

File No: **2BE-CPM2527**

April 14, 2025

Alexandre Jones Vilela da Silva c/o 1501253 B.C. Ltd 329 Howe Street Vancouver BC V6C 3N2 Canada

Email: alex.vilela@sentinelresources.com.au

RE: NWB Water Licence No: 2BE-CPM2527

Dear Alexandre Jones Vilela da Silva:

Please find attached Licence No: **2BE-CPM2527** issued to 1501253 B.C. Ltd (Licensee or Applicant) by the Nunavut Water Board (NWB or Board) 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).* 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 continuing this Undertaking after the Licence expires, it is the responsibility of the Licensee to apply to the NWB for a renewal water licence. 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 the use of Water and the deposit of Waste must cease, or the Licensee may be in contravention of the *Nunavut Agreement* and the *Nunavut Waters and Nunavut Surface Rights Tribunal Act (NWNSRTA or 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.

It should be noted that in accordance with s. 75(1)(a) of the *Nunavut Planning and Project Assessment Act (NuPPAA)*, the Board is not allowed to issue a permit or authorization for any project proposal that has not been submitted to the Nunavut Planning Commission (NPC) in accordance with s. 76 of *NuPPAA*.

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 application 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 the 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 consideration1.

Sincerely,

Lootie Toomasie Nunavut Water Board, Chair

LT/ns/rqd

Enclosure: Water Licence No: **2BE-CPM2527**

Comments - CIRNA, ECCC, DFO, KIA

Cc: Distribution List – Kitikmeot

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¹ Crown-Indigenous Relations and Northern Affairs (CIRNA), March 18, 2025; Environment and Climate Change Canada (ECCC), March 18, 2025; Environment and Climate Change Canada (ECCC), March 19, 2025; Fisheries and Oceans Canada (DFO), March 20, 2025; Kitikmeot Inuit Association (KIA), March 19, 2025.

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DECISION

LICENCE NUMBER: 2BE-CPM2527

This is the decision of the Nunavut Water Board (NWB or Board) with respect to an application submitted on February 13, 2025, for a new type B Licence made by:

1501253 B.C. Ltd

to allow for the use of Water and the deposit of Waste during drilling operations and activities related to exploration at the Coppermine Project (1501253 B.C. Ltd), located within the Kitikmeot Region, Nunavut, generally located at the geographical coordinates as follows:

Project Extents:

Latitude: 67° 50' 16.7568" N Longitude: 118° 0' 7.7112" W Latitude: 67° 50' 16.7568" N Longitude: 115° 1' 22.2816" W Latitude: 67° 13' 26.2056" N Longitude: 115° 1' 22.2816" W Longitude: 67° 13' 26.2056" N Longitude: 118° 0' 7.7112" W

DECISION

After having been satisfied that the Application is for a proposal that falls outside of an area with an approved land use plan, and is exempt from screening by the Nunavut Impact Review Board (NIRB) as determined by the Nunavut Planning Commission (NPC)¹ because it belongs to a class of works or activities set out in Schedule 12-1 of the *Nunavut Agreement*, and because NPC does not have concerns regarding the cumulative effects of the project proposal, 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 (NWNSRTA or 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 parties, 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:

New Water Licence No: 2BE-CPM2527 be issued subject to the terms and conditions contained therein. (Motion #: 2025-B1-001)

Signed this 14 th	day of	April, 2025	_ at Gjoa Haven, NU.

Lootie Toomasie Nunavut Water Board, Chair

LT/ns/rqd

¹ Nunavut Planning Commission, January 10, 2025.

I. BACKGROUND

The Coppermine Project (Project) is located 60 km southwest of Kugluktuk. It covers a 1200 km² area of highly prospective copper and silver ground and is hosted in the Copper Creek Formation basalts. 1501253 B.C. Ltd. plans to begin exploration in 2025, focusing on validating historic high-grade mineralization and identifying extensions through a drilling campaign (1,000-2,000 m across 10-15 holes), geological prospecting, rock chip sampling, and geophysical surveys.

The drill crew and staff will operate from Kugluktuk, traveling to and from the project area each day by short helicopter or fixed-wing flight. No temporary camps will be set up in the project area. The water required for drilling purposes will be collected from a nearby lake or river and will be recycled in a tank and reused to reduce the amount drawn from water sources. Wastewater from drill cuttings will be deposited in a sump more than 31 metres away from the ordinary High-Water Mark of any water body and then filled over the top.

