Crown-Indigenous Relations and Northern Affairs Canada
Relations Couronne-Autochtones et Affaires du Nord Canada

Water Resources Division
Resource Management Directorate
Nunavut Regional Office
918 Nunavut Drive
Iqaluit, NU, X0A 3H0

Your file - Votre référence
2BE-ANG2227
Our file - Notre référence
GCDocs150589804

October 8, 2026

Robert Hunter
Licensing Administrator
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU, X0B 1J0
E-mail: licensing@nwb-oen.ca

Re: Crown-Indigenous Relations and Northern Affairs Canada's Response to the Applicant Reply to Comments in the Review of the Licence Amendment Renewal Application for the Angilak Project, Type B Water Licence No. 2BE-ANG2227

Dear Robert,

Thank you for the September 22, 2026 invitation to review the Applicant reply to comments in the review of the referenced licence 2BE-ANG2227, submitted by 5833 Nunavut Ltd., on behalf of ATHA Energy Corp., for Type B Water Licence No. 2BE-ANG2227.

Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) examined the application pursuant to its mandated responsibilities under the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Department of Crown-Indigenous Relations and Northern Affairs Act* and provides the following Technical Review Memorandum for the Board's consideration.

If there are any questions or concerns, please contact me at (873) 800-5240 or Pauline.Firmin@rcaanc-cirnac.gc.ca or Andrew Keim at (867) 975-4550 or Andrew.Keim@rcaanc-cirnac.gc.ca.

Sincerely,

Pauline Firmin

Pauline Firmin, M. Sc,
Regional Coordinator

Canada

Table 1: Summary of Recommendations

Recommendation Number	Subject	Status
R-01	Proposed Low-Profile Trail and Water Crossings	Resolved with Commitment
R-02	Potentially Acid-Generating Material for Trail Construction	Resolved with Commitment
R-03	Water Quality Monitoring Requirements	Resolved with Commitment
R-04	Increase in Fuel Storage Volume at Nutaaq Camp	Resolved
R-05	Spill Management Plan Appendix	Resolved

A. DOCUMENTS REVIEWED AND REFERENCED

The following table (Table 2) provides a list of the documents reviewed under the submission and reference during the review.

Table 2: Documents Reviewed and Referenced

Document Title	Author, File No., Rev., Date
Water Licence 2BE-ANG2227	Nunavut Water Board, April 12, 2022
NWB File No. 2BE- ANG2227 – Opportunity to Address Comments Regarding the Angilak Property: Exploration Trail and Camp Upgrades	Claudia Piche, September 11, 2026

B. RESULTS OF REVIEW

1. Proposed Low-Profile Trail and Water Crossings

Comment:

CIRNAC notes that the proposed amendment includes the construction and operation of a low-profile exploration trail between the Nutaaq Camp and Lac 50. The supporting documentation identifies a preferred trail route, water crossings and potential material sources, limited information has been provided regarding trail design, construction, operation and maintenance. The *Type B Exploration Trail Route, Esker and Material Source Assessment* recommends that "*detailed design of the exploration trail, design and planning of culverts or timber bridge structures, and material excavation methods and plans be developed in the field prior to construction*." (Section 4). CIRNAC understands that design considerations will need to be adapted to the final route and material chosen and the terrain conditions; however, detailed design information should be made available for review prior to approval of the trail and water-crossing construction.

CIRNAC was unable to identify details relating to trail construction and operation, including but not limited to, consideration of permafrost and terrain stability, drainage design, erosion and sediment control measures, monitoring and maintenance requirements. Without this information, CIRNAC is unable to assess how potential impacts to terrain, vegetation, drainage patterns, and water quality will be avoided or minimized throughout the life of the trail.

In addition, the proposed trail alignment includes stream crossings; however, CIRNAC was unable to identify details, including but not limited to, the crossing design criteria, such as accommodation of seasonal and peak flows, erosion and sediment control measures during construction and operation, protection of riparian areas and aquatic habitat, stream banks stabilization and inspection and maintenance requirements. Consequently, CIRNAC is unable to evaluate how potential effects to water quality, channel stability, and aquatic habitat will be managed during construction and operation of the proposed crossings.

