File No.: 2BE-COP1721

June 19, 2017

David Willis, Manager, Land and Community Tundra Copper Corp. Suite 654 – 999 Canada Place Vancouver, BC V6C 3E1

Email: dave@pdiam.com

RE: NWB Renewal Licence No. 2BE-COP1721

Dear Mr. Willis:

Please find attached Licence No. **2BE-COP1721** issued to Tundra Copper Corp. by the Nunavut Water Board (NWB) 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 (Nunavut Agreement or NLCA).* The terms and conditions of the attached Licence related to the use of water and the deposit of waste are an integral part of this approval.

If the Licensee contemplates the renewal of this Licence, it is the responsibility of the Licensee to apply to the NWB for its renewal. The past performance of the Licensee, new documentation and information, and issues raised during a public hearing, if the NWB is required to hold one, will be used to determine the terms and conditions of the Licence renewal. Note that if the Licence expires before the NWB issues a new one, then water use and waste disposal must cease, or the Licensee may be in contravention of the *Nunavut Agreement* and the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*. However, the expiry or cancellation of a licence does not relieve the holder from any obligations imposed by the licence. The NWB recommends that an application for the renewal of this Licence be filed at least **three** (3) **months** prior to the Licence expiry date.

If the Licensee contemplates or requires an amendment to this licence, the NWB may decide, in the public's interest, to hold a public hearing. The Licensee should submit applications for amendment as soon as possible to give the NWB sufficient time to go through the amendment process. The process and timing may vary depending on the scope of the amendment; however, a minimum of <u>sixty (60) days</u> is required from time of acceptance by the NWB. It is the responsibility of the Licensee to ensure that all application materials have been received and are acknowledged by the Manager of Licensing.

The NWB strongly recommends that the Licensee consult the comments received from interested persons on issues identified. This information is attached for your consideration.¹

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Thomas Kabloona Nunavut Water Board

Chair

TK/sj/rd

Enclosure: Licence No. 2BE-COP1721

Comments – ECCC, and INAC

Cc: Distribution List – Kitikmeot Region

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¹ Indigenous and Northern Affairs Canada (INAC), November 7, 2016; and Environment and Climate Change Canada (ECCC), November 4, 2016.

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A. INTRODUCTION

Tundra Copper Corp. (the Applicant or Licensee) submitted, for the Nunavut Water Board's (NWB or Board) consideration, an application to renew an expired, Type "B" Water Licence No. 2BE-COP1416 (Existing Licence) for a term of four (4) years. The Existing Licence was issued to the Licensee for the Coppermine Project, an exploration project located approximately sixty (60) kilometres southwest of Kugluktuk, in the Kitikmeot Region of Nunavut, on August 28, 2014 and expired on September 15, 2016. Renewal of the aforementioned licence will allow the Licensee continued use of water and deposit of waste in support of the project.

B. PROCEDURAL HISTORY

The above-mentioned application and supporting information (the Application) were received by the NWB under several submissions during the period July 26 – September 16, 2016.

Following receipt and a preliminary internal review in which additional information was requested and received from the applicant, the Application was distributed on October 4, 2016, for a thirty (30) public review and comment period with the deadline for submission set for November 4, 2016.

Prior to the deadline for comments, submissions were received from Indigenous and Northern Affairs Canada (INAC) and Environment and Climate Change Canada (ECCC). INAC in its submission provided recommendations on several topics including waste management, the requested licence term, recent inspection report(s), and closure and reclamation measures. ECCC in its submission advised that the proponent is required to comply with its obligation under the relevant legislation including the *Canadian Environmental Protection Act*, relevant provisions of the *Fisheries Act*, the *Migratory Birds' Convention Act* and the *Species at Risk Act*.

With respect to pre-licensing requirements, the Application included a copy of the Nunavut Planning Commission's (NPC) September 16, 2016 conformity determination, which indicates that the project proposal falls outside of an area in which there is an approved land use plan in place. In addition, the NPC's decision confirmed that the project is exempt from section 235 of the Nunavut Planning and Project Assessment Act (NuPPAA) and section 12.4.3 of the Nunavut Agreement.

C. FILE HISTORY

The NWB has issued one (1) water licence and one (1) amendment to the Project in the past. The following sections provides an overview of the authorizations issued by the NWB to the project.