Aviation fuel will be used for aircraft transportation, and diesel will be used to run the drill rig, which will be stored in barrels within a secondary containment bund at small caches. A small fuel cache of up to 3,800 liters of combined jet fuel and diesel will be stored at the drill site and possibly another location in the project area. Exploration may take place during spring, summer, fall or winter. During winter, supplies may be transported from Kugluktuk to the drill site via winter tracks, supported by Kugluktuk-based businesses or personnel. No all-weather roads or permanent structures will be built, and all waste material will be removed from the project area.

II. FILE HISTORY

The NWB has not issued any licences to this Project. However, since the NWB has an existing licence named "Coppermine Project," the current project has been renamed "Coppermine Project (1501253 B.C. Ltd)" to prevent any future confusion.

III. PROCEDURAL HISTORY

The Board received a new water licence application from 1501253 B.C. Ltd. on February 13, 2025. The documents submitted by 1501253 B.C. Ltd for a new type B water licence (Application) are as follows:

- Application for Water Licence
- Cert of incorp and notice of Articles
- Certificate-Registration
- Acquisition of Prescott Project
- Claim 1501253 B.C. LTD.
- Company Annual Report
- Maps Project
- NPC File #150589 Coppermine Project
- Project Summary English
- Project summary Inuinnagtun
- Spill and Fuel Management Plan
- Waste Management Plan
- Water Sources

- Wildlife Management Plan
- Closure and Reclamation Plan

The Applicant requested:

- total water use of twenty (20) cubic metres per day;
- deposit of Waste during exploration activities that include drilling;
- term of two (2) years.

With respect to pre-licensing requirements, the NWB received the Nunavut Planning Commission's (NPC) Land Use Conformity Determination³ for the Undertaking indicating that the project proposal falls outside an area with an applicable regional land use plan and that screening by the Nunavut Impact Review Board (NIRB) is not required.

Following receipt and an internal preliminary review, the NWB distributed the application on February 14, 2025, for a month-long review and comment period, with the deadline for submission set for March 18, 2025. The NWB received a submission from Environment and Climate Change Canada (ECCC) on March 14, 2025, from Crown-Indigenous Relations and Northern Affairs (CIRNA) and Kitikmeot Inuit Association (KIA) on March 18, 2025, and from the Department of Fisheries and Oceans (DFO) on March 20, 2025. The Applicant provided responses to all comments on March 25, 2025. By April 4, 2025, all interveners confirmed that their concerns were addressed by the Applicant's responses.

The NWB has placed in its Public Registry copies of the Application and all comments received from Interveners. This information can be accessed on the registry using the following link:

https://public.nwb-oen.ca/registry/2%20MINING%20MILLING/2B/2BE%20-%20Exploration/2BE-CPM2527%201501253%20BC%20Ltd/

IV. GENERAL CONSIDERATIONS

The following sections provide general overview of the rationale for some of the main terms and conditions included under this Water Licence.

Term of the Licence

In accordance with s. 45 of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* (*NWNSRTA* or *Act*), the NWB may issue a licence for a term not exceeding twenty-five (25) years.

In their Application, the Licensee has requested a two-year term. The Interveners, in their submissions, did not object to the term requested for this new licence. The Board felt that the requested term was practical for the undertaking. The Board has therefore granted a two-year term requested by the Licensee. In so doing, the Board believes and expects that the two years will provide the Licensee with significant opportunities to consistently abide by the terms and conditions of the Licence over time and provide ongoing compliance records prior to a need for renewal.

³ Nunavut Planning Commission (NPC) Determination, January 10, 2025

Annual Report

Under Part B, Item 2 of the Licence, the Licensee is required to submit Annual Reports for the purpose of ensuring that the NWB has an accurate annual update of activities related to Water use and Waste disposal during each calendar year. This information is maintained on the Public Registry and is available to interested parties upon request. A "Standardized Form for Annual Reporting" is to be used by the Licensee and is available from the NWB Public Registry link at:

https://public.nwb-oen.ca/other%20documents/Standardized%20Forms/

Water Use

The quantity of water requested by the Applicant is twenty (20) cubic metres per day for drill water and shall be obtained from the local water source(s), proximal to the drilling targets as outlined in the Application. No concerns were expressed by the Interveners with respect to the requested freshwater amount, or the manner in which it is obtained or used. The Board has authorized the Licensee to use a maximum of twenty (20) cubic metres of water per day under Part C, Item 1 of the Water Licence.

