Water Resources Division Resource Management Directorate Nunavut Regional Office 918 Sivumugiag Street Igaluit, NU, X0A 3H0

> Your file - Votre référence 2BF-CPM----Our file - Notre référence GCdocs#134154670

March 18, 2025

Richard Dwyer Manager of Licensing 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 review of 1501253 BC Ltd.'s Type B Water Licence Application 2BE-CPM---- for the Coppermine Project

Dear Richard.

Thank you for the opportunity to review 1501253 BC Ltd.'s Type B Water Licence Application 2BE-CPM---- for the Coppermine Project.

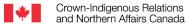
Crown-Indigenous Relations and Northern Affairs Canada examined the application and supporting documents pursuant to its mandated responsibilities under the *Nunavut Waters* and Nunavut Surface Rights Tribunal Act and the Department of Crown-Indigenous Relations and Northern Affairs Act and provides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

The applicant shall provide confirmation from the Nunavut Water Board that all outstanding water license fees have been paid in full prior to approval of this application.

Please contact me or Andrew Keim by email at john.macinnis@rcaanc-cirnac.gc.ca or andrew.keim@rcaanc-cirnac.gc.ca if there are any questions or concerns.

Sincerely,

John MacInnis Senior Environmental Assessment Specialist Impact Assessment Division, Nunavut Regional Office



Technical Review Memorandum

Date: March 18, 2025

To: Richard Dwyer, Manager of Licensing, Nunavut Water Board

From: John MacInnis, Senior Environmental Assessment Specialist, Crown-Indigenous

Relations and Northern Affairs Canada

Subject: Crown-Indigenous Relations and Northern Affairs Canada's review of

1501253 BC Ltd.'s Type B Water Licence Application 2BE-CPM---- for the

Coppermine Project

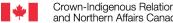
Region: ⊠ Kitikmeot □ Kivalliq □ Qikiqtani

Summary

Crown-Indigenous Relations and Northern Affairs Canada has reviewed 1501253 BC Ltd.'s Type B Water Licence Application 2BE-CPM---- for the Coppermine Project and offers eight (8) responses below for the Board's consideration. Table 1 outlines documents that were considered in the review of the application and supporting documents.

Table 1. Documents Reviewed

| Document Title | Author |
|--|---------------------------|
| General Water Licence Application for the Coppermine | Alexandre Jones Vilela da |
| Project | Silva |
| Nunavut Planning Commission File No. 150589 | Nunavut Planning |
| (Coppermine Project) | Commission |
| Project Summary | 1501253 BC Ltd. |
| Waste Management Plan (Coppermine Project) | 1501253 BC Ltd. |
| Spill and Fuel Management Plan (Coppermine Project) | 1501253 BC Ltd. |
| Wildlife Management Plan (Coppermine Project) | 1501253 BC Ltd. |
| Acquisition of High-grade Copper Project | Somerset Minerals Ltd. |
| adjacent to White Cliff Minerals | |
| Certificate of Incorporation and Notice of Articles | Registrar of Companies |
| Certificate of Registration of an Extra-territorial | Registrar of Corporations |
| Corporation | Nunavut |
| Somerset Minerals Ltd. Annual Report 2024 | Somerset Minerals Ltd. |
| Maps Project | 1501253 BC Ltd. |
| Water Sources (Coppermine Project) | 1501253 BC Ltd. |
| Rae Copper Exploration Project Water Sources | White Cliff Minerals Ltd. |
| Claim 1501253 (Excel File) | 1501253 BC Ltd. |



| Document Title | Author |
|---|------------------------------------|
| CIRNAC Application for Land Use Permit | Alexandre Jones Vilela da Silva |
| KIA Application for Access to Inuit Owned Lands | Alexandre Jones Vilela da Silva |

C. Results of Review

1.Spill and Fuel Management Plan

Comment:

Section 3 of the Spill and Fuel Management Plan outlines procedures for responding to spills during project activities. CIRNAC is of the view that the information in this section is presented at a high-level and may benefit from additional detail, particularly if this information is to be used by personnel when responding to spills on-site. For instance, Section 3 could be expanded to provide additional procedural guidance on responding to spills in different media (i.e., snow, soil, water), which may improve the rate at which personnel respond to spills on-site, minimizing impacts to receiving environments.