- Type "B" Water Licence No. 2BE-COP1416 was issued to the project on August 28, 2014 and expired on September 15, 2016. The Licence allowed for the use of fifty-one (51) cubic metres of water per day for domestic and drilling purposes and the deposit of waste for a Mining undertaking.
- Amendment No.1 to Licence No. 2BE-COP1416 was issued on July 14, 2015 to allow for an increase in water use from fifty-one (51) to seventy (70) cubic metres per day for domestic and drilling purposes and for changes to the extents of the project.

D. GENERAL CONSIDERATIONS

The following sections provide general overviews of the rationale for some of the main terms and conditions associated with the Licence.

Term of the Licence

In accordance with s. 45 of the Act, the NWB may issue a licence for a term not exceeding twenty-five (25) years. The Applicant, Tundra Copper Corp., requested a four (4) – year term for the licence renewal. INAC in its submission indicated that it supports a term of two (2) instead of four (4) years to allow for site clean-up activities to be conducted. The Board, however, decided to grant the term requested by the Licensee so that the Licensee will have adequate time to conduct all site clean-up activities prior to any future renewal of the Licence. Further, the Licensee indicated that it has temporarily suspended site exploration activities until confirmation is received regarding issues identified in the NPC's Draft Land Use Plan that are likely to impact the project. This implies that limited activities may occur at the project site over the term granted for the Licence.

Annual Report

Similar to the terms and conditions generally included in all licences issued by the Board, the NWB has included under Part B, Item 1 of this Licence, requirements for the Licensee to submit to the Board, for review, prior to the 31st of March, annually, a report detailing Water use and/or Waste deposit activities for the undertaking for the preceding year in which the report is filed. The Board provides public access to the information submitted in licensees' annual reports through its ftp site as well as upon request from interested parties.

The NWB has included on its website a standardized form for annual reporting that licensees can use to submit annual reporting information, supplemented by other relevant details. A copy of the NWB's generic Annual Report Form can be obtained from the NWB upon request or electronically from the NWB's FTP site using the following link:

ftp://nunavutwaterboard.org/ADMINISTRATION/Standardized%20Forms/.

Water Use

The Applicant did not request any changes in water use associated with the Licence. Consequently, the Board has kept the water quantity allocated with renewal of Licence at seventy (70) cubic metres per day (5 cubic metres per day for camp use and 65 cubic metres per day for drilling purposes) as addressed under Part C, Item 1 of the Licence.

E. Deposit of Waste

The Licensee in its Application indicated that sewage, solid waste, waste oil, greywater and sludge will be generated by the project. Consequently, the Board has included relevant conditions under Part D of the Licence to address management of the aforementioned waste types.

Further, conditions have been included under Part D of the Licence requiring the Licensee to provide to the Board for review, a summary report of clean-up activities scheduled for the summer of 2017 to address concerns raised in INAC's August 13, 2016 Inspection Report. The Licensee indicated that while a significant amount of the clean-up activities was conducted in 2016, it still needs to backhaul approximately 200 drums of fuel stored on site as well as discharge contact water captured within the fuel berm or containment structure following appropriated chemical testing and notification to an INAC Inspector.

F. Management Plans

The Licensee included as part of its Application, for the Board's consideration, the following management both of which have been approved under the respective sections of the renewed licence, namely, Part H, Item 1 and Part I, Item 1:

- 1. Tundra Copper Corp. Spill Contingency Plan, dated September 14, 2016; and
- 2. Abandonment and Restoration Plan, Coppermine Project, Kitikmeot Region, Nunavut, dated September 2016.

G. MONITORING

Requirements have been included under Part J of the Licence for the Licensee to conduct relevant monitoring activities as required by the undertaking.

DECISION

LICENCE NUMBER: 2BE-COP1721

This is the decision of the Nunavut Water Board (NWB) with respect to an application dated September 6, 2016 for a renewal of a Water Licence made by:

TUNDRA COPPER CORP.

to allow for the use of water and the deposit of waste during camp operations and activities related to an exploration program that include geochemical sampling surveys, prospecting, diamond drilling, geological mapping and related activities at the Coppermine Project, located within the Kitikmeot Region, Nunavut, generally at the following geographical coordinates:

Latitude: 67° 52 ' 30" N Longitude: 117° 30' 00 " W Latitude: 67° 47' 15" N Longitude: 115° 00' 00" W Latitude: 67° 17' 26" N Longitude: 115° 43' 50" W