Camp

Camp activities are not authorized under this licence.

Deposit of Waste

The Applicant has submitted a "Waste Management Plan" on February 10, 2025, and later revised on March 25, 2025, to incorporate recommendations from the interveners. This plan is being approved with the approval of this Licence. Terms and conditions for waste disposal are included in Part D of this Licence.

Recyclables- Recyclable items such as aluminum cans and clean plastics will be crushed and collected in a designated bin at transported to Kugluktuk for proper disposal.

Construction and set up waste - The Licensee will only fly in the construction materials necessary for drilling and maintenance during the field season. All unused materials will be stored for repurposing opportunities, and then flown off site at the end of the field season. Where possible, the Licensee will store and reuse construction materials offsite for further field season and avoid creating waste during construction.

Sewage - Pacto toilets will be used to manage human waste generated at the Project. The toilets will be located more than 31 metres away from the ordinary High-Water Mark of any watercourse. Waste collected from the Pacto toilets will be stored in sealed vessels to eliminate the possible animal attractants and transported offsite routinely throughout the program.

Used Fuels and Chemicals - Contaminated or expired fuels will either remain in their original containers or be placed inside an empty fuel drum. The drums will be clearly labelled and segregated as hazardous waste. The drums will be shipped offsite for disposal with a registered

hazardous waste receiver. Waste chemicals will be packaged in clearly labelled, tightly sealed containers and stored for eventual backhaul.

Contaminated soil and water - As per the Spill and Fuel Management Plan, contaminated soil will be cleaned up immediately and placed within sealed 205 L metal drums. Similarly, any contaminated water, snow, or ice will be cleaned up immediately and placed within sealed 205 metal drums for shipment off-site.

Spill Contingency Planning

The Applicant has submitted a "Spill and Fuel Management Plan" on February 10, 2025, and later revised on March 25, 2025, to incorporate recommendations from the interveners. This plan is being approved with the approval of this Licence. The conditions for spill contingency planning are included in Part H of the Licence.

Closure and Reclamation Plan

The Applicant submitted a "Closure and Reclamation Plan" on March 20, 2025, to address the comments received from CIRNA and KIA to remove the use of metal monuments for referencing collar locations. The conditions applying to closure and reclamation are included in Part I of this Licence.

Monitoring

Part J of the Licence details the environmental monitoring requirements.

It should also be noted that additional sampling may be required upon request by the Inspector.

Summary of Comments

Crown-Indigenous Relations and Northern Affairs (CIRNA):

- 1. CIRNA recommended 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.
 - <u>Applicant response:</u> The Applicant updated the Spill and Fuel Management Plan to incorporate the additional details requested by CIRNA.
- 2. CIRNA requested clarification regarding which measures will be implemented to prevent and mitigate potential spills in the waste management station in an updated Waste Management Plan.
 - <u>Applicant response:</u> The Waste Management Plan was updated to incorporate measures to prevent and mitigate potential spills.
- 3. CIRNA recommended that the Applicant provide a conceptual Closure and Reclamation Plan for review and provide details that clearly outline any progressive reclamation of the

site and project infrastructure.

Applicant response: A Closure and Reclamation Plan was created and submitted.

4. CIRNA recommended 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.

<u>Applicant response:</u> The Applicant confirmed that if used, the pump would be located at the water source and would be contained in a secondary plastic containment bund to stop any spills from reaching the water source. The pump will be investigated 2-4 times a day to ensure that it is running smoothly, and will check for any spills. The Applicant also mentioned that they have decided to use an RC rig instead of a diamond rig and hence wouldn't require the use of a pump as the RC method uses compressed air.

5. CIRNA recommended that the Applicant clarify which mitigation measures will be in place to minimize potential impacts to groundwater quantity and quality, including how it intends to manage any artesian flows that are encountered during the drilling.

