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NUNAVUT WATER BOARD
NUNAVUT IMALIRIYIN KATIMAYINGI
OFFICE DES EAUX DU NUNAVUT

File No.: **2BE-CRA2025**

April 21, 2020

Bryan Atkinson
Exploration Manager
North Country Gold Corp.
600 - 1199 West Hastings Street
Vancouver, BC V6E 3T5

Email: bryan.atkinson@aurynresources.com

RE: NWB Renewal Water Licence No. 2BE-CRA2025

Dear Mr. Atkinson:

Please find attached Licence No. **2BE-CRA2025** (Licence) issued to North Country Gold Corp. 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 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 the use of Water and 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)*. 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 Section 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 Section 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 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.

Sincerely,

Lootie Toomasie
Nunavut Water Board
Chair

LT/sk/rqd

Enclosure: Licence No. **2BE-CRA2025**

Cc: Distribution List – Kitikmeot

TABLE OF CONTENTS

DECISION	ii
I. PROJECT OVERVIEW	iii
II. FILE PROCEDURAL HISTORY	iii
III. RENEWAL APPLICATION	v
IV. GENERAL CONSIDERATIONS	vi
Term of Licence	vi
Annual Reporting	vi
Water Use	vii
Waste Disposal.....	vii
Management Plans	vii
Monitoring	vii
RENEWAL WATER LICENCE	1
PART A: SCOPE, DEFINITIONS AND ENFORCEMENT	2
1. Scope	2
2. Definitions	2
3. Enforcement.....	4
PART B: GENERAL CONDITIONS	5
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 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 No. 2BE-CRA2025

This is the decision of the Nunavut Water Board (NWB) with respect to an application received on February 6, 2020 for the 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, Three Bluffs gold deposit and the drilling area, quarrying for the airstrip and road construction, and activities related to exploration including prospecting, geological mapping, geophysical surveys, and diamond drilling at the Committee Bay Project, located within the Kitikmeot and Kivalliq Regions, Nunavut, at the following geographical coordinates:

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)

Temporary Fly Camp(s) Location(s) - To be determined

DECISION

After having been satisfied that the Application is for a proposal that was previously reviewed by the Nunavut Planning Commission (NPC) and for which the conformity determinations, dated March 3, 2007, December 23, 2015 and August 17, 2016, remain applicable, and is exempt from the requirements for screening by the Nunavut Impact Review Board (NIRB)¹ as described within Section 12.4.3/ Schedule 12-1 of the *Nunavut Agreement*, subject to the terms and conditions recommended in the original January 28, 2011 Screening Decision Report No. 07EN021, the NWB decided that the application could proceed through the regulatory process. In accordance with Section 55.1 of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* (NWNSTRA 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 persons, the NWB, having given due regard to the facts and circumstances, the merits of the submissions made to it and to the purpose, scope and intent of the *Nunavut Agreement* and of the Act, waived the requirement to hold a public hearing, and determined that:

Licence No. 2BE-CRA1520 be renewed as Licence No. 2BE-CRA2025 subject to the terms and conditions contained therein (Motion #: 2020-B1-001).

Signed this 21st day of APRIL, 2020 at Gjoa Haven, NU.

Lootie Toomasie
Nunavut Water Board, Chair
LT/sk/rqd

¹ Nunavut Planning Commission (NPC) Conformity Determination, dated February 21, 2020.

I. PROJECT OVERVIEW

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. In the current Application, NCGC notes that the scope of activities currently authorized under Water Licence No. 2BE-CRA1520 will remain unchanged, which includes 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 activities will continue 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

Historically, the Committee Bay Greenstone Belt has been explored by a number of companies under different Licences, as outlined in Table 1.

