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NUNAVUT WATER BOARD
NUNAVUT IMALIRIYIN KATIMAYINGI
OFFICE DES EAUX DU NUNAVUT

File No.: **2BE-CRA1520**

July 31, 2015

Simeon Robinson
North Country Gold Corp.
220-9797 45th Avenue,
Edmonton, AB, T6E 5V8
Email: simeonr@northcountrygold.com

RE: NWB Licence No. 2BE-CRA1520

Dear Mr. Robinson,

Please find attached Licence No. **2BE-CRA1520** issued to North Country Gold 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 Land Claims Agreement or NLCA)*. The terms and conditions of the attached Licence related to water use and waste disposal 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 Land Claims 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 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 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 sixty (60) days 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 by interested persons on issues identified. This information is attached for your consideration.¹

Sincerely,

A handwritten signature in dark ink, appearing to read 'T. Kabloona', written over a horizontal line.

Thomas Kabloona
Nunavut Water Board
Chair

TK/kk/ri

Enclosure: Licence No. **2BE-CRA1520**
 Comments – AANDC

Cc: Kitikmeot Distribution List

¹ Aboriginal Affairs and Northern Development Canada (AANDC), January 19, 2015.

TABLE OF CONTENTS

DECISION.....	ii
I. BACKGROUND.....	iv
II. FILE PROCEDURAL HISTORY.....	iv
III. RENEWAL APPLICATION	v
IV. GENERAL CONSIDERATIONS.....	vii
<i>Inspection</i>	vii
<i>Term of Licence</i>	viii
<i>Annual Report</i>	viii
<i>Water Use</i>	viii
<i>Solid Waste</i>	ix
<i>Greywater and Sewage</i>	ix
<i>Quarrying</i>	x
<i>Fuel Management</i>	xi
<i>All-weather Access Road Management</i>	xi
<i>Spill Contingency Planning</i>	xi
<i>Abandonment and Restoration</i>	xii
<i>Monitoring</i>	xii
WATER LICENCE RENEWAL.....	1
PART A: SCOPE, DEFINITIONS AND ENFORCEMENT.....	2
1. Scope	2
2. Definitions	2
3. Enforcement	4
PART B: GENERAL CONDITIONS	4
PART C: CONDITIONS APPLYING TO WATER USE	6
PART D: CONDITIONS APPLYING TO WASTE DISPOSAL	7
PART E: CONDITIONS FOR CAMPS, ACCESS INFRASTRUCTURES AND OPERATIONS	9
PART F: CONDITIONS APPLYING TO DRILLING AND TRENCHING OPERATIONS	11
PART G: CONDITIONS APPLYING TO MODIFICATIONS	12
PART H: CONDITIONS APPLYING TO SPILL CONTINGENCY PLANNING	13
PART I: CONDITIONS APPLYING TO ABANDONMENT AND RESTORATION OR TEMPORARY CLOSING	13
PART J: CONDITIONS APPLYING TO THE MONITORING PROGRAM	14

DECISION

LICENCE NUMBER: 2BE-CRA1520

This is the decision of the Nunavut Water Board (NWB) with respect to an application dated December 5, 2014 for a renewal of a Water Licence made by:

NORTH COUNTRY GOLD CORP.

to allow for the use of water and disposal of waste during camp operations, construction/operation of airstrip, construction of all-weather access trail between Hayes Camp and Three Bluffs gold deposit and drilling area, quarrying for airstrip and road construction, and activities related to exploration that include prospecting, geological mapping, geophysical surveys, diamond drilling at the Committee Bay Project located within the Kitikmeot Region, Nunavut generally located at the geographical coordinates as follows:

Project Extents

NW:	Latitude: (67° 28' 38" N)	Longitude: (093° 32' 27" W)
NE:	Latitude: (67° 28' 38" N)	Longitude: (088° 37' 56" W)
SE:	Latitude: (66° 03' 58" N)	Longitude: (088° 37' 56" W)
SW:	Latitude: (66° 03' 58" N)	Longitude: (093° 32' 27" W)

Camp Location(s)

Hayes Camp -	Latitude: (66° 39' 30" N)	Longitude: (091° 32' 11" W)
Bullion Camp -	Latitude: (66° 23' 39" N)	Longitude: (093° 06' 55" W)
Ingot Camp -	Latitude: (66° 35' 40" N)	Longitude: (092° 37' 34" W)
Crater Camp -	Latitude: (67° 22' 19" N)	Longitude: (088° 51' 24" W)

DECISION

After having been satisfied that the application was for a project proposal located outside the boundaries of the two approved land use plans currently administered by the Nunavut Planning Commission¹ therefore no conformity review is required at this time and exempt from the requirement for screening as described within Section 12.4.3 by the Nunavut Impact Review Board² in accordance with Article 12 of the *Nunavut Land Claim Agreement (NLCA)*, and the activities therein remain subject to the terms and conditions recommended in the original January 28, 2011 Screening Decision Report, 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 *NLCA*, 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 *NLCA* and of the *Act*, waived the requirement to hold a public hearing, and determined that:

¹ NPC Determination sent to NIRB on January 22, 2015.

² NIRB Decision dated January 29, 2015.

Licence No. 2BE-CRA1015 be renewed as Licence No. 2BE-CRA1520 subject to the terms and conditions contained therein (Motion #: 2014-B1-040).