Latitude: 67° 22' 05" N Longitude: 116° 46' 45" W (Project Extents)

Latitude: 67° 26' 21" N Longitude: 116° 27' 58" W(Camp)

DECISION

After having been satisfied that the Application was for a location that falls outside of an area with an approved Land Use Plan in place and that the proposed works and activities, which were previously screened by the Nunavut Impact Review Board (NIRB)¹, are now exempt from the requirement of screening pursuant to s. 12.4.3 of the *Nunavut Agreement* as determined by the Nunavut Planning Commission (NPC)², the NWB decided that the application could proceed through the regulatory process. In accordance with s. 55.1 of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* (*Act*) and Article 13 of the *Nunavut Agreement*, public notice of the application was given and interested persons were invited to make representations to the NWB.

After reviewing the submission of the Applicant and considering the representations made by interested persons, the NWB, having given due regard to the facts and circumstances, the merits of the submissions made to it and to the purpose, scope and intent of the *Nunavut Agreement* and of the *Act*, waived the requirement to hold a public hearing, and determined that:

Licence No. 2BE-COP1416 be renewed as Licence No. 2BE-COP1721 subject to the terms and conditions contained therein (Motion #: 2017-B1-009).

Signed this 19th day of **June 2017** at Gjoa Haven, NU.

Thomas Kabloona Nunavut Water Board, Chair

TK/sj/rd

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¹ Nunavut Impact Review Board (NIRB), July 10, 2014 and July 7, 2015.

² Nunavut Planning Commission (NPC) Conformity Determination, September 16, 2016.



NUNAVUT WATER BOARD WATER LICENCE RENEWAL

Licence No. 2BE-COP1721

Pursuant to the Nunavut Waters and Nunavut Surface Rights Tribunal Act and the Agreement Between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in right of Canada, the Nunavut Water Board, hereinafter referred to as the Board, hereby grants to

TUNDRA COPPER CORP.

(Licensee)

SUITE 654 – 999 CANADA PLACE, VANCOUVER, B.C. V6K 3E1

(Mailing Address)

hereinafter called the Licensee, the right to alter, divert or otherwise use water or dispose of waste for a period subject to restrictions and conditions contained within this Licence renewal:

Licence Number/Type: 2BE-COP1721 / TYPE "B"

Water Management Area: **COPPERMINE** (# 28)

Location: COPPERMINE PROJECT / KITIKMEOT REGION,

NUNAVUT

Classification: MINING UNDERTAKING

Purpose: **DIRECT WATER USE AND DEPOSIT OF WASTE**

Quantity of Water use not

to Exceed: SEVENTY (70) CUBIC METRES PER DAY

Date of Licence Issuance: **JUNE 19, 2017**

Expiry of Licence: **JUNE 18, 2021**

This Licence renewal, issued and recorded at Gjoa Haven, Nunavut, includes and is subject to the annexed conditions.

Thomas Kabloona, Nunavut Water Board, Chair

PART A: SCOPE, DEFINITIONS AND ENFORCEMENT

1. **Scope**

This Licence allows for the use of water and the disposal of waste for a Mining undertaking classified as per Schedule 1 of the *Regulations* at the Coppermine Project, located approximately sixty (60) kilometres southwest of Kugluktuk, in the Kitikmeot Region, Nunavut.

- a. This Licence is issued subject to the conditions contained herein with respect to the taking of water and the depositing of waste of any type in any waters or in any place under any conditions where such waste or any other waste that results from the deposits of such waste may enter any waters. Whenever new Regulations are made or existing *Regulations* are amended by the Governor in Council under the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*, or other statutes imposing more stringent conditions relating to the quantity or type of waste that may be so deposited or under which any such waste may be so deposited, this Licence shall be deemed, upon promulgation of such Regulations, to be subject to such requirements; and
- b. Compliance with the terms and conditions of this Licence does not absolve the Licensee from responsibility for compliance with the requirements of all applicable Federal, Territorial and Municipal legislation.

2. **Definitions**

"Act" means the Nunavut Waters and Nunavut Surface Rights Tribunal Act;

"<u>Addendum</u>" means the supplemental text that is added to a full plan or report usually included at the end of the document and is not intended to require a full resubmission of the revised report.