Table 1. Project Licensing History

Licence No.	Date Issued	Comments
NWB2CRA0305	June 5, 2003	Initial Licence issued to Committee Bay Resources Ltd. to allow for the use of Water (10m ³ per day for domestic purposes and 30m ³ 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
NWB2CRA0305 Amendment No. 1	June 9, 2004	Licence 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
NWB2CRA0507	June 22, 2005	Renewal Licence 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
2BE-CRA0710	February 23, 2007	Renewal Licence 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
2BE-CRA0710 Amendment No. 1	May 1, 2008	Licence 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 and Dore camp sites, upgrades at the Hayes Lake camp site, and drilling operations on the Three Bluffs and Four Hills properties
2BE-CRA1015	April 1, 2010	Renewal Licence 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
	April 9, 2010	The CBR Gold Corp. changed the name to Niblack Mineral Development Inc. (Niblack)
	December 10, 2010	Licence assigned from Niblack to North Country Gold Corp. (NCGC)
2BE-CRA1015 Amendment No. 1	May 11, 2011	Licence amended 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. Additionally, the scope expanded to include 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
2BE-CRA1520	March 4, 2015	Renewal Licence without any changes to the scope of work activities
2BE-CRA1520 Amendment No. 1	July 3, 2015	Licence amended to incorporate temporary Fly Camps into the scope
2BE-CRA1520 Amendment No. 1	May 5, 2016	Licence amended to authorize the 245m ³ of Water use per day allocated to diamond drilling to be also permitted for use under the “Industrial purposes” for local flooding/maintenance of the permitted ice airstrip on Sandspit Lake (Hayes Camp) and maintaining the winter trail between the Hayes Camp and the Three Bluffs deposit

III. RENEWAL APPLICATION

On February 6, 2020, North Country Gold Corp. (NCGC) submitted to the NWB an Application requesting to renew the Water Licence No. 2BE-CRA1520. The following documents were included within the Application package:

- Renewal Cover Letter;
- Water Licence Renewal Application Form;
- Letter of authorization;
- Non-technical summary in English;
- Non-technical summary in Inuktitut;
- Project maps;
- NIRB Screening Decision (File No. 07EN021), dated June 25, 2015;
- Auryn Resources financial statement;
- NCGC Certificate of Amalgamation;
- 2018 AANDC Land Use and Water Licence Inspection.

On February 24, 2020, following a preliminary internal technical review, the NWB concluded that the Application met the requirements of section 48(1) of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act (NWNSTRA or Act)* and forwarded Notice of the Application to regulators and other interested parties. All parties were invited to make representations to the NWB by March 16, 2020.

On March 25, 2020, the NWB received submission from Crown-Indigenous Relations and Northern Affairs (CIRNA)². The comments provided by CIRNA were subsequently addressed by the Applicant, for which CIRNA provided a confirmation of satisfaction on April 9, 2020.

Complete details on intervenor's submission received, as well as the information provided for the Application, are available from the NWB File Transfer Protocol (FTP) site using the following links:

<ftp://ftp.nwb-oen.ca/registry/2%20MINING%20MILLING/2B/2BE%20-%20Exploration/2BE-CRA1520%20North%20Country/1%20APPLICATION/2020%20Renewal/>

<ftp://ftp.nwb-oen.ca/registry/2%20MINING%20MILLING/2B/2BE%20-%20Exploration/2BE-CRA1520%20North%20Country/2%20ADMIN/3%20SUBMISSIONS/2020%20Renewal/>

Based on the results of the detailed assessment of the Application, including consideration of any potential accidents, malfunctions, or impacts to Water that the overall project might have in the area, the Board has approved the Application and has issued Water Licence No. **2BE-CRA2025**.

IV. GENERAL CONSIDERATIONS

The issuance of this Licence (No. **2BE-CRA2025**) will replace Licence No. 2BE-CRA1520. Since the project activities have remained the same as with the previous Licence, all terms and condition in the renewal Licence will remain the same.

Term of Licence

The Licensee has requested a ten (10) year term for the Renewal Licence. In accordance with Section 45 of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*, the NWB may issue a Licence for a term not exceeding twenty-five (25) years. However, the typical term for the Type "B" licences associated with exploration activities issued by the Board to date do not generally exceed five (5) years due to the volatile nature of exploration projects.