Signed this 04th day of March 2015 at Gjoa Haven, NU.



Thomas Kabloona
Nunavut Water Board
Chair

TK/kk/ri

I. BACKGROUND

Over the past 20 years North Country Gold Corp. (NCGC) (and its predecessor companies including Committee Bay Resources Ltd) have conducted mineral exploration across the Committee Bay Greenstone Belt and have successfully identified gold mineralization at a number of sites. NCGC is presently focussing exploration work on Committee Bay Project's Three Bluffs gold deposit. NCGC envisages that with additional exploration work Three Bluffs and other mineral deposits will be developed into sustainable mines across the Committee Bay area in years to come.

The Licensee intends to continue the evaluation of the potential for economic concentrations of minerals within the Committee Bay region. Activities include geological sampling, mapping, prospecting, geophysics, diamond drilling, construction and operation of an all-weather road between the Hayes Camp and Three Bluffs gold deposit and an all-weather Hercules airstrip at Hayes Camp, and development of quarries for construction activities.

NCGC maintains four camps (Hayes, Bullion, Ingot and Crater camps) along the Committee Bay Greenstone Belt to support exploration activities of its Committee Bay Project, which was previously known as the Crater Lake Project. The camps will be occupied off-and-on between mid-March and late September, and it is not anticipated that all four camps would be active at the same time. During the winter months activities are supported by snow machines, helicopters and ski/wheel equipped Twin Otter aircraft that can land on the frozen lakes at all four camps. An all-weather airstrip construction is ongoing at Hayes Camp in order to accommodate larger aircraft for the purpose of mobilizing larger pieces of equipment and supplies and to demobilize empty fuel drums and miscellaneous equipment. An all-weather access trail will be constructed between Hayes Camp and Three Bluffs gold deposit area. Quarrying is/will be conducted for airstrip and road construction. Water for Hayes Camp domestic purposes will be obtained from Sandspit Lake and water for drilling activities will be obtained from Hayes River.

Hayes Camp is located approximately central within the Committee Bay project, 335 km northeast of Baker Lake, 400 km north of Rankin Inlet and 220 km south of Kugaaruk. Hayes Camp and its associated infrastructures are positioned on the northern side of Sandspit Lake on a natural sand esker. The camp provides accommodation for up to 100 people.

The lands in the exploration area are Inuit Owned Lands (IOL) pursuant to the Nunavut Land Claims Agreement (NLCA). Land use for the exploration activities has been authorized by the Kitikmeot Inuit Association (KIA), the Regional Inuit Association who holds title to IOL in the Kitikmeot Region of Nunavut.

II. FILE PROCEDURAL HISTORY

On June 5, 2003 the Nunavut Water Board (NWB or Board) issued Licence NWB2CRA0305 to Committee Bay Resources Ltd. to allow for the use of water (10m³ per day for domestic purposes and 30m³ per day for each drill unit) and disposal of waste for the Hayes Lake Camp facility and exploration, and related activities for the Crater Lake Project. The Expiry date was set at June 30, 2005. On June 9, 2004 the Licence was amended to include additional camp

operation activities at the Bullion camp site and at the Dore camp site, and to include drilling operations on the Three Bluffs and Four Hills properties, and upgrades on camp operations at the Hayes Lake camp site.

The Licence was renewed as Licence NWB2CRA0507 on June 22, 2005 to allow for the use of water (5m^3 per day for each camp and 35m^3 per day for each drill unit) and disposal of waste for Hayes Lake, Bullion, Ingot, Inuk and Dore Camps facilities and exploration, and related activities for the Crater Lake Project. The expiry date was set at June 30, 2007.

The Licence was renewed as Licence 2BE-CRA0710 on February 23, 2007 to allow for the use of water (80m^3 per day for the purposes of the Licence) and disposal of waste for Hayes Lake, Bullion, Ingot, Inuk, Dore and Crater Camps facilities and exploration, and related activities for the Committee Bay Greenstone Belt Project. The expiry date was set at September 31, 2010. On May 1, 2008, the License was amended to CBR Gold Corp. to allow for the use of water (80m^3 per day for the purposes of the Licence) and disposal of waste for the Hayes Lake Camp facility and exploration, and related activities for the Crater Lake Project to include additional camp operation activities at the Bullion camp site and at the Dore camp site, and to include drilling operations on the Three Bluffs and Four Hills properties, and upgrades on camp operations at the Hayes Lake camp site.

On April 1, 2010, the Licence was renewed as Licence 2BE-CRA1015 to allow for the use of water (8m^3 per day for domestic purposes and 210m^3 for drilling purposes) and disposal of waste for Hayes Lake, Bullion, Ingot and Crater Camps facilities and exploration, and related activities for the Committee Bay Project. The Expiry date was set at April 1, 2015.

On April 9, 2010 The CBR Gold Corp. changed the name to Niblack Mineral Development Inc. (Niblack). On December, 10, 2010, the Licence 2BE-CRA1015 was assigned from Niblack to North Country Gold Corp. (NCGC or Licensee or Applicant).