"Amendment" means a change to original terms and conditions of this Licence requiring correction, addition or deletion of specific terms and conditions of the Licence; modifications inconsistent with the terms of the set terms and conditions of the Licence;

"Appurtenant Undertaking" means an undertaking in relation to which a use of water or a deposit of waste is permitted by a licence issued by the Board;

"Board" means the Nunavut Water Board established under the Nunavut Agreement and the Nunavut Waters and Nunavut Surface Rights Tribunal Act;

"<u>Closure and Reclamation Plan</u>" means a Plan developed to reach the closure goal and taking in account the "Guidelines for the Closure and Reclamation of Advanced Mineral Exploration and Mine Sites in the Northwest Territories" 2013.

- "<u>Effluent</u>" means treated or untreated liquid waste material that is discharged into the environment from a structure such as a settling pond, landfarm or a treatment plant;
- "Engineer" means a professional engineer registered to practice in Nunavut in accordance with the Consolidation of Engineers and Geoscientists Act S. Nu 2008, c.2 and the Engineering and Geoscience Professions Act S.N.W.T. 2006, c.16 Amended by S.N.W.T. 2009, c.12;
- "Greywater" means all liquid wastes from showers, baths, sinks, kitchens and domestic washing facilities, but does not include toilet wastes;
- "<u>High Water Mark</u>" means the usual or average level to which a body of water rises at its highest point and remains for sufficient time so as to change the characteristics of the land (ref. Department of Fisheries and Oceans Canada, Operational Statement: Mineral Exploration Activities);
- "<u>Inspector</u>" means an Inspector designated by the Minister under section 85 (1) of the *Act*;
- "Licensee" means the holder of this Licence;
- "<u>Modification</u>" means an alteration to a physical work that introduces a new structure or eliminates an existing structure and does not alter the purpose or function of the work, but does not include an expansion;
- "<u>Nunavut Agreement</u>" means the "Agreement Between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in right of Canada", including its preamble and schedules, and any amendments to that agreement made pursuant to it;
- "Regulations" means the Nunavut Waters Regulations SOR/2013-69 18th April, 2013;
- "Secondary Containment" means an impermeable structure, external to and separate from primary containment, which prevents unplanned spills of hazardous materials and provides a minimum capacity of 110% of the original vessel. Where multiple vessels are stored within the containment, it must provide a minimum capacity equal to the sum of the largest vessel and 10% of the aggregate volume of all other vessels located in the containment. This structure shall also provide containment and control of hoses and nozzles
- "Sewage" means all toilet wastes and greywater;
- "Spill Contingency Plan" means a Plan developed to deal with unforeseen petroleum and hazardous materials events that may occur during the operations conducted under the Licence:

"Sump or Sumps" A structure or depression that collects, controls, and filters liquid waste before it is released to the environment. This structure should be designed to prevent erosion while allowing percolation of liquid waste.;

"<u>Toilet Wastes</u>" means all human excreta and associated products, but does not include greywater;

"<u>Waste</u>" means, as defined in S.4 of the *Act*, any substance that, by itself or in combination with other substances found in water, would have the effect of altering the quality of any water to which the substance is added to an extent that is detrimental to its use by people or by any animal, fish or plant, or any water that would have that effect because of the quantity or concentration of the substances contained in it or because it has been treated or changed, by heat or other means.

"Water" or "Waters" means waters as defined in section 4 of the Act.

3. **Enforcement**

- a. Failure to comply with this Licence will be a violation of the *Act*, subjecting the Licensee to the enforcement measures and the penalties provided for in the *Act*;
- b. All inspection and enforcement services regarding this Licence will be provided by Inspectors appointed under the *Act*; and
- c. For the purpose of enforcing this Licence and with respect to the use of water and deposit or discharge of waste by the Licensee, Inspectors appointed under the *Act*, hold all powers, privileges and protections that are conferred upon them by the *Act* or by other applicable law.

