



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.

The NWB strongly recommends that the Licensee consult the comments received from interested persons on issues identified. This information is attached for your consideration.¹

Sincerely,

Thomas Kabloona
Nunavut Water Board
Chair

TK/sj/pb

Enclosure: Licence No. **2BE-GEO1520**
Comments – AANDC, KIA

Cc: Kitikmeot Distribution List

¹ Aboriginal Affairs and Northern Development Canada (AANDC), April 13, 2015; and the Kitikmeot Inuit Association (KIA), April 13, 2015.

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DECISION

LICENCE NUMBER: 2BE-GEO1520

This is the decision of the Nunavut Water Board (NWB) with respect to an application dated February 11, 2015, for the renewal and amendment of a Water Licence made by:

SABINA GOLD AND SILVER CORP.

to allow for the use of Water and deposit of Waste during camp operations and activities related to exploration that include land-based and on-ice diamond drilling, prospecting, geophysical surveys and geological mapping at the George Lake Property, Back River Project, located within the Kitikmeot Region, Nunavut, at the following general geographical coordinates:

Project Extents:

Latitude: 65° 47' 00" N to Latitude: 66° 45' 30" N;
Longitude: 107° 07' 00" W to Longitude: 107° 53' 00" W (Drilling);

Camp Locations

Latitude: 65° 55' 13" N Longitude: 107° 27' 35" W (George Lake Camp);
Latitude: 65° 50' 52" N Longitude: 107° 21' 06" W (Split Temporary Camp);
Latitude: 66° 31' 47" N Longitude: 107° 31' 40" W (Bathurst Inlet Temporary Camp).

DECISION

After having been satisfied that the application was for a location that falls outside of an area with an approved Land Use Plan¹ as determined by the Nunavut Planning Commission (NPC) 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)*, 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:

Licence No. 2BE-GEO1015 be renewed as Licence No. 2BE-GEO1520 subject to the terms and conditions contained therein. (Motion #: 2015-B1-011)

Signed this 30th day of May 2015 at Gjoa Haven, NU.

Thomas Kabloona
Nunavut Water Board, Chair

TK/sj/pb

¹ Nunavut Planning Commission (NPC), Conformity Determination, May 22, 2015.

² Nunavut Impact Review Board (NIRB), Screening Determination, April 17, 2015.

I. BACKGROUND

The George Lake Property is one of several properties associated with the overall Back River Project. The Property and Project are located approximately 400 kilometres south of Cambridge Bay in the Kitikmeot Region, Nunavut. The Project is owned and operated by Sabina Gold and Silver Corp. (Sabina, the Licensee or the Applicant).

Both the Northwest Territories Water Board (the NWTWB) and the Nunavut Water Board (the NWB or the Board) have issued Water Licences to the George Lake Property, Back River Project, in the past. The current Water Licence held by Sabina for the George Lake Property, which is set to expire on June 30, 2015, allows for general exploration activities. To ensure continuation of its exploration activities or undertakings, Sabina has applied to the NWB to renew its Water Licence for a 5-year term. As part of the scope of its Application, the Licensee requested that the Board consider some proposed amendments to the Licence to address specific operational needs associated with the Project.

II. APPLICATION PROCEDURAL HISTORY

On February 11, 2015, NWB received from Sabina Gold and Silver Corp. (Sabina, the Licensee or the Applicant) an application and supporting information (the Application) to renew and amend Licence No. 2BE-GEO1015. The Application included the following documents:

- Updated Liability Assessment, dated December 2014;
- NPC Conformity, dated January 19, 2010 and NIRB Screening Decision, dated March 3, 2009;
- 41001 09RN066 Application Exempt Pursuant to NLCA 12 4 3-OT6E, dated October 1, 2014;
- AANDC George Core Relocation Plan, dated December 5 2014;
- Cover Letter, dated February 12, 2015 and Fees;
- Location Map;
- NIRB Screening Decision File 06EN033, dated May 15, 2006;
- Nontechnical Summary;
- NPC Determination, dated January 19, 2010;
- Renewal Application;
- Renewal Application Cover Letter, dated February 11, 2015; and
- Water Licence Inspection Report, July 2014.