<u>Applicant response:</u> The Applicant advised that they don't anticipate encountering any large groundwater reserves given the presence of permafrost and reported rock quality at the area. However, if small water-filled cavities are encountered, minor amounts of drilling additives such as bentonite clay or plant-based xanthan gum may be used to aid in drilling and control water flow.

6. CIRNA recommended that the Applicant clarify the quantity and size of drills they are proposing to use and the quantity of water required by the drills.

<u>Applicant response:</u> The Applicant plans on using RC rigs to drill 15 holes for sampling purposes. RC drilling is a dry process which uses compressed air and will, therefore not use any water. The proposed water use of 20 m³/day was in case the company decided to use diamond rigs.

7. CIRNA recommended that the Nunavut Water Board keep track of the number of exploration projects that are utilizing watersheds in this area by way of understanding any potential cumulative effects.

NWB response: The NWB acknowledges the recommendation.

8. CIRNA recommended that all the fuel should be contained in secondary containment.

<u>Applicant response</u>: The gasoline capacity of the pump while running is 3.6 L. If it is used, it would sit beside a water source in a secondary plastic containment bund and pump water to the drill rig via a long plastic hose. The pump would be checked 2-4 times a day to check for leaks and ensure it is running smoothly.

On April 02, 2025, CIRNA confirmed that they have no further comments at this time.

Environment and Climate Change Canada (ECCC):

1. ECCC recommended that the Applicant consult the Species at Risk registry for the most current information and Government of Nunavut to identify appropriate mitigation and/or monitoring measures to reduce the impact to species under their management responsibility.

<u>Applicant response:</u> The Applicant has consulted the Species at Risk registry, which will be made available at the drill site. The Applicant will consult the Government of Nunavut to identify the appropriate measures.

2. ECCC recommended that the Applicant identify the project's adverse effects on species at risk and their critical habitat, ensuring that measures are implemented to avoid or reduce those effects while monitoring them to inform adaptive management. Additionally, ECCC suggested certain measures for mitigation and monitoring.

<u>Applicant response:</u> The Wildlife Management Plan has been updated to include the potential impacts and mitigation measures, and the Applicant will ensure that the measures in the plan are strictly adhered to.

3. ECCC recommended that the Applicant carry out all phases of the project in a manner that reduces the risk to migratory birds.

<u>Applicant response:</u> The Applicant will implement measures outlined in the Wildlife Management Plan and will carry out the project in a manner that reduces the risk to migratory birds.

On April 02, 2025, ECCC confirmed that they have no further recommendations/comments at this time.

Fisheries and Oceans Canada (DFO):

1. DFO recommended that the Licensee adhere to DFO's protective measures for fish and fish habitat, as well as standard codes of practice, to be in compliance with the *Fisheries Act* and utilize the provided resources to avoid impacting fish or their habitat.

<u>Applicant response:</u> The Applicant acknowledges the recommendations and will follow and comply with the recommended practices, codes and standards.

On March 27, 2025, DFO confirmed that the Applicant has addressed DFO's comments.

Kitikmeot Inuit Association (KIA):

1. KIA recommended that the Applicant and NWB consider the cumulative environmental effects from the project in relation to other projects operating in the same area.

Applicant response: The Applicant clarified that the size and scope of the current

proposed work are very small and temporary. Moreover, the Applicant plans to use an RC rig which does not use water for drilling therefore, they don't expect to use any water for drilling. Moreover, the closest drill site is at least 10 km away from one of White Cliff's apparent proposed drilling areas.

<u>NWB response:</u> The NWB acknowledges the recommendation. Cumulative impacts assessments are generally conducted by the NIRB. The NPC, in its conformity determination letter, mentioned that the project is exempt from screening by the NIRB and that the NPC does not have concerns regarding the cumulative impacts of the project proposal.

2. KIA recommended that the Applicant provide the location of drilling activities in relation to the water source.

<u>Applicant response:</u> If water is withdrawn for drilling activities, the water will be taken from lakes and rivers close to the drill location. The Applicant attached a map with the highest priority drill location and where the 15 drill sites are likely to be located.

3. KIA recommended that the Applicant place coco matting underneath drilling rigs to minimize disturbance to the site.

<u>Applicant response:</u> The Applicant agreed with the recommendation and stated that photos would be taken for reporting purposes.