PART B: GENERAL CONDITIONS

- 1. The water use fees, payable to the Receiver General for Canada, shall be sent to the Board annually for the right to the use of water in accordance with section 12 of the *Regulations*.
- 2. The Licensee shall file an Annual Report on the Appurtenant Undertaking with the Board no later than the 31st of March of the year following the calendar year being reported, containing the following information:
 - a. A summary report of water use and waste disposal activities;
 - b. Quantity of water (in cubic metres/day) obtained for domestic and other purposes from sources on, in or flowing through Inuit-owned land for the reporting period;

- c. Quantity of water (in cubic metres/day) obtained for domestic and other purposes from sources on, in or flowing through Crown Land for the reporting period;
- d. Quantity of waste disposed of at on-site waste disposal facility;
- e. Quantity of waste backhauled to approved facility for disposal;
- f. A list of unauthorized discharges and a summary of follow-up actions taken;
- g. Any revisions to the Spill Contingency Plan, Closure and Reclamation Plan, and any other Plans as required by Part B, Item 7, submitted in the form of an Addendum;
- h. A description of all progressive and or final reclamation work undertaken, including photographic records of site conditions before, during and after completion of operations;
- i. Report of all artesian flow occurrences as required under Part F, Item 3;
- j. A summary of all information requested and results of the Monitoring Program; and
- k. Any other details on water use or waste disposal requested by the Board by the 1st of November of the year being reported.
- 3. The Licensee shall notify the NWB of any changes in operating plans or conditions associated with this project at least thirty (30) days prior to any such change.
- 4. The Licensee shall install flow meters or other such devices, or implement suitable methods required for the measuring of water volumes as required under Part J, Item 1.
- 5. The Licensee shall, for all Plans submitted under this Licence, include a proposed timetable for implementation. Plans submitted, cannot be undertaken without subsequent written Board approval and direction. The Board may alter or modify a Plan if necessary to achieve the legislative objectives and will notify the Licensee in writing of acceptance, rejection or alteration of the Plan.
- 6. The Licensee shall, for all Plans submitted under this Licence, implement the Plan as approved by the Board in writing.
- 7. The Licensee shall review the Plans referred to in this Licence, as required by changes in operation and/or technology, and modify the Plan accordingly. Revisions to the Plans shall be submitted in the form of an Addendum to be included with the Annual Report.
- 8. Every Plan to be carried out pursuant to the terms and conditions of this Licence shall become a part of this Licence, and any additional terms and conditions imposed upon approval of a Plan by the Board become part of this Licence. All terms and conditions of the Licence should be contemplated in the development of a Plan where appropriate.
- 9. The Licensee shall ensure a copy of this Licence is maintained at the site of operations at all times. Any communication with respect to this Licence shall be made in writing to the attention of:

(a) Manager of Licensing:

Nunavut Water Board

P.O. Box 119

Gjoa Haven, NU X0B 1J0 Telephone: (867) 360-6338

Fax: (867) 360-6369

Email: licensing@nwb-oen.ca

(b) Inspector Contact:

Manager of Field Operations, AANDC Nunavut District, Nunavut Region P.O. Box 100 Iqaluit, NU X0A 0H0

Telephone: (867) 975-4295 Fax: (867) 979-6445

- 10. The Licensee shall submit one paper copy and one electronic copy of all reports, studies, and plans to the Board. Reports or studies submitted to the Board by the Licensee shall include a detailed executive summary in Inuktitut and Inuinnagtun.
- 11. The Licensee shall ensure that any document(s) or correspondence submitted by the Licensee to the NWB is received and acknowledged by the Manager of Licensing.
- 12. This Licence is assignable as provided for in section 44 of the *Act*.
- 13. The expiry or cancellation of this Licence does not relieve the Licensee from any obligation imposed by the Licence, or any other regulatory requirement.

PART C: CONDITIONS APPLYING TO WATER USE

- 1. The Licensee shall obtain all water for domestic camp use from local source(s) as outlined in the Application. Total camp Water use shall not exceed five (5) cubic metres per day. Drill water shall be obtained from source(s), proximal to the drilling targets as outlined in the Application and shall not exceed sixty-five (65) cubic metres per day. The total volume of water allowed for all purposes under this Licence shall not exceed seventy (70) cubic metres per day
- 2. The use of water from streams or any water bodies not identified in Part C, Item 1, is prohibited unless authorized and approved by the Board in writing.
- 3. The Licensee shall submit to the Board for approval in writing, the following information at least thirty (30) days prior to the use of water of a sufficient volume that the source water body may be drawn down: volume required, hydrological overview of the water body, details of impacts, and proposed mitigation measures.

- 4. The Licensee shall equip all water intake hoses with a screen of an appropriate mesh size to ensure that fish are not entrained and shall withdraw water at a rate such that fish do not become impinged on the screen.
- 5. The Licensee shall not conduct work or remove any material from below the ordinary High Water Mark of any water body unless otherwise approved by the Board in writing.
- 6. The Licensee shall not cause erosion to the banks of any body of water and shall provide necessary controls to prevent such erosion.
- 7. The Licensee shall implement Sediment and erosion control measures prior to and maintain such measures during the undertaking to prevent entry of sediment into water.