On May 11, 2011, the Board amended the Licence (Amendment No. 1) to allow for an increase of water use at Sandspit Lake in the area of Hayes main Camp and at local lakes in the area of Ingot, Bullion and Crater secondary camps up to 50m^3 per day for domestic purposes and up to 245m^3 per day for drilling purposes, totaling the water use up to 295m^3 per day. As part of Amendment No. 1 scope, the NWB allowed for the installation/operation of a Wastewater Treatment System (utilizing a Membrane BioReactor) at Hayes Camp for the treatment of sewage and greywater, construction of an all-weather road between Hayes Camp and Three Bluffs Deposit and an all-weather Hercules airstrip, and development of quarries for construction activities.

III. RENEWAL APPLICATION

On December 5, 2015, the NWB received an application for the renewal of Water Licence 2BE-CRA1015. The following documents were included within the renewal application:

- Cover Letter Application for renewal of Water Licence 2BE-CRA1015 dated November 26, 2014

- NWB Application for Water Licence Renewal dated November 28, 2014
- Non-Technical Summary English and Inuktitut
- Cheque for NCGC 2014 Water Licence renewal
- Committee Bay Project Abandonment and Reclamation Plan November 2014 including
 - o Appendix 1 - NCGC Camp Layouts;
 - o Appendix 2 - Hayes Camp – Buildings and equipment; and
 - o Appendix 3 - Committee Bay Project – Reclamation Cost Estimate.
- Committee Bay Project Archaeology and Paleontology Plan November 2014
- Committee Bay Project Comprehensive Waste Management Plan October 2014 including
 - o Appendix 1 – Government of Nunavut Guideline for burning and incineration of solid waste;
 - o Appendix 2 – Environment Canada – Technical Document for batch waste incineration;
 - o Appendix 3 – Westland Environmental CY-50-CA Incinerator specifications; and
 - o Appendix 4 – Clean Burn waste oil furnace specifications.
- Committee Bay Project Fuel Management Plan October 2014
- Committee Bay Project Quarry Development Plan November 2014
- Committee Bay Project Spill Prevention and Response Plan November 2014 including
 - o Appendix 1 – NCGC Camp layout plans;
 - o Appendix 2 – Hayes Camp – Buildings and equipment;
 - o Appendix 3 – CBP Fuel Inventory;
 - o Appendix 4 – NCGC Spill Report Form;
 - o Appendix 5 – NT/NU Spill Report Form;
 - o Appendix 6 – NCGC Inspection Checklists; and
 - o Appendix 7 – MSDS Sheets.
- Committee Bay Project Waste Water Treatment System Management Plan November 2014 including
 - o EC Biological Test Method: Reference Method for Determining Acute Lethality of Effluents to Rainbow Trout; and
 - o EC Biological Test Method: Reference Method for Determining Acute Lethality of Effluents to Daphnia magna.
- Committee Bay Project Corporate and Social Responsibility Action Plan November 2014 including
 - o Appendix 1 – NCGC Camp layout plans;
 - o Appendix 2 – Hayes Camp – Buildings and equipment; and
 - o Appendix 3 – Wildlife Report Form.
- North Country Gold Corp 2015 Water Licence Renewal Application (2BE-CRA1015) Supplementary Information:
 - o Appendix 1 – Authorization Letter;
 - o Appendix 2 – NPC Conformity Correspondence;
 - o Appendix 3 – NIRB Screening Correspondence;
 - o Appendix 4 – Maps and Drawings;
 - o Appendix 5 – Reclamation Estimate;
 - o Appendix 6 – Incorporation Certificate; and

o Appendix 7 – Inspection Reports.

Following an internal preliminary technical review, notice of the Renewal Application (Application) was posted and the application was made available for general comment from December 19, 2014 to January 19, 2015. On January 19, 2015, comments were received from Aboriginal Affairs and Northern Development Canada (AANDC).

On February 12, 2015, the Proponent provided the following additional information:

- Response Letter, Re: Response to AANDC Comments – 2BE-CRA1015 Water Licence Renewal
- Committee Bay Project Spill Prevention and Response Plan, Revision 2, January 2015
- Committee Bay Project Proposed Hayes Camp to Three Bluffs All-weather Access Road Transportation Management Plan, January 2015 including
 - o Appendix 1 - Proposed Hayes Camp to Three Bluffs road route.

Based upon the results of the detailed assessment, including consideration of any potential accidents, malfunctions, or impacts to water that the overall project might have in the area, the Board approved the application and has issued Licence 2BE-CRA1520.

IV. GENERAL CONSIDERATIONS

Inspection

The AANDC Inspection of July 20, 2014 identified non-compliance items regarding the following: sediment and erosion control measures, removal and disposal of hazardous waste, effects of drainage caused by airstrip construction, containment and runoff control structures, implementation of Spill Contingency Plan and reclamation of drill holes. AANDC Inspector required that the Licensee take necessary actions to address identified deficiencies. On September 30, 2014, the Licensee submitted to the Inspector, a Remedial Action Report documenting work activities completed by NCGC to address deficiencies noted in the 2014 Water Licence Inspection report.

In its comments of January 19, 2015, AANDC recommended that “*the applicant provide evidence to the Nunavut Water Board that all commitments agreed upon with the AANDC water resource officer during the last inspection are being met or have been met. This evidence should be confirmed by the Nunavut Water Board before the issuance of a licence renewal*”. In its response of February 12, 2015, NCGC “*acknowledges that the backhaul of Hazardous Waste as requested in the 2014 Water Licence Inspection Report (Items 1 and 9) remains outstanding. NCGC acknowledges the inspectors request to remove this waste and provide records by March 15, 2015. NCGC wishes to advise AANDC and the NWB that it is presently in the process of planning the necessary logistics to undertake waste backhaul and that additional information will be provided as soon as possible*”.