CIRNAC also notes that the Spill and Fuel Management Plan does not contain Material Safety Data Sheets (MSDS) for fuel and chemicals that are planned to be used on-site. This information should be made available to staff to assist with spill responses.

Recommendation:

(R-01) CIRNAC recommends that the Applicant update the Spill and Fuel Management Plan to enhance procedural guidance on responding to spills and append applicable MSDS for fuel and other substances that are planned to be used on-site.

2. Waste Management Station

Comment:

Section 3 of the Waste Management Plan outlines infrastructure that is planned for managing waste on-site, including sumps and a waste management station. The waste management station is described as a staging area that will be inside of a bear-fenced perimeter of the Coppermine Project camp location, and wastes will be separated before shipment off-site for disposal. It is unclear to CIRNAC if the waste management station would have secondary containment or spill response equipment available.

Recommendation:

(R-02) CIRNAC recommends that the Applicant clarify which measures will be implemented to prevent and mitigate potential spills in the waste management station in an updated Waste Management Plan.

3. Closure and Reclamation Plan

Comment:

CIRNAC understands that progressive reclamation is planned, but notes that a Closure and Reclamation Plan was not provided for review.

Recommendation:

(R-03) CIRNAC recommends that the Applicant provide a conceptual Closure and Reclamation Plan for review. In addition the applicant should provide details that clearly outline any planned progressive reclamation of the site and project infrastructure.

4. Water Pump Fuel Management

Comment:

The Water Licence Application describes that a diesel water pump, equipped with a rubber/plastic water line and an intake hose fitted with mesh, is the proposed method of water extraction from lakes to the drill rig. It is unclear to CIRNAC where the Applicant is planning to store the water pump or if secondary containment would be used to mitigate potential diesel spills.

Recommendation:

(R-04) CIRNAC recommends that the Applicant clarify where it plans to store the water pump and any mitigation measures to prevent fuel spills and impacts on receiving freshwater environments.

5. Impacts of Drilling on Groundwater

Comment:

The Water Licence Application describes that groundwater may become contaminated during drilling operations. CIRNAC notes that the mitigations described in the Application do not appear to explicitly address potential impacts to groundwater quantity and quality.

Recommendation:

(R-05) CIRNAC recommends that the Applicant clarify which mitigation measures will be implemented to minimize potential impacts to groundwater quantity and quality, including how it intends to manage any artesian flows that are encountered during drilling.

6. Water Withdrawal Rates

Comment:

The proposed water withdrawal rates (20 m 3 /day) appear reasonable and consistent with White Cliff Minerals Ltd.'s recent estimates for diamond drilling (5 – 80 m 3 /day). However, it is unclear how many drills and what size of drills are planned to be used.



Recommendation:

(R-06) CIRNAC recommends that the Applicant clarify how many and what size drills are they proposing to use? How much water do the drills use?

7. Cumulative Effects on Water Quantity in the Kitikmeot Region

Comment:

"Acquisition of Prescott Project" (see pg. 1) shows that the Coppermine Project is adjacent to two other mineral claims (White Cliff Minerals and Ivanhoe Electric). Ivanhoe Electric does not appear to hold any active water licences in Nunavut, but it appears their area of ownership was explored by other Proponents previously (Tundra Copper Corp., Kaizen Discovery). While there is potential for cumulative effects, due to the existence of past and present projects in the area, the likelihood of significant adverse cumulative effects resulting from the project on water quantity is low due to the anticipated volume requirements for drilling.

Recommendation:

(R-07) CIRNAC recommends the Nunavut Water Board keep track the number of exploration projects that are utilizing watersheds in this area by way of understanding any potential cumulative effects.

8. Fuel Management

Comment:

There is some ambiguity in how the Applicant is planning to manage its fuel-based water pump. The Applicant stated that: "All fuel containers will be stored at least 31 m away from the Ordinary High-Water Mark of any water body.", but it is unclear if the fuel tank of the water pump qualifies as a "fuel container" or if the statement is referring to 205 L barrels of fuel.

Recommendation:

(R-08) CIRNAC recommends that all fuel should be contained in secondary containment.