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Kugluktuk でつゅつゅ

Sent by e-mail: Richard Dwyer – Richard.Dwyer@nwb-oen.ca

Bathurst Inlet

March 18, 2025

Bathurst Inlet Kingaok ��し▷॰

RE: 1501253 BC Ltd.'s Coppermine Project Application

Dear Richard Dwyer,

Bay Chimo Umingmaktok ▶Г°L¹⊃̂° The Kitikmeot Inuit Association's (KIA) has reviewed the documents submitted for the 1501253 BC Ltd.'s Coppermine Project Application.

Gjoa Haven Okhoktok ▷%ረ%ጏ% In conducting its review, the KIA had noted the Coppermine Project's close proximity to two other projects these being White Cliff Minerals Ltd.'s Rae Copper Project and Arctic Copper Corporation's 'Coppermine'.

All three of these projects involve a number of elements of concern to all including;

Taloyoak C⊃°7⊲° Potentially two, and possibly three different companies could be undertaking exploration work on the same IOL parcels. The breakdown of which parcels are to be shared are listed below with which companies may be working on those parcels;

Kugaaruk dil 't'

CO-53	Rae Copper Project, Coppermine Project, ACC - Coppermine
CO-54	Rae Copper Project, Coppermine Project, ACC - Coppermine
CO-56	ACC - Coppermine
CO-58	Coppermine Project
CO-60	ACC - Coppermine
CO-61	Rae Copper Project, Coppermine Project, ACC – Coppermine

The Rae Copper Project and the Coppermine Project are likely to proceed in 2025 and it is of significant concern that three of the parcels could have these two companies working on them at the same time.





The KIA would like to know the maximum number of drill rigs that each company may be working on each parcel at any one time. The KIA would also like to know if the cumulative impacts of two drilling programs on the same land parcels has been assessed along with cumulative impacts and benefits on the Hamlet of Kugluktuk, which is being used as a staging ground for both projects.

White Cliff Minerals Rae Copper Project proposes using an existing airstrip and building a camp near Hope Lake, with supplies coming through Kugluktuk. While 1501253 BC Ltd.'s Coppermine Project will have all of its activities staged through Kugluktuk with crews accommodated there.

These projects are at different stages of permitting and licensing with the KIA, NPC, NWB and NIRB. However, their potential overlap and cumulative effects on IOL need to be taken into consideration by the NWB.

Concerning 1501253 BC Ltd.'s Coppermine Project application to the NWB, the KIA finds that the various supporting documents are considered adequate, but some comments are provided here for further refinement by the company.

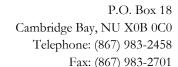
Acquisition of Prescott Project announcement dated Dec 10, 2024 – This twenty-three page describes Somerset's acquisition of the Coppermine Project, adjacent to White Cliff Minerals Rae Project.

NPC File # 150589 dated Jan. 10, 2025 – This two-page document lists lead regulatory and Company personnel and summary description of the project and then states that NPC has determined it is exempt from screening by the NIRB, and that NPC has no concerns regarding the cumulative impacts of the project proposal.

There are good descriptions of the various aspects of the project provided. It mentions this will be the maiden exploration program for the Company in this area. An extensive list of Material and Fuel Use is provided. It mentions the Project Schedule is for a start date of 2025-01-01 and end date of 2028-01-01.

Mineral Exploration Agreement between NTI and 1501253 Nunavut Ltd. dated November 1, 2024 – This agreement deals with the two proposed sub-surface IOL parcels the company wants to drill on. The other two parcels (i.e., CO-53 & CO-61) are not included. The document provides guidance for the company based on a template that considers a wide range of exploration projects up to small-scale mining projects.

Application for Access to Inuit Owned Land – This seven-page form was completed and dated Jan. 27, 2025.





Appendix A of KIA IOL Application – Part 1 of this appendix text mentions that an airstrip by Hope Lake may be used for fixed wing aircraft and that ATVs may be used to transport light drill equipment or fuel using existing tracks where possible. And "...in winter, supplies may be transported from Kugluktuk to the drill sites via winter tracks, supported by Kugluktuk based businesses or personnel. No all-weather roads or permanent structures will be built..."

Project Summary - Text states the drills are to sit on 8"x8"x12' timbers. The KIA have identified a deficiency in there being no plans to use coco matting under the drill rigs to minimize disturbance to the underlying vegetation.

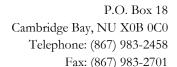
Work could be undertaken during any of the four seasons and would cease during caribou calving and post calving periods. In winter, winter tracks may be utilized to access sites from Kugluktuk. No information is provided on how these winter roads would be deactivated. All disturbances should be checked on by regulatory agency inspectors prior to demobilizing them from the project areas and remedied immediately by the company.

CPM Annual Report dated June 30, 2024 – the Annual Report provided in the NWB submission is for Somerset Minerals Ltd. It discussed their project work in the high arctic on several islands including Prince of Wales, Somerset and Cornwallis Islands as well as other locations. There is no mention of the Coppermine project area to be investigated as part of this current application process.

Water Sources-IMLE.csv dated Feb. 10, 2025 – This Excel spreadsheet lists some 766 potential water sources, identifies their centroid lat. & long. locations, surface areas and estimated water volumes available from each assuming a drawdown of 0.1 meter. The closeness of any of these sites to the eventual drill sites has not been demonstrated as the proposed drill site locations have not been identified.

NWB Water License Application dated Feb. 11, 2025 – The application filled in by the company appears to utilize a NWB General Water License Application template from April 2013. A check of the NWB website still shows that version of the application as being current.

Section 4 - Location of Undertaking states the project will utilize a hotel in Kugluktuk for camp requirements for persons working on the project. Up to 15 persons may be involved. The capacity for housing this number of persons in Kugluktuk is unknown and if not what new facilities will be required to accommodate the workers?