The NWB requests that the Licensee provide the above mentioned additional information within the 2014 Annual Report including the 2014 Airstrip’s Geotechnical Inspection Report.

The Board advises that the Licensee should give serious consideration to AANDC Inspector recommendations, and in the interim take whatever steps are practicable to prevent any impact to the environment.

Term of Licence

In accordance with the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* s. 45, the NWB may issue a Licence for a term not exceeding twenty-five years. In determining an appropriate term of a Water Licence, the Board considers a number of factors including, but not limited to; the results of AANDC site inspections and the corresponding compliance record of the Applicant, as well as intervenor comments provided during the application review process.

In the renewal Application, NCQC requested a ten (10) year Licence renewal. In its comment, AANDC recommended that “*due to the nature of the work involved the licence may go through several amendments, in order to avoid many amendments under the one water licence, a five year term is recommended*”. In review of all information available during the renewal process, the NWB concurs with AANDC that a Licence term of approximately five (5) years would be appropriate. The NWB has therefore issued the Licence for five (5) years.

The five years Licence duration will allow the Licensee to properly carry out the terms and conditions of the Licence and will ensure that sufficient time is given to permit the Licensee to develop, submit and implement the plans required under the Licence to the satisfaction of the Board and carry out the proposed activities during this period.

Annual Report

The NWB has imposed on the Licensee the requirement to produce an Annual Report. These Reports are for the purpose of ensuring that the NWB has an accurate annual update of the Licensee’s activities related to water use and waste disposal during a calendar year. This information is maintained on the Public Register 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 file transfer protocol (FTP) site under the Public Registry link at the NWB Website.

Website Public Registry:

<ftp://ftp.nwb-oen.ca/OTHER/Standardized%20Forms/>).

This form provides the basis for annual reporting and format, however individual Licensees shall need to provide information in addition to that of the standard form to address project specific reporting requirements.

Water Use

The May 11, 2011, Amendment No. 1 to the previous Licence, permitted the Licensee to use up to two-hundred and ninety seven (295) m³ freshwater *per day*. The Licensee has not requested a change in total allowable water use as part of the renewal application.

No concerns were expressed by intervenors in their submissions with respect to the requested

freshwater amount requested by the Licensee, or to the manner in which it is obtained or used.

In accordance with the application, the NWB has imposed a daily limit of two hundred and forty five (245) m³ per day for drilling, respecting the request for thirty five (35) m³ per day for each of seven drills. An additional total fifty (50) m³ per day of water is permitted for domestic purposes mainly at Hayes Camp and if needed at Bullion, Ingot and Crater secondary Camps. Total water use shall not exceed previously authorized two hundred ninety five (295) m³ per day.

Solid Waste

As part of the Application, the Licensee submitted the document entitled “Committee Bay Project Comprehensive Waste Management Plan”, dated October 2014, to document waste management practices on NCGC exploration sites within the Committee Bay Project. The Licensee states that this document is designed to meet all regulatory requirements and combines and updates NCGC’s existing Waste Management Plan and Hazardous Waste Management Plan into a single document.

In its comments, AANDC recommended that the Applicant “*be advised that in order to transport hazardous wastes in Nunavut the waste generator must be registered with the Government of Nunavut, Environmental Protection Division and provide the final destination for the hazardous wastes (approved registered facility)*”. In its February 12, 2015 response the NCGC indicated that “*NCGC’s hazardous waste number is NUG-100039*”. AANDC also noted that the Applicant “*has indicated that they will open burn applicable wastes. AANDC reminds the applicant that open burning is not allowed unless authorization is granted by the Nunavut Water Board*”.

The Board has approved the “Committee Bay Project Comprehensive Waste Management Plan” (WMP or Plan), dated October 2014 as per Part D, Item 1 of the renewal Licence and requires that the Licensee implement the Plan accordingly. However, the Licensee is required to update the Plan and submit to the Board for review within 30 days of issuance of the Licence, in the form of an addendum complete with a record of revision, to address AANDC comments with respect to the open burning allowed only with the authorization of the NWB.

Greywater and Sewage

As part of the 2011 Hayes Camp infrastructure upgrades, NCGC commissioned Sanitherm Inc. (Sanitherm) to design and construct a Membrane BioReactor (MBR) Waste Water Treatment System (WWTS) “*to process greywater and sewage generated from toilets, showers, laundries and kitchens at a 100 person remote arctic camp*”. Sanitherm designed and constructed a MBR system in April 2011 which utilized an external membrane to filter and separate effluent during the treatment process. The Sanitherm MBR plant was mobilized to Hayes Camp in May 2011 and was installed between June and August 2011. According to the “Committee Bay Project Waste Water Treatment System Management Plan, dated November 2014 that was included within the Application as additional information, during initial testing of the plant, it was recognized that the external membrane design would require excessive maintenance and was

not well suited for the intended application. Discussions were held with Sanitherm and it was agreed that the plant be retrofitted to accommodate a submerged internal membrane. Sanitherm initiated modifications to the MBR in July 2012. As stated in the Plan, the modifications completed by Sanitherm do not change or alter the treatment process or effluent quality of the initial MBR plant design.