4. KIA recommended that the Applicant update and clarify submitted documents addressing KIA's comments as required.

<u>Applicant response</u>: The Applicant provided clarifications to the concerns raised and updated the associated management plans and documents.

5. KIA recommended that documentary photos and videos should be provided of each drill site and other disturbances before and after the work and reclamation and that these be provided to KIA.

<u>Applicant response:</u> The Applicant agreed with the recommendation and mentioned that it is outlined in the Closure and Reclamation Plan.

6. KIA recommended that the Applicant provide a more detailed closure and reclamation plan with cost estimates being provided to set an appropriate amount of financial security for reclamation.

<u>Applicant response:</u> The Applicant provided a Closure and Reclamation Plan and clarified that due to reclamation being continuous, the Applicant does not anticipate any unforeseen reclamation. However, the Applicant has agreed to the proposed bond of \$40,000 from KIA for final reclamation security.

On April 03, 2025, KIA confirmed that they have reviewed the response and are satisfied with it.



NUNAVUT WATER BOARD WATER LICENCE

Licence No: 2BE-CPM2527

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

1501253 B.C. LTD

(Licensee)

329 HOWE STREET, VANCOUVER BC V6C 3N2

(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:

Licence Number/Type: 2BE-CPM2527/ TYPE B

Water Management Area: COPPERMINE WATERSHED (28), AMUNDSEN GULF

WATERSHED (27)

Location: COPPERMINE PROJECT/KITIKMEOT REGION,

NUNAVUT

Classification: MINING UNDERTAKING

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

Quantity of Water use not

to Exceed: TWENTY (20) CUBIC METRES PER DAY

Date of Licence Issuance: APRIL 14, 2025

Expiry of Licence: APRIL 13, 2027

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

Lootie Toomasie

Nunavut Water Board, Chair

PART A: SCOPE, DEFINITIONS AND ENFORCEMENT

1. **Scope**

This Licence allows for the use of Water and the deposit of Waste for a Mining undertaking classified as per Schedule 1 of the *Regulations* at the Coppermine Project (1501253 B.C. Ltd), located approximately 60 km southwest of Kugluktuk within the Kitikmeot Region, Nunavut.

- a. This Licence is issued subject to the conditions contained herein with respect to the taking of Water and the deposit 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" or "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;

"<u>Amendment</u>" 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;

"Closure and Reclamation Plan" 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>Hazardous Waste</u>" means Waste classified as "hazardous" by Nunavut Territorial or Federal legislation, or as "dangerous goods" under the Transportation of Dangerous Goods Act;
- "<u>High Water Mark</u>" means the usual or average level to which a water body 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;
- "Nunavut Agreement" or "Nunavut Agreement" 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;
- "<u>Regulations</u>" or "<u>Regulations</u>" 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;

<u>"Spill and Fuel Management Plan"</u> 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" means 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 for the right to the use of Water shall be paid annually 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 March 31st 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 Lands 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 Lands reporting period;
- d. Quantity of Waste disposed of on 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 and Fuel Management Plan and Closure and Reclamation Plan, 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 all artesian flow occurrences as required under Part F, Item 3;
- j. A summary of all information requested and results of the Monitoring Program;
- k. Details pertaining to locations of sump(s) and drill holes;
- 1. Detailed discussion on the performance, installation, and evaluation, including the use of photographic record, of the primary and secondary containment functions used in fuel storage to safeguard impacts to freshwaters;
- m. A summary of any specific studies or reports requested by the Board, and a brief description of any future studies planned or proposed;
- n. A summary of public consultation/participation, describing consultation with local organizations and residents of the nearby communities, if any were conducted:
- o. Any other details on Water use or Waste disposal requested by the Board by the 1st 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: <u>licensing@nwb-oen.ca</u>

(b) Inspector Contact:

Inspector Contact:
Manager of Field Operations, CIRNAC
Nunavut District, Nunavut Region
918 Nunavut Drive
Iqaluit, NU X0A 3H0