Section 15 – Quantity & Quality of Waste Involved text states waste drill water will be disposed of in hand-dug sumps, whereas **Section 17 – Predicted Environmental Impacts**...states this water may be disposed of in natural depressions or designated sumps. Care is required to minimize the spread of the waste drill water across a larger footprint and thus a deeper and smaller surface area dug sump is much preferred. And each drill's sump needs to be backfilled with excavated soil once the drilling has been completed at that site. A list of all likely drill additives is not provided. However, the text suggests their selection of additives will ensure minimal potential environmental impacts in the event of any spills.

Section 18 - Water Rights... states "...the Company is not aware of any overlapping water users in these areas". However, White Cliff Minerals propose to be drilling on a number of the same parcels as other companies so there is potential for cumulative impacts of drawing water from the same sources.

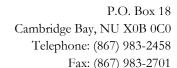
Section 20 – Consultation discusses communication between Company personnel and the Mayor of Kugluktuk. It is unclear who "Amanda (HTO representative)" is and whether that communication was finally made.

Section 21-Security Information provides an estimated cost of \$9,600-\$18,000 for final reclamation of all the sites and proposes financial security in that range. The upper estimate should be the minimum to be considered as several other elements are not included but should be added which would add to the total; e.g., helicopter cost for transport of reclamation workers between the drill sites, removal costs for any hazardous wastes, restoration of winter tracks or trails between drill sites, etc.

The KIA suggests security in the order of \$40,000 for these reasons, unless the company provide detailed cost estimates for these tasks that support a lower total financial security.

Section 22 – Financial Information mentions the agreement between 1501253 BC Ltd. and Somerset Minerals Limited. It states Somerset is listed on the Australian Securities Exchange and appears to be financially capable to undertake the proposed program based on their claimed cash balance. They should have the funds to be able to provide adequate financial security to cover any potential environmental or other liabilities incurred by the project.

Section 24 – Proposed Time Schedule only states that Operation and Closure of the project could be all-season. And a two-year window of May, '25 - May, '27 is proposed for Operation of the project. No specific dates are proposed for the other three stages of the project (i.e., Construction, Closure and Post-Closure) although it is anticipated these will be very short-duration stages for this project.





Waste Management Plan – The document is not dated.

Section 1 - Introduction includes mention of photography to be taken at the drill sites after activities are completed. Figure 1 outlines the areas of potential drilling which does not line up with the area map with all the KIA parcel numbers provided in the Coppermine Summary for WK document (ref: KIA 2025b). The source of the map in that document is not known by KIA and should be properly referenced.

Section 2 - Waste Types refers to "...activities proposed for the 2024 field season..." It is unclear when this document was prepared and also for which project the material may have been pulled from.

Section 3.0 - Waste Management Infrastructure mentions the use of a waste staging area in a bear-fenced perimeter of the project's camp location. However, other documentation states there will be no camp and that workers will be flown daily to the sites from Kugluktuk where they will be housed in a hotel (ref: Water License Application Section 4.).

Wildlife Management Plan – The document is not dated. Interestingly the site supervisor for the project and main contact for all wildlife-related matters is a person out of Australia. It is presumed this person will be periodically based out of Kugluktuk during the program.

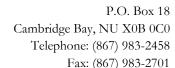
Section 1 – Introduction The bulk of this section deals with what is likely material from the Spill and Management Plan where descriptions of fuel and spill management for the project are discussed. This material should be removed from the Wildlife Management Plan.

Section 4.1 - Drill Rig Setup mentions the recording of all wildlife encounters to be recorded in a Wildlife Log and discussed with other workers. This log should be available for review by site inspectors.

Section 4.5 - Reporting mentions wildlife interactions and it outlines agencies that should be contacted in the event of any incidents.

It is unknown to KIA whether the general locations and dates of when caribou calving and post-calving typically occur in this area (and the parcels themselves) and if so, these should be specified in the MP so as to ensure they aren't missed.

Due to the remoteness of the parcels and the company's plans to do field exploration work with personnel wandering across the parcels emergency communication





mechanisms (e.g., all field personnel to carry walkie talkies or satellite phones) in the event there is a wildlife interaction.

Spill and Fuel Management Plan - The document is not dated. The document includes phone numbers of lead contacts in the event of a spill. Due to the remoteness of the drill sites and the need to respond to spills immediately the Plan should include names of site personnel who will have satellite phones as well as communication between Company personnel on different land parcels and that can reach appropriate agencies in a timely manner as well as to access any additional resources that may be required for clean-ups.

Section 2.0 - Potential Spill Materials Inventory mentions Jet Fuel and Diesel Fuel. It is unknown whether any of the drill additives or fuels, lubricants, etc. for any of the other mechanical units to be used at the sites should also be included in the inventory. Are any of them classified as Hazardous Materials?

Section 5 – Roles and Responsibilities outlines the three levels of personnel to be involved. It mentions but possibly needs to stress that it is the responsibility of the Site Supervisor to notify the appropriate authorities should there be a reportable spill.

Recommendations

- The proponent and the NWB consider cumulative environmental effects from the project in relation to other projects operating in the same area, in particular to water draw down from local water sources.
- The proponent provide the location of drilling activities in relation to local water sources.
- The proponent place coco matting underneath drilling rigs to minimize disturbance to the site.
- The proponent update and clarify submitted documents addressing KIA's comments as required.
- Documentary photos and videos should be provided of each drill site and other disturbance before and after of work and reclamation and that these be provided to KIA.
- The proponent provide a more detailed closure & reclamation plan with cost estimates being provided to set an appropriate amount of financial security for reclamation.



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Thank you.

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Cc Wynter Kuliktana, Director, KIA, Department of Lands and Environment