The NWB included within the Amendment No. 1 to the previous Licence, effluent quality criteria for the final point of control and compliance (CRA-2) for the WWTS effluent based on the generally accepted interpretation of Table 4.1 of the *Guidelines for the Discharge of Treated Municipal Wastewater in the Northwest Territories, 1992*, and to be consistent with similar Licences with sewage treatment systems and discharges. The effluent quality criteria for the final point of control and compliance are included within the renewal Licence as well. As the discharge from the WWTS is directly entering a small lake, and no fisheries presence/absence data has been provided, a Monitoring Program Station (CRA-3) was also included at the discharge of the first small lake to the second lake to determine potential impacts to the larger lake.

The Board has also approved under Part D, Item 2 of the Licence the Plan entitled “Committee Bay Project Waste Water Treatment System Management Plan” (WWTSMP or Plan), dated November 2014 that was included within the Application as additional information.

Quarrying

The Amendment No. 1 to the previous Licence authorised the Licensee to develop and operate rock quarries to supply aggregate for construction activities. As quarrying was included with the renewal Application’s scope the NWB has included specific conditions related to the operation of quarry. It is generally recommended by the Board that quarrying activities be conducted at a distance of at least thirty one (31) metres of the high water mark of any water body. Also, as per Part E, Item 7, the Licensee shall not remove material from the quarry beyond a depth of one (1) metre above the high water mark of the groundwater table so as to prevent the contamination of groundwater sources. Further the Licensee is advised that quarrying shall be carried out in accordance with all applicable legislation and industry standards including the *Northern Land Use Guidelines, Pits and Quarries* (INAC, 2010).

In its comment, AANDC stated that “*the Applicant has not included whether or not the rock characterizations are potentially acid generating or not. The Applicant should include this characterization in their Quarry Development Plan*”. In its response to AANDC comments, the Applicant stated that “*all existing quarry sites (as described in NCGC’s Quarry Development Plan) have been developed in material comprising quartz rich sands, and non-mineralized granitic cobbles and boulders. NCGC does not expect that this material will be acid generating or metal leaching*”. It is also stated that “*NCGC will complete geochemical sampling of existing quarry site at the earliest opportunity to confirm this*”.

The Licensee included as additional information within the Application the Plan entitled: “Committee Bay Project Quarry Development Plan” (QDP or Plan), dated November 2014. Although the Plan is generally conceptual, the Licensee shall implement the Plan to minimize

or eliminate negative impacts to the environment as a result of its activities.

As per Part E, Item 14, the Licensee shall ensure that all fill material used during the construction is from an approved potentially non-acid generating and non-metal leaching source and is free of contaminants. The Licensee shall include with subsequent Annual Reports geochemical sampling to complement the QDP.

Fuel Management

NCGC stores diesel, aviation fuels, propane, gasoline, lubricating oils and hydraulic fluids at the Committee Bay Project sites. NCGC developed the document entitled “Committee Bay Project Fuel Management Plan” (FMP or Plan), dated October 2014, to document the fuel management practices employed on its exploration sites within the Committee Bay Project. The Board has approved the Plan as per Part E, Item 8 and requires that the Licensee implement the Plan accordingly. The Licensee is also required to annually review the FMP to address changes in operational practices and technology.

The Plan states that *“should snow or water accumulate within secondary containment it will be inspected for the presence of any visible sheen of oil or grease before it is discharged. If contaminants are identified within accumulated melt or storm water it will be treated (using a SEI Industries ‘Rain Drain’ or equivalent filter) prior to release into the environment”*.

To ensure that all effluent discharged from fuel storage facilities’ secondary containments is not contaminated the NWB has set criteria in the Licence that effluent must meet before its being discharged to the environment.

All-weather Access Road Management

On February 12, 2015, the Licensee submitted the document entitled “Committee Bay Project Proposed Hayes Camp to Three Bluffs All-weather Access Road Transportation Management Plan” (TMP or Plan), dated January 2015, that discusses the design, construction, operation, monitoring, maintenance, spill prevention, and reclamation and closure of a proposed 5.4 km long all-weather access road linking Hayes Camp to the Three Bluff gold deposit and drilling area and additional 5.8 km of road to access infrastructure at the Three Bluffs drill site. The Board has approved the Plan as per Part E, Item 9 of the Licence and advises the Licensee that the implementation of the Plan shall be complemented with the implementation of approved Spill Prevention and Response and Fuel Management Plans.

Spill Contingency Planning

The “Committee Bay Project Spill Prevention and Response Plan” (SPRP or Plan), Revision 2, January 2015, updated and submitted on February 12, 2015 is generally acceptable and has been approved by the Board as per Part H, Item 1. The Licensee is required to annually review the Plan to address changes in operational practices and technology.

Abandonment and Restoration

The Proponent included as additional information within the Application the Plan entitled: “Committee Bay Project Abandonment and Restoration Plan” (A&R Plan or Plan), dated November 2014 that includes sections on quarries and roads as required by the Amendment No. 1 to the previous Licence. A Reclamation Cost Estimate is also included within the Plan. The Board has approved this Plan with the issuance of the renewal Licence. The Licensee shall be required to review the Plan, as required by changes in operation and/or technology, and modify the Plan including the Reclamation Cost Estimate accordingly. Revisions to the Plan shall be submitted in the form of an Addendum within Annual Reports.