Recommendation:

(R-01) CIRNAC recommends that the proponent provide supporting documentation containing details about the proposed trail design, construction, operation, maintenance, such as the measures that will be implemented to manage terrain stability, drainage, erosion, and sedimentation, prior to the commencement of construction activities to support an assessment and mitigation of potential effects on freshwater.

CIRNAC also recommends that the proponent provide supporting documentation containing details about the proposed stream crossings, such as crossing design, such as accommodation of seasonal and peak flows, erosion and sediment control measures during construction and operation, protection of riparian areas and aquatic habitat, stream

banks stabilization, inspection and maintenance requirements, prior to the commencement of any in-water or crossing-related works to support an assessment of potential effects on freshwater.

Proponent's Reply:

Response: ATHA has provided a description of the trail construction in ATHA's NIRB Screening Document Section 2.2 – Location and Siting Criteria and Section 2.3 – Exploration Trail Construction Plan. In the summer 2025, ATHA completed field studies to inform route selection and collect preliminary environmental data in support of trail construction.

• General characteristics of the exploration trail (refer to the below figures) include:
• Narrow, low-profile 1.5m wide trail intended for light off-road vehicles (ATVs, Side-by-sides, etc.).
• Field fit with proposed route mainly along a natural height of land.
• No cut-and-fill required except some fill and timber bridges in low, wetted, or steep areas.
• Where required, granular fill to be sourced from eskers along the trail route.
• Bridges not required except for at crossings C1-2 and W4 (designs will be provided to NWB 60 days prior to construction.

Other examples of low-profile exploration access trails in the Kivalliq (September 2024)

The construction of the trail has been delayed in 2026 and is expected to begin in summer 2027 and be completed by October 2029. This timeframe will allow for flexibility in construction with equipment and resources available on-site. Construction will occur in two phases, starting at camp and working westward. During this time, exploration work will continue under existing permits and be accessed by helicopter. Key concepts of the construction approach include:

• Field-fit alignment flagged on foot
• Minimal vegetation disturbance
• Granular placement only where required
• Use of small equipment (side by side, skid steer, small loader)
• No blasting, no major cuts, no borrow pits beyond the eskers identified along the trail.

Phase 1: 2027 – 2028 (to Lac 50 Area)

Construction begins at Nutaaq Camp, extending north and west from the existing 601 m trail segment. There is no stream crossings planned in 2027.

• Crown Land section (Segment A–B):
• Length: 2,979 m
• Multiple nearby material sources available to support fill where required.
• IOL section (Segment B–C):
• Length: 5,544 m

• With a 1,433 m spur road to Lac 50 drilling targets
• Esker 1, Esker 2 and Esker 3 are viable material sources for this section of the proposed trail.

Phase 2: 2028 – 2029 Segment D → E
Phase 2 of trail construction will occur in summer 2028.
• Segment length: 9,580 m, entirely on IOL lands
• Includes two stream crossings, each requiring installation of clear-span timber bridges.
• Esker 3 remains the primary granular source for any fill required along this segment.

We trust this construction plan is sufficient at this stage of the project. ATHA commits to providing an updated Environmental Management Plan 60 days prior to construction that will have a new section "Construction Environmental Monitoring Plan for Trail Construction". As there are no stream crossings in Phase 1, in approximately Q2 2028, ATHA will provide stream crossing plans and/or bridge drawings to the NWB 60 days prior to the start of Phase 2 construction.

CIRNAC's Response:
CIRNAC thanks the Proponent for the response and notes the commitment to submit an updated Environmental Management Plan, stream crossing plans, and bridge drawings prior to construction. CIRNAC looks forward to reviewing this information once it becomes available, to fully assess the proposed design criteria, mitigation measures, and monitoring commitments for the trail and stream crossings, including measures intended to manage potential effects on freshwater, drainage, erosion, and sedimentation.

CIRNAC further notes that, in accordance with Water Licence 2BE-ANG2227, modifications to approved plans require Board review and approval prior to implementation (Part B, Items 5, 6, and 8). As such, in addition to the commitment to submit the updated plans a minimum of 60 days before construction, CIRNAC wishes to remind the proponent that construction activities associated with those plans cannot proceed until the Board has completed its review and issued its approval.