PART D: CONDITIONS APPLYING TO WASTE DISPOSAL

- 1. The Licensee shall locate areas designated for waste disposal at a minimum distance of thirty-one (31) metres from the ordinary High Water Mark of any water body such that the quality, quantity or flow of water is not impaired, unless otherwise approved by the Board in writing.
- 2. The Licensee shall not practice on-site land-filling of domestic waste, unless otherwise approved by the Board in writing.
- 3. The Licensee is authorized to dispose of all acceptable food waste, paper waste and untreated wood products in an incinerator.
- 4. The Licensee shall not open-burn plastics, wood treated with preservatives, electric wire, Styrofoam, asbestos or painted wood to prevent the deposition of waste materials of incomplete combustion and/or leachate from contaminated ash residual, from impacting any surrounding waters, unless otherwise approved by the Board in writing.
- 5. The Licensee shall provide to the Board documented authorization from all communities in Nunavut receiving wastes from the Coppermine Project prior to the backhauling and disposal of any wastes to those communities.
- 6. The Licensee shall backhaul and dispose of all hazardous wastes, waste oil and non-combustible waste generated through the course of the operation at a licensed waste disposal site.
- 7. The Licensee shall maintain records of all waste backhauled and records of confirmation of proper disposal of backhauled waste. These records shall be made available to an Inspector upon request.
- 8. The Licensee shall contain all greywater in a Sump located at a distance of at least thirty-one (31) metres above the ordinary High Water Mark of any water body, at a site

- where direct flow into a water body is not possible and no additional impacts are created, unless otherwise approved by the Board in writing.
- 9. The Licensee shall contain all toilet wastes in latrine pits or use incineration, chemical, portable or composting toilets. Latrine pits shall be located at a distance of at least thirty-one (31) metres above the ordinary High Water Mark of any water body, treated with lime and covered with native material to achieve the pre-existing natural contours of the land prior to abandonment.
- 10. The Licensee shall confirm that the trenching waste rock is free of contaminants and is non-acid generating and is non-metal leaching prior to disposal.
- 11. The Licensee shall direct all Water accumulated in blasted or excavated trenches to a Trench Water Containment to allow for sampling prior to release. Water collected in hand-dug trenches shall be directed to a natural depression sump, as required by Part D, Item 1
- 12. The Licensee shall provide at least ten (10) days notification to an Inspector, prior to initiating the release of effluent from Trench Water Containment Area.
- 13. The notice shall include Water quality results, an estimate of volume and the proposed receiving location.
- 14. All Effluent discharged from the Trench Water Containment shall be carried out in accordance with Part D, Item 1, directed to a natural depression where direct flow into a water body is not possible and no additional impacts are created.
- 15. All Effluent discharged from the Trench Water Containment shall not exceed the following Effluent quality limits:

Parameter	Maximum Concentration of any Grab Sample (mg/L)
Total Arsenic	0.50
Total Copper	0.30
Total Lead	0.20
Total Nickel	0.50
Total Zinc	0.50
Total Suspended Solids	25.0
Oil and Grease	No visible sheen
pH	Between 6 and 9.5

16. The Licence notify an INAC Inspector prior to discharging into receiving environment contact water stored within the fuel berm area.

PART E: CONDITIONS FOR CAMPS, ACCESS INFRASTRUCTURES AND OPERATIONS

- 1. The Licensee shall not erect camps or store material on the surface of frozen streams or lakes including the immediate banks except what is for immediate use. Camps shall be located such as to minimize impacts on surface drainage.
- 2. The Licensee shall conduct all activities in such a way as to minimize impacts on surface drainage and the Licensee shall immediately undertake corrective measures in the event of any impacts on surface drainage.
- 3. The Licensee shall construct all winter lake and stream crossings, including ice bridges, entirely of water, ice or snow. The Licensee shall minimize disturbance by locating ice bridges in an area that requires the minimum approach grading and the shortest crossing route. Stream crossings shall be removed or the ice notched prior to spring break-up.
- 4. With respect to access road, pad construction or other earthworks, the deposition of debris or sediment into or onto any water body is prohibited. These materials shall be disposed a distance of at least thirty-one (31) metres from the ordinary High Water Mark in such a fashion that they do not enter the water.
- 5. The Licensee shall not mobilize heavy equipment or vehicles for trenching or other activities unless the ground surface is capable of fully supporting the equipment or vehicles without rutting or gouging. Overland travel of equipment or vehicles shall be suspended if rutting occurs.