Considering this, the Board has decided to issue the Licence for five (5) years. This term will provide the Licensee with a sufficient time for continuation of exploration work and planning of future project activities.

Annual Reporting

As a requirement of section 14(1) of the *Nunavut Waters Regulations* and similar to the terms and conditions generally included in all licences issued by the NWB, the Board has included under [Part B, Item 2](#) of this Licence, requirements to submit Annual Reports for the purpose of ensuring that the NWB has an accurate annual update of the activities related to Water use and

² Crown-Indigenous Relations and Northern Affairs (CIRNA) Letter, Re: Crown-Indigenous Relations and Northern Affairs Canada's comments on 2BE-CRA1520 Water Licence Renewal Application, dated March 25, 2020.

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 could be supplemented by additional monitoring documentation and Licensee’s annual reporting forms. The NWB Standardized Form is available from the NWB’s FTP site under the following Public Registry link at the NWB Website:

<ftp://ftp.nwb-oen.ca/other documents/Standardized Forms/>

Water Use

The previous Water Licence permitted the Licensee to use a total of two-hundred and ninety five (295) cubic metres of freshwater *per* day (50 cubic metres for domestic purposes and 245 cubic metres for exploration drilling, local flooding/maintenance of the permitted ice airstrip on Sandspit Lake (Hayes Camp) and maintaining the winter trail between the Hayes Camp and the Three Bluffs deposit). The Licensee has not requested any changes to the total allowable Water volume use as part of the Renewal Application. No concerns were expressed by the interveners with respect to the requested freshwater amount, or to the manner in which it is obtained or used. Therefore, the Water use condition imposed by previous Water Licence has been carried forward into current Licence under [Part C, Item Error! Reference source not found.](#).

Waste Disposal

All requirements pertaining to Waste management that were imposed by previous Water Licence have been carried forward into the current Licence.

Management Plans

The following Management Plans submitted as part of the Application Package are approved by the NWB with the issuance of this Water Licence:

- “*Committee Bay Project Abandonment and Reclamation Plan*”, dated November 13, 2014;
- “*Committee Bay Project Comprehensive Waste Management Plan*”, dated March 2015;
- “*Committee Bay Project Fuel Management Plan*”, dated October 24, 2014;
- “*Committee Bay Project Quarry Development Plan*”, dated November 17, 2014;
- “*Committee Bay Project Spill Prevention and Response Plan*”, dated October 2015;
- “*Committee Bay Project Waste Water Treatment System Management Plan*”, dated February 2017; and
- “*Committee Bay Project Proposed Hayes Camp to Three Bluffs All-weather Access Road Transportation Management Plan*”, dated January 2015.

Monitoring

All Monitoring requirements imposed by previous Water Licence have been carried forward into current Licence under [Part J](#).



NUNAVUT WATER BOARD RENEWAL WATER LICENCE

Licence No. 2BE-CRA2025

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)

600 – 1199 WEST HASTINGS STREET, VANCOUVER, BC, V6E 3T5,

(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-CRA2025 / TYPE “B”**

Water Management Area: **REPULSE BAY / BACK-HAYES / GULF OF BOOTHIA
(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**

Effective Date: **APRIL 21, 2020**

Expiry of Licence: **APRIL 20, 2025**

This Licence amendment and renewal, 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 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 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 20, 2019, and in the accompanying “*Committee Bay Project Fuel Management Plan*”, dated October 24, 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;

“Monitoring Program” means a program established to collect data on surface Water, groundwater, and soil quality to assess impacts to the environment of an appurtenant undertaking;

“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;

“Regulations” means the *Nunavut Waters Regulations* SOR/2013-69 18th April, 2013;