Telephone: (867) 975-4284 Fax: (867) 979-6445

- 10. The Licensee shall submit an 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/or Inuinnagtun).
- 11. The Licensee shall ensure that all documents or correspondence submitted by the Licensee to the NWB are 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 Water, up to a maximum of twenty (20) cubic metres per day for drilling. Water shall be obtained from local sources proximal to the drilling targets as outlined in the Application. The total volume of water for the purposes of this Licence shall not exceed twenty (20) cubic meters 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 withdrawal of Water from any stream shall not exceed ten (10) per cent of the low flow of that stream unless approved by the Board in writing.
- 4. 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.
- 5. 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.
- 6. The Licensee shall not conduct any work below the ordinary High Water Mark of any water body unless approved by the Board in writing.
- 7. The Licensee shall not cause erosion to the banks of any water body and shall provide necessary controls to prevent such erosion.
- 8. Sediment and erosion control measures shall be implemented prior to and maintained during the undertaking to prevent entry of sediment into Water.

PART D: CONDITIONS APPLYING TO WASTE DISPOSAL

- 1. The Board has approved the "Waste Management Plan" dated March 20, 2025, that was submitted as additional information with the Application.
- 2. 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.
- 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 practice on-site land filling of domestic Waste, unless otherwise approved by the Board in writing.
- 5. 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.
- 6. The Licensee shall provide to the Board documented authorization from all communities in Nunavut receiving Wastes from the Coppermine Project (1501253 B.C. Ltd) prior to any backhauling and disposal of Wastes to those communities.
- 7. 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.
- 8. 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.
- 9. 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.
- 10. 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.

PART E: CONDITIONS FOR CAMPS, ACCESS INFRASTRUCTURES AND OPERATIONS

- 1. Camp activities are not authorized under the provisions of this Licence.
- 2. The Licensee shall not store material on the surface of frozen streams or lakes, including the immediate banks except what is for immediate use.
- 3. 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.
- 4. 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.

- 5. Stream crossing shall be a minimum of five hundred (500) metres from spawning areas.
- 6. 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.
- 7. 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.

PART F: CONDITIONS APPLYING TO DRILLING OPERATIONS

- 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. Drilling on ice is not authorized under this Licence.

PART G: CONDITIONS APPLYING TO MODIFICATIONS

- 1. The Licensee may, without written consent from the Board, carry out Modifications to the Water Supply Facilities and Waste Disposal 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 "Spill and Fuel Management Plan" dated March 20, 2025, that was submitted as additional information with the 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 and Fuel Management Plan;
 - b. Report the spill immediately to the NWT/NU 24-Hour Spill Line at (867) 920-8130 and to the Inspector at (867) 975-4284; 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 include 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 24-Hour 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 "Closure and Reclamation Plan" dated March 20, 2025, that was submitted as additional information with the 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, sewage/wash water pits to the preexisting 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 intakes, pumps and lines, material and equipment prior to the expiry of this Licence.
- 6. All roads and airstrips, if any, shall be re-graded to reduce erosion and sedimentation to Water.
- 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 shall be reclaimed to meet objectives as outlined in the Government of Nunavut's Environmental Guideline for Site Remediation, 2010. The use of reclaimed soils for the purpose of back fill 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. Where drill casings cannot be removed the Licensee shall cut off the casings at ground level and identify with signage.
- 11. The Licensee may leave the casings on site, if it intends to continue drilling in existing casings, but shall add signaling to keep the area safe for the other territory users. The drill casings left cannot stay on the field for more than 2 years after the drilling.

- 12. The Licensee may store drill core 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 contour and stabilize all disturbed areas to reduce erosion and sedimentation to Water, upon completion of work upon completion of the undertaking and as per Part I, Item 4.

PART J: CONDITIONS APPLYING TO THE MONITORING PROGRAM

- 1. The Licensee shall measure and record, in cubic metres, the daily quantities of Water utilized from sources located on, in or flowing through Crown Land, utilized for drilling and other purposes.
- 2. The Licensee shall provide the GPS coordinates (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 coordinates (in degrees, minutes and seconds of latitude and longitude) and datum of all locations where Wastes associated with all operations are deposited.
- 4. 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.
- 5. All analyses shall be performed in a laboratory accredited according to ISO/IEC Standard 17025. The accreditation shall be current and in good standing.
- 6. The Licensee shall include in the Annual Report required under Part B, Item 2 all data, monitoring results and information required by this Part.
- 7. An Inspector may impose additional monitoring requirements.