<u>PART F:</u> <u>CONDITIONS APPLYING TO DRILLING OPERATIONS AND TRENCHING OPERATIONS</u>

- 1. The Licensee shall not conduct any land-based drilling within thirty-one (31) metres of the ordinary High Water Mark of any water body, unless otherwise approved by the Board in writing.
- 2. The Licensee shall dispose of all drill waste, including water, chips, muds and salts (CaCl₂) in any quantity or concentration, from land-based drilling, in a properly constructed Sump or an appropriate natural depression located at a distance of at least thirty-one (31) metres from the ordinary High Water Mark of any adjacent water body, where direct flow into a water body is not possible and no additional impacts are created.
- 3. If artesian flow is encountered, drill holes shall be immediately sealed and permanently capped to prevent induced contamination of groundwater or salinization of surface waters. The Licensee shall report all artesian flow occurrences within the Annual Report, including the location (GPS coordinates) and dates.

- 4. On-ice drilling is not authorized under this Licence.
- 5. The Licensee shall provide to the Board for approval in writing, at least ninety (90) days prior to beginning any trenching operations, a Trenching Plan which shall include the following:
 - a. Size and location (including GPS coordinates) of trenches;
 - b. Approximate dimensions (length, width and depth) of each trench;
 - c. Approximate mass of sample extracted from trenches for testing;
 - d. Proposed mitigation measures for the prevention of the transport of sediments, blasting residues, fly rock and other materials, from the trench area to nearby water bodies;
 - e. Projected volume and quality of water discharged from each trench with potential treatment required; and
 - f. The proposed monitoring program to be carried out on trench wastewater prior to discharge.

PART G: CONDITIONS APPLYING TO MODIFICATIONS

- 1. The Licensee may, without written consent from the Board, carry out Modifications to the Water and Waste Management Facilities provided that such Modifications are consistent with the terms of this Licence and the following requirements are met:
 - a. the Licensee has notified the Board in writing of such proposed Modifications at least sixty (60) days prior to beginning the Modifications;
 - b. such Modifications do not place the Licensee in contravention of the Licence or the *Act*;
 - c. such Modifications are consistent with the NIRB Screening Decision;
 - d. the Board has not, during the sixty (60) days following notification of the proposed Modifications, informed the Licensee that review of the proposal will require more than sixty (60) days; and
 - e. the Board has not rejected the proposed Modifications.
- 2. Modifications for which all of the conditions referred to in Part G, Item 1 have not been met can be carried out only with written approval from the Board.
- 3. The Licensee shall provide as-built plans and drawings of the Modifications referred to in this Licence within ninety (90) days of completion of the Modification. These plans and drawings shall be stamped by an Engineer.

PART H: CONDITIONS APPLYING TO SPILL CONTINGENCY PLANNING

1. The Board has approved the Plan entitled *Tundra Copper Corp. Fuel Spill Contingency Plan*, dated September 14, 2016, that was submitted as additional information with the renewal application.

- 2. The Licensee shall prevent any chemicals, petroleum products or wastes associated with the project from entering water. All Sumps and fuel caches shall be located at a distance of at least thirty-one (31) metres from the ordinary High Water Mark of any adjacent water body and inspected on a regular basis.
- 3. The Licensee shall conduct any equipment maintenance and servicing in designated areas and shall implement special procedures (such as the use of drip pans) to manage motor fluids and other waste and contain potential spills.
- 4. If during the term of this Licence, an unauthorized discharge of waste occurs, or if such a discharge is foreseeable, the Licensee shall:
 - a. Employ the approved Spill Contingency Plan;
 - b. Report the spill immediately to the 24-Hour Spill Line at (867) 920-8130 and to the Inspector at (867) 975-4295; and
 - c. For each spill occurrence, submit to the Inspector, no later than thirty (30) days after initially reporting the event, a detailed report that will includes the amount and type of spilled product, the GPS location of the spill, and the measures taken to contain and clean-up the spill site.
- 5. The Licensee shall, in addition to Part H, Item 4, regardless of the quantity of releases of harmful substances, report to the NWT-NU Spill Line if the release is near or into a Water body.

