktitut and/or Inuinnaqtun Summary of Renewal Application.								
	Yes	□No	If no, date expected						
	Application fee of \$30.00 CDN (Payee Receiver General for Canada).								
	Yes	□No	If no, date expected						
	will be calculated	Water Use Fee Deposit of \$30.00 CDN (Payee Receiver General for Canada). The actual water use fee will be calculated by the NWB based upon the amount of water authorized for use in accordance with the Regulations at the time of issuance of the licence.							
	☐ Yes	☐ No	If no, date expected						
28.	SIGNATURE								
I. A~	real Bens	(print	name)						
certify inform	that the application ation given on this fo	requires no changes orm is, to the best of	s to water use or waste disposal as previously authorized and that the my knowledge, correct and complete.						
Signat	ure	Date	est 1 / 18						