Following receipt, the NWB conducted an internal review of the Application during which clarification were requested and received from the Applicant for specific aspects of the scope of the Application. On March 13, 2015, the NWB distributed the Application for a thirty (30) day public review and commenting period, with the deadline for submission set for May 13, 2015. Prior to the deadline for comments, the NWB received submissions from Aboriginal Affairs and Northern Development Canada (AANDC) and the Kitikmeot Inuit Association (KIA).

The Nunavut Impact Review Board's (NIRB), Screening Decision for the Application was issued on May 22, 2015, while the Nunavut Planning Commission's (NPC) Land Use Conformity Determination was issued on May 22, 2015.

Complete details on interveners' submissions received as well as information and documents provided for the Application and file are available on the NWB's FTP site at the following link:

<ftp://ftp.nwb-oen.ca/1%20PRUC%20PUBLIC%20REGISTRY/2%20MINING%20MILLING/2B/2BE%20-%20Exploration/2BE-GOO1520%20Sabina/>.

III. FILE HISTORY

Both the Northwest Territories Water Board (NWTWB) and the Nunavut Water Board (NWB) have issued Water Licences to the project in the past. The initial Water Licence for the project, Licence No. NWB2-GEO9296, was issued to Homestake Mineral Development Company by the NWTWB on July 1, 1992 and expired on December 31, 1996. The Licence allowed for the use of Water and the deposit of Waste in support of exploration, development, mining, and associated activities at the George Lake Property.

On July 24, 1997, Water Licence No. NWB2GEO9296 was renewed by the NWB as Licence No. NWB2GEO9702 and issued to Arauco NWT Limited. The Licence, which expired on March 1, 2002, allowed for the use of Water and the Deposit of Waste in support of exploration, development, mining, and associated activities.

On March 6, 2002, the Licence was assigned to Kinross Gold Corporation. That same year, the licence was renewed on July 3, 2002 as Licence No. NWB2-GEO0210 (2BE-GEO0210) with the expiry date set for December 31, 2010. The Licence allowed for the use of 100 cubic metres of Water per day and the deposit of Waste for exploration and clean-up activities. On April 30, 2007, Licence No. 2BE-GEO0210 was assigned from Kinross Gold Corporation to Dundee Precious Metals Inc.

On May 4, 2009, Licence No. 2BE-GEO0210 was amended (Amendment No.1) to allow changes in the project scope and an increase in Water use to 143 cubic metres/day. And on September 9, 2009, Licence No 2BE-GEO0210 was assigned from Dundee Precious Metals Inc. to Sabina Silver Corporation. Sabina Silver Corporation later changed its name to Sabina Silver and Gold Corp.

On June 9, 2010 the licence was renewed as Licence No. 2BE-GEO1015 and issued to Sabina Gold and Silver Corp. with the expiry date set for June 30, 2015. The licence allows for the use of 143 cubic metres of Water per day and the deposit of Waste in support of a Mining and Milling undertaking. Licence No. 2BE-GEO1015 was amended (Amendment No.1) on April 16, 2012 to allow for an increase in Water use to 175 cubic metres per day and the establishment of temporary camps. On May 17, 2013, the Licence received a second amendment (Amendment No. 2) to allow for adjustments to the project extents.

IV. GENERAL CONSIDERATIONS

The following sub-sections provide background information relevant to the terms and conditions included in this Licence, in the context of submission(s) received and/or the Board's

rationale. As noted and where appropriate, the Board has removed or modified terms and conditions associated with the previous licence, which the Board determined are no longer applicable under this renewed/amended licence.

Term of the Licence

In accordance with section 45 of the Act, the NWB may issue a licence for a term not exceeding twenty-five (25) years. In determining the appropriate term for a licence, the Board takes into consideration several factors including the Licensee's past performance, compliance record, ability to comply with the terms and conditions of a licence, interveners' comments and more. The Licensee has requested a 5-year term for the licence, which the NWB believes is appropriate for the nature of the undertaking. The Board has therefore granted a 5-year term for the renewal / amended licence for the undertaking.