Monitoring

To ensure consistency with other exploration projects licensed in Nunavut, the Board requires that the Licensee establish, implement and report on the Monitoring Program outlined in Part J of the Licence. The Amendment No. 1 to the previous Licence included monitoring of water supply from Sandspit Lake at Monitoring Station CRA-1, Wastewater Effluent discharged from WWTS at Monitoring Station CRA-2 and the discharge from a small lake receiving Wastewater Effluent receiving, to the second lake. The NWB has included within the renewal Licence an additional Monitoring Station CRA-4 for the snow / water accumulated in fuel storage facilities prior it’s being discharged to the environment.



NUNAVUT WATER BOARD WATER LICENCE RENEWAL

Licence No. 2BE-CRA1520

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

NORTH COUNTRY GOLD CORP.

(Licensee)

220-9797 45th AVENUE, EDMONTON, ALBERTA, T6E 5V8

(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-CRA1520 TYPE "B"

Water Management Area: REPULSE BAY/BACK-HAYES/GULF OF BOOTHIA -
NUNAVUT 18/32/34

Location: COMMITTEE BAY PROJECT
KITIKMEOT REGION, NUNAVUT

Classification: MINING UNDERTAKING

Purpose: DIRECT WATER USE AND DEPOSIT OF WASTE

Quantity of Water use not
to Exceed: TWO HUNDRED AND NINTY FIVE (295) CUBIC METRES
PER DAY

Date of Licence Issuance: March 4, 2015

Expiry of Licence: March 3, 2020

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 Committee Bay Project, approximately 135 km south of Kugaaruk and 150 km west of Repulse Bay, within the Kitikmeot Region of Nunavut. Activities include camp operation, fuel storage, mineral exploration including: prospecting, geological mapping, geophysical surveys, diamond drilling, baseline data collection, all weather access road construction/operation and quarrying.

- 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*;

“Addendum” 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 Land Claims Agreement* and the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*;

“Fuel Storage Facilities” means the fuel storage facilities as described in the Application, dated December 5, 2014 and in the accompanying “Committee Bay Project Fuel Management Plan” dated, October 2014;

“Effluent” 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;

“High Water Mark” 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);

“ICP Scan” means the laboratory method for determining trace metals in water through Emission Spectroscopy using inductively coupled plasma (including from approximately 22 to 32 elements, depending on the laboratory performing the analysis);

“Inspector” means an Inspector designated by the Minister under Section 85 (1) of the Act;

“Licensee” means the holder of this Licence;

“Modification” 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 Land Claims Agreement (NLCA)” 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* sor2013/669 18th April, 2013;

“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” means an excavation in impermeable soil for the purpose of catching or storing water or waste;

“Toilet Wastes” means all human excreta and associated products, but does not include greywater;

“Trench Water Containment” means the lined sump or sumps, poly tank or other means of containment for water that has collected within the blasted and excavated trench(s) and subsequently been removed for disposal upon confirmation of water quality;

“Waste” 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;

“Wastewater Treatment System (WWTS)” means the Membrane BioReactor wastewater treatment system utilizing a Membrane BioReactor for the treatment of sewage and greywater as described in the Application, dated December 5, 2014, and in the accompanying “Committee Bay Project Wastewater Treatment System Management Plan”, dated November 2015;

“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 9 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. A list of unauthorized discharges and a summary of follow-up actions taken;
 - c. Any revisions to the Plans including the Spill Contingency Plan and Abandonment and Restoration Plan, as required by Part B, Item 7, submitted in the form of an Addendum;
 - d. A description of all progressive and or final reclamation work undertaken, including photographic records of site conditions before, during and after completion of operations;
 - e. Report all artesian flow occurrences as required under Part F, Item 3;
 - f. A summary of all information requested and results of the Monitoring Program; and
 - g. Any other details on water use or waste disposal requested by the Board by November 1 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 2.
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/or Inuinnaqtun).
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*.

PART C: CONDITIONS APPLYING TO WATER USE

1. The Licensee shall obtain all water for domestic camp use for the Hayes Camp from Sandspit Lake and for Bullion, Ingot or Crater secondary camps at the local nearby small lakes. Domestic water use shall not exceed fifty (50) m³ per day. Drill water shall be obtained from local static ponds created along the Hayes River system proximal to the drilling targets as outlined in the application and shall not exceed two hundred and forty five (245) m³ per day, or as otherwise approved by the Board in writing. The total volume of water for the purposes of this Licence shall not exceed two hundred and ninety five (295) m³ per day.
2. Streams cannot be used as a water source unless authorized and approved by the Board in writing.
3. If the Licensee requires water in sufficient volume that the source water body may be drawn down the Licensee shall, at least thirty (30) days prior to commencement of use of water, submit to the Board for approval in writing, the following: 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 remove any material from below the ordinary High Water Mark of any water body unless authorized.
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. 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 Licensee shall implement the Plan entitled “Committee Bay Project Comprehensive Waste Management Plan”, dated October 2014, that was submitted as additional information with the Application and has been approved by the Board with the issuance of the Licence. The Licensee shall update the Plan and submit to the Board for review, within 30 days of issuance of the Licence, in the form of an addendum complete with a record of revision, to address AANDC comments expressed during the review of Application.
2. The Licensee shall implement the Plan entitled “Committee Bay Project Wastewater Treatment System Management Plan”, dated November 2014, that was submitted as additional information with the Application and has been approved by the Board with the issuance of the Licence.
3. 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.
4. The Licensee shall not practice on-site land filling of domestic waste, unless otherwise approved by the Board in writing.
5. The Licensee is authorized to dispose of all acceptable food waste, paper waste and untreated wood products in an incinerator.
6. 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.