PART I: CONDITIONS APPLYING TO CLOSURE AND RECLAMATION OR TEMPORARY CLOSURE

- 1. The Board has approved the Plan entitled *Abandonment and Restoration Plan, Coppermine Project, Kitikmeot Region, Nunavut*, dated September 2016, that was submitted as additional information with the renewal application.
- 2. The Licensee shall complete all restoration work prior to the expiry of this Licence.
- 3. The Licensee shall carry out progressive reclamation of any components of the project no longer required for the Licensee's operations.
- 4. The Licensee shall backfill and restore all Sumps to the pre-existing natural contours of the land.
- 5. The Licensee shall remove from the site, all infrastructure and site materials, including all fuel caches, drums, barrels, buildings and contents, docks, water pumps and lines, material and equipment prior to the expiry of this Licence.

- 6. All roads and airstrip, if any, shall be re-graded to match natural contour to reduce erosion.
- 7. The Licensee shall remove any culverts and restore the drainage to match the natural channel. Measures shall be implemented to minimize erosion and sedimentation.
- 8. In order to promote growth of vegetation and the needed microclimate for seed deposition, all disturbed surfaces shall be prepared by ripping, grading, or scarifying the surface to conform to the natural topography.
- 9. Areas that have been contaminated by hydrocarbons from normal fuel transfer procedures shall be reclaimed to meet objectives as outlined in the Government of Nunavut's *Environmental Guideline for Contaminated Site Remediation*. The use of reclaimed soils for the purpose of backfill or general site grading may be carried out only upon consultation and approval by the Government of Nunavut, Department of Environment and an Inspector.
- 10. The Licensee shall restore all drill holes and disturbed areas to natural conditions immediately upon completion of the drilling. The restoration of drill holes must include the removal of any drill casing materials and if having encountered artesian flow, the capping of holes with a permanent seal.
- 11. The Licensee shall stockpile all overburden and vegetation materials removed during trenching activities for later use in reclamation/re-contouring once trenching activities are completed. Erosion prevention measures shall be provided as required by Part C, Item 7
- 12. The Licensee may store drill cores produced by the appurtenant undertaking in an appropriate manner and location at least thirty-one (31) metres above the ordinary High Water Mark of any adjacent water body, where any direct flow into a water body is not possible and no additional impacts are created.
- 13. The Licensee shall, upon completion of sampling activities, restore all exploration trenches prior to the closure of seasonal exploration programs and removal of equipment from site. Trenches are to be in -filled and covered with stockpiled overburden materials and re-contoured to the natural terrain, providing drainage away from nearby watercourses.
- 14. The Licensee shall contour and stabilize all disturbed areas to a pre-disturbed state upon completion of work.
- 15. The Licensee shall provide a summary report, for the Board for review, within sixty (60) days following completion of site clean-up activities scheduled to be conducted during the 2017 field season to completely addressed the issues identified in INAC's August 13, 2016 Inspection Report.

PART J: CONDITIONS APPLYING TO THE MONITORING PROGRAM

- 1. The Licensee shall measure and record, in cubic metres, the daily quantities of water utilized for camp, drilling and other purposes.
- 2. The Licensee shall provide the GPS co-ordinates (in degrees, minutes and seconds of latitude and longitude) of all locations where sources of water are utilized for all purposes.
- 3. The Licensee shall determine the GPS co-ordinates (in degrees, minutes and seconds of latitude and longitude) of all locations where wastes associated with camp operations and drilling operations are deposited.
- 4. The Licensee shall sample, prior to the release of any Effluent from the Trench Water Containment, in order to provide confirmation of Effluent quality as required by Part D, Item 14. Analysis shall include:

Total Suspended Solids pH

Conductivity Total Ammonia
Total Arsenic Total Cadmium

Total Chromium Total Cobalt
Total Copper Total Iron

Total Lead Total Manganese

Total Nickel Total Zinc

- 5. All sampling, sample preservation and analyses shall be conducted in accordance with methods prescribed in the current edition of *Standard Methods for the Examination of Water and Wastewater*, or by such other methods approved by the Board in writing.
- 6. All analyses shall be performed in a laboratory accredited according to ISO/IEC Standard 17025. The accreditation shall be current and in good standing.
- 7. The Licensee shall include in the Annual Report required under Part B, Item 2 all data, monitoring results and information required by this Part.

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