“Secondary Containment” means an impermeable structure, external to and separate from primary containment, which prevents unplanned spills of hazardous materials and provides a minimum capacity of 110% of the original vessel. Where multiple vessels are stored within the containment, it must provide a minimum capacity equal to the sum of the largest

vessel and 10% of the aggregate volume of all other vessels located in the containment. This structure shall also provide containment and control of hoses and nozzles;

“Sewage” means all toilet Wastes and Greywater;

“Spill Contingency Plan” means a Plan developed to deal with unforeseen petroleum and hazardous materials events that may occur during the operations conducted under the Licence;

“Sump” 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;

“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 Section 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 20, 2019, and in the accompanying *“Committee Bay Project Wastewater Treatment System Management Plan”*, dated February 2017;

“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. summary report of Water use and Waste disposal activities
 - b. list of unauthorized discharges and a summary of follow-up actions taken;
 - c. any revisions to the Spill Contingency Plan, Abandonment and Restoration Plan and any other Plans, submitted in the form of an Addendum, including record of revisions, as required by *Part B, Item 7*;
 - d. 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. summary of all information requested and results of the Monitoring Program;
 - 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.
7. The Licensee shall review the Plans referred to in this Licence, as required by changes in operation and/or technology, and modify the Plans 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, CIRNA
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 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 English, 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 and/or Crater secondary camps and for the temporary Fly Camps from nearby lakes and ponds. Domestic Water use shall not exceed fifty (50) cubic metres per day. Industrial Water use for exploration drilling, local flooding/maintenance of the permitted ice airstrip on Sandspit Lake (Hayes Camp) and maintaining the winter trail between the Hayes Camp and the Three Bluffs deposit is not to exceed two hundred and forty five (245) cubic metres per day and shall be obtained from nearby lakes and static ponds proximal to the drilling targets/ice airstrip/winter trail, as outlined on Map A and in Appendix 1 of the Detailed Non-Technical Summary submitted as part of the Application for Amendment 2 to Licence No. 2BE-CRA1520. Total use of Water shall not exceed two hundred and ninety-five (295) cubic metres per day for all purposes, or as otherwise approved by the Board in writing.
2. Streams cannot be used as a Water source unless authorized and approved by the Board in writing.

3. The Licensee shall submit to the Board for approval, at least thirty (30) days prior to the use of Water of a sufficient volume that the source Water body may be drawn down, 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 March 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 implement the Plan entitled “*Committee Bay Project Wastewater Treatment System Management Plan*”, dated February 2017, 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 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 (µg/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, at least ten (10) days prior to installation or when available, provide to the NWB and Inspector the GPS co-ordinates (in decimal degrees) of all temporary fly camps' locations.
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. 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.
6. 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.
7. The Licensee shall implement the Plan entitled "*Committee Bay Project Quarry Development Plan*", dated November 17, 2014, that was submitted as additional information with the Application and has been approved by the Board with the issuance of the Licence.
8. 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).
9. The Licensee shall implement the Plan entitled "*Committee Bay Project Fuel Management Plan*", dated October 24, 2014, 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 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.
11. 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.
12. 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.
13. 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.

14. 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.
15. The Licensee shall only use rock for construction that is determined to be non-acid generating and non-metal leaching.
16. 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.
17. 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.
18. 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

19. 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 5*.
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 October 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 NWT/NU 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.
5. The Licensee shall, in addition to *Part H, Item 4*, regardless of the quantity of releases of harmful substances, report to the 24-Hour NWT/NU Spill Line if the release is near or into a Water body.

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

1. The Licensee shall implement the Plan entitled “*Committee Bay Project Abandonment and Reclamation Plan*”, dated November 13, 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 contours 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. 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. 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 the following monitoring station(s):

Monitoring Station	Description	Status
CRA-1	Water supply for Hayes Camp at Sandspit Lake	Active - Volume
CRA-2	Wastewater Effluent discharged from the Wastewater Treatment System (WWTS)	Active - Volume and 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	Active - 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 the Project 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*.