7. The Licensee shall provide to the Board documented authorization from all communities in Nunavut receiving wastes from the ~~Meliadine East~~ Committee Bay Project prior to any backhauling and disposal of wastes to those communities.
8. 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.
9. 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.
10. The Licensee shall direct all Greywater to the Wastewater Treatment System ("WWTS") or shall dispose of in a sump located 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.
11. The Licensee shall direct all Toilet Wastes to the Wastewater Treatment System ("WWTS") or contain all Toilet Wastes in latrine pits or treated using chemical, portable or composting toilets, unless otherwise approved by Board in writing. 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.
12. The Licensee shall discharge effluent from the WWTS to the small lake located west of the Hayes Camp, or as otherwise approved by the Board in writing, in such a manner to prevent surface erosion at the point of discharge and downstream.
13. All effluent being discharged from the WWTS at Monitoring Station CRA-2 shall meet the following effluent quality standards:

Parameter	Maximum Concentration of Any Grab Sample
pH	Between 6 and 9
BOD ₅	80 mg/L
Total Suspended Solids	100 mg/L
Fecal Coliform	1 x 10 ⁴ CFU/100mL
Oil and Grease	5 mg/L and no visible sheen
Residual Chlorine	0.1 mg/L

14. All Effluent discharged from Fuel Storage Facilities at Monitoring Station CRA-4 shall not exceed the following Effluent quality limits:

Parameter	Maximum Allowable Grab Sample Concentration (ug/L)
Benzene	370
Ethylbenzene	2
Toluene	90
Lead	1
Oil and Grease	15,000 and no visible sheen

15. If effluent does not meet the effluent quality limits of Part D, Item 14 above, it shall be considered hazardous waste and disposed off-site to an approved, licensed facility.
16. The discharge location for all treated effluents described in Part D Item 14 shall be located at a minimum of thirty one (31) metres from the ordinary High Water Mark of any water body and where direct or indirect flow into a water body is not possible and no additional impacts are created.
17. The Licensee shall provide at least ten (10) days notification to an Inspector, prior to initiating the release of effluent from any facilities listed in this Part. The notice shall include water quality results, an estimate of volume and the proposed receiving location.

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 of at a distance of at least thirty one (31) metres from the ordinary High Water Mark in such a fashion that they do not enter 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.
6. The Licensee shall implement the Plan entitled “Committee Bay Project Quarry Development Plan”, dated November 2014 that was submitted as additional information with the Application and has been approved by the Board with the issuance of the Licence.
7. The Licensee shall maintain a minimum of thirty one (31) metres large undisturbed buffer zone between the periphery of quarry sites and the high water mark of any water body. The Licensee shall not excavate and/or remove material from the quarry beyond a depth of one (1) metre above the high water mark or above the groundwater table, to prevent the contamination of groundwater. The quarrying shall be in accordance with all applicable legislation and industry standards including the *Northern Land Use Guidelines, Pits and Quarries* (INAC, 2010).
8. The Licensee shall implement the Plan entitled “Committee Bay Project Fuel Management Plan”, dated October 2014 that was submitted as additional information with the Application and has been approved by the Board with the issuance of the Licence.
9. The Licensee shall implement the Plan entitled “Committee Bay Project Proposed Hayes Camp to Three Bluffs All-weather Access Road Transportation Management Plan”, dated January 2015 that was submitted as additional information with the Application and has been approved by the Board with the issuance of the Licence.
10. The Licensee shall submit to the Board for review within thirty (30) days prior to construction, issued for construction drawings for all engineered project infrastructures (i.e., airstrip and road constructions, camp pad construction, water crossings) stamped by a qualified Engineer. As-built plans and drawings stamped by a qualified Engineer shall be submitted to the Board within ninety (90) days of completing construction undertakings.
11. Sediment and erosion control measures shall be implemented prior to and maintained during the construction and operation where necessary to prevent entry of sediment into water.
12. The Licensee shall ensure that all containment and runoff control structures are constructed and maintained to prevent escape of wastes to the surface or groundwater systems.

13. The Licensee shall limit any in-stream activity including crossing/fording to low water period. Machinery fording the watercourse to bring equipment required for construction to the opposite side is limited to a one-time event (over and back) and should occur only if an existing crossing at another location is not available or practical to use. In-stream activity is prohibited during fish migration.
14. The Licensee shall only use rock for construction that is determined to be non-acid generating and non-metal leaching.
15. The Licensee shall, for the purposes of clear span bridge installation, ensure that all activities remain outside of the natural channel width by the placement of abutments, footings or armoring above the ordinary high water mark so that there is no restriction to the natural channel processes.
16. With respect to construction or other earthworks where direct or indirect flow into a water body is possible, 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.
17. All surface runoff during the construction of any facilities, where flow may directly or indirectly enter a water body, shall meet the following Effluent quality limits:

Parameter	Maximum Average Concentration (mg/L)	Maximum Concentration of Any Grab Sample (mg/L)
Total Suspended Solids	50.0	100.0

18. The Licensee shall ensure that all construction of engineered structures is supervised and field checked by an appropriately qualified and experienced Engineer in such a manner that the project specification can be enforced and, where required, the quality control measures can be followed. The Licensee shall maintain and make available at the request of the Board and/or an Inspector, all construction records of all engineered structures.