2. Potentially Acid-Generating Material for Trail Construction
Comment:
CIRNAC notes that the proponent proposes to use eskers and other potential material sources along the exploration trail route for trail construction. The *Type B Exploration Trail Route, Esker and Material Source Assessment* indicates that additional work is recommended prior to construction, including material source excavation planning, and deeper test pit investigations (Executive Summary; Section 4), since several material sources have been identified as potentially acid generating (PAG) or of uncertain acid-

generating potential. According to the assessment, deeper test pits are warranted to confirm the geochemical characteristics and suitability of these sources for construction use (Sections 3.2 and 4).

As the suitability of some material sources has not yet been confirmed, CIRNAC is unclear if the additional investigation of source materials recommended in the assessment have been or will be executed to determine the suitability of the material or if alternatives will be explored to avoid the PAG or uncertain PAG material altogether. Using PAG materials in construction poses a potential risks to groundwater and freshwater bodies.

Recommendation:
(R-02) CIRNAC recommends that the proponent clarify whether the recommended follow-up investigations, including deeper test pit sampling and material source characterization, will be completed prior to material extraction and trail construction. If these investigations are not planned, CIRNAC recommends that the proponent clarify how material sources identified as PAG or having uncertain acid-generating potential will be assessed, managed, and excluded from use in trail construction.

Proponent's Reply:
Response: Yes. ATHA completed additional deeper test pit sampling at Esker 1, 2 MS and near the camp in June 2026 in support of finalizing our construction plan. The exact locations of those deeper test pits are below:

The results will be used to confirm NPAG material sources for trail construction and will be provided to NWB, and as a condition of the KIA Lease, to the KIA 60 days prior to construction along with a final construction plan including bridge drawings.

CIRNAC's Response:
CIRNAC thanks the Proponent for the response and notes that additional deeper test pit investigations were completed in June 2026 to support finalization of the construction plan. CIRNAC notes the commitment that the resulting geochemical data will be used to confirm suitable NPAG material sources for trail construction and will be provided to the NWB prior to construction.

3. Water Quality Monitoring Requirements

Comment:
CIRNAC acknowledges the proponent's initiative to include water quality monitoring related to the proposed trail and watercourse crossings, particularly given that the current licence requirements appear to focus primarily on source water monitoring and ice drilling sites (2BE-ANG2227 Water Licence, part J). The inclusion of trail-related monitoring is a

positive measure to support the early identification of potential effects from trail and water crossings construction and operation.

However, the monitoring program appears to be voluntary rather than linked to specific licence requirements or a formal monitoring framework. The Water Quality Report notes that additional sampling locations were added to support evaluation of the proposed trail and crossings, and that there is currently no regulatory requirement prescribing this work (Sections 1.3 and 1.4). The Environmental Management Plan further states that monitoring locations may be added as exploration activities advance (Section 2.1).

It is unclear whether the current monitoring locations will adequately detect potential effects associated with the proposed trail and the two watercourse crossings during both the construction, operation and reclamation phases, or if additional monitoring locations will need to be established once the final route is approved.

Recommendation:
(R-03) CIRNAC recommends that water quality monitoring commitments be incorporated into a formal monitoring plan and/or licence requirements and that the proposed monitoring program ensure that any potential effects associated with the construction and operation of the trail and the two watercourse crossings can be adequately identified and assessed. CIRNAC recommends that a formal monitoring framework should be put in place prior to any work relating to construction of trails or water-crossing.

Proponent's Reply:
Response: As per our CIRNAC R-01 response, ATHA commits to providing an updated Environmental Management Plan that will have a new section "Construction Environmental Monitoring Plan for Trail Construction". This plan will be provided to NWB, 60 days prior to construction and will address CIRNAC recommendations. In approximately Q2 2028, along with bridge drawings, it will be further updated for review by NWB with operational monitoring requirements at stream crossings, including annual visual inspections for stability, erosion and ensure environmental protection/ mitigation.

CIRNAC's Response:
CIRNAC thanks the Proponent for the response and notes the commitment to submit an updated Environmental Management Plan with a "Construction Environmental Monitoring Plan for Trail Construction" section. CIRNAC looks forward to reviewing this information once it becomes available.

CIRNAC further notes that, in accordance with Water Licence 2BE-ANG2227, modifications to approved plans require Board review and approval prior to implementation (Part B, Items 5, 6, and 8). As such, in addition to the commitment to submit the updated plans a minimum of 60 days before construction, CIRNAC wishes to

remind the proponent that construction activities associated with those plans cannot proceed until the Board has completed its review and issued its approval.