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 and on-ice 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 additives or mud shall not be used in connection with holes drilled through lake ice unless they are re-circulated or contained such that they do not enter the water, or are demonstrated to be non-toxic.
5. For “on-ice” drilling where drill additives are not being used, return water released must be nontoxic, and not result in an increase in total suspended solids in the immediate receiving waters, above the Canadian Council of Ministers for the Environment *Guidelines for the Protection of Freshwater Aquatic Life* (i.e. 10 mg/L for lakes with background levels under 100 mg/L, or 10% for those above 100 mg/L).
6. The Licensee shall establish water quality conditions prior to and upon completion of any drilling program through lake ice.
7. The Licensee shall, during quarrying activities utilizing blasting, provide mitigation measures to prevent the transport of blast rock, explosives residues, sediment and other materials from entering water as required by Part C, Item 7 and Part E, Item 4.
8. The Licensee shall stockpile all overburden/topsoil generated during quarrying using proper erosion prevention measures. Upon completion of operation, the Licensee shall back fill, reclaim/re-contour and re-vegetate all disturbed areas.

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 Licensee shall implement the Plan entitled “Committee Bay Project Spill Prevention and Response Plan”, dated January 2015 that was submitted as additional information with the Application and has been approved by the Board with the issuance of the Licence.
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 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.

PART I: CONDITIONS APPLYING TO ABANDONMENT AND RESTORATION OR TEMPORARY CLOSING

1. The Licensee shall implement the Plan entitled “Committee Bay Project Abandonment and Restoration Plan”, dated November 2014 that was submitted as additional information with the Application and has been approved by the Board with the issuance of the Licence.
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 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 or trenching. 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 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.
12. The Licensee shall contour and stabilize all disturbed areas to a pre-disturbed state upon completion of work.

PART J: CONDITIONS APPLYING TO THE MONITORING PROGRAM

1. The Licensee shall maintain Monitoring Stations at the following locations:

Monitoring Station	Description	Status
CRA-1	Water supply for Hayes Camp at Sandspit Lake	Active - Volume
CRA-2	Wastewater Effluent discharged from the	Active - Volume and

	Wastewater Treatment System (WWTS)	Effluent Quality
CRA-3	Monitoring Station located at the discharge of the first small receiving lake to the second lake	Active - Water Quality
CRA-4	Point of discharge for the Fuel Storage Facilities	New – Water Quality

2. The Licensee shall measure and record, in cubic metres, the daily quantities of water utilized for camp, drilling and other purposes.
3. The Licensee shall provide the GPS co-ordinates (in decimal degrees) of all locations where sources of water are utilized for all purposes.
4. The Licensee shall provide the GPS co-ordinates (in decimal degrees) of all locations where wastes associated with camp operations and exploration activities are deposited.
5. The Licensee shall determine the GPS co-ordinates (in decimal degrees) of all drill holes located within thirty one (31) metres of the ordinary High Water Mark, as per Part F, Item 2, and provide these locations on a map of suitable scale for review as part of the Annual Report.
6. The Licensee shall sample at Monitoring Stations CRA-2 and CRA-3, monthly during Wastewater effluent discharge in order to provide confirmation of effluent quality as required by Part D, Item 13. Samples shall be analyzed for the following parameter:

pH	Fecal Coliforms
Biochemical Oxygen Demand (BOD ₅)	Oil and Grease (and visual)
Total Suspended Solids (TSS)	Residual Chlorine
7. The Licensee shall conduct toxicity testing to demonstrate Non-Acute Toxicity of the effluent discharged from the WWTS, at a point of entry into the Lake west of Hayes Camp, to be conducted in accordance with the following test procedures and carried out once annually during open water season:
 - i. Acute lethality to Rainbow Trout, *Oncorhynchus mykiss* (as per Environment Canada's Environmental Protection Series Biological Test Method EPS/1/RM/13); and
 - ii. Acute lethality to the crustacean, *Daphnia magna* (as per Environment Canada's Environmental Protection Series Biological Test Method EPS/1/RM/14).
8. The Licensee shall, prior to the release of effluent from the Fuel Storage Facilities at Monitoring Station CRA-4 for the purpose of demonstrating compliance, sample for the parameters listed under Part D Item 14.

9. The Licensee shall obtain representative samples of the water column below any ice where required under Part F, Items 5 and 6. Monitoring shall include, at a minimum, the following:

pH
Total Suspended Solids
Electrical Conductivity,
Total Trace Metals as determined by a standard ICP Scan (to include at a minimum, the following elements: Al, Sb, Ba, Be, Cd, Cr, Co, Cu, Fe, Pb, Li, Mn, Mo, Ni, Se, Sn, Sr, Tl, Ti, U, V, Zn), and
Trace Arsenic and Mercury
10. 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.
11. All analyses shall be performed in a laboratory accredited according to ISO/IEC Standard 17025. The accreditation shall be current and in good standing.
12. The Licensee shall include in the Annual Report as required under Part B, Item 2, all data, monitoring results and information required by Part J.