Annual Reporting

Similar to conditions generally included in licences issued by the Board, the NWB has included under, Part B, Item 2, in the Licence, the requirement for the Licensee to submit to the Board for review, annually and prior to the 31st of March, a report detailing Water use and Waste deposal activities. The Board provides public access to the information included in annual reports submitted by licensees through its ftp site as well as upon request from interested persons.

The NWB has included on its website a standardized form for annual reporting that licensees can use to submit reporting information, supplemented by other relevant information. Copies of the NWB's generic annual reporting form can be obtained from the NWB's FTP site.

Water Use

Under the expired licence, the Licensee was allowed to use 175 cubic metres of Water per day (45 cubic metres for domestic purposes and 130 cubic metres for drilling). As no changes were requested to the Water use requirements in the Application, the NWB authorizes the same quantity of Water to be used under the Licence. Terms and conditions related to Water use are included under Part C, in the Licence.

Waste Disposal

The Applicant provided details related to the types of Wastes generated by the project and the way in which Wastes will be managed as part of its Application. The Licensee requested that terms and conditions be included in the Licence to allow for the disposal of contact water from the fuel disposal facility and for the discharge of Greywater to a natural wetland. The NWB has granted the Licensee's requested changes under the relevant sections in the Licence.

Management Plans

In its Application the Licensee stated that versions of the following management plans may be considered:

- Abandonment and Restoration Plan, January 2013;
- Comprehensive Spill Contingency Plan, January 2013

The NWB has considered the above-mentioned plans as part of the review of the Application and has approved the Spill Contingency Plan and the Abandonment and Restoration Plan with the issuance of the Licence. The Spill Contingency Plan is approved under Part H in the

Licence while the Abandonment and Restoration Plan is approved under Part I in the Licence.

Monitoring

The Applicant requested in its Application that the NWB consider the requests for inclusion in the renewed / amended licence, conditions permitting contact water that may accumulate in the Bulk Fuel storage facility and meeting specified discharge criteria to be disposed of into the receiving environment and Greywater generated by the project to be discharged to a natural wetland. Monitoring requirements have been included under Part E in the Licence for the discharge of Effluent from the Bulk Fuel Storage Facility.



NUNAVUT WATER BOARD WATER LICENCE RENEWAL

Licence No. 2BE-GEO1520

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

SABINA GOLD AND SILVER CORP.

(Licensee)

SUITE 202 – 930 WEST 1ST STREET, NORTH VANCOUVER, BC V7P 3N4

(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-GEO1520TYPE “B”

Water Management Area: QUEEN MAUD GULF WATERSHED (30)

Location: GEORGE LAKE PROPERTY, BACK RIVER PROJECT
KITIKMEOT EREGION, NUNAVUT

Classification: MINING UNDERTAKING

Purpose: DIRECT WATER USE AND DEPOSIT OF WASTE

Quantity of Water use not
to Exceed: ONE HUNDRED AND SEVENTY-FIVE (175) CUBIC METRES
PER DAY

Date of Licence Issuance: MAY 30, 2015

Expiry of Licence: MAY 29, 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 George Lake Property, Back River Project, located approximately 400 kilometres south of Cambridge Bay within the Kitikmeot Region, Nunavut.

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

“**Bulk Fuel Storage Facility**” means the fuel storage facility as described in the Application and supporting documents submitted February 13, 2015;

“**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* 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 or Sumps” 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;

“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;

“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 12 of the *Regulations*.
2. The Licensee shall file an Annual Report on the Appurtenant Undertaking with the Board no later than the 31st of March 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 Spill Contingency Plan, Abandonment and Restoration Plan, and any other Plans as required by Part B, Item 7, submitted in the form Addendums;
 - 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;
 - g. Quantity of Water (in cubic metres/year) obtained for domestic and other purposes from sources on, in or flowing through Inuit-owned lands for the reporting period;
 - h. Quantity of Water (in cubic metres/year) obtained for domestic and other purposes from sources on, in or flowing through Crown Lands for the reporting period;
 - i. Quantity of Waste disposed of at on-site waste disposal facility and Waste backhauled to approved facility for disposal;
 - j. GPS co-ordinates (in degrees, minutes and seconds of latitude and longitude) for the locations of all temporary camps established in support of the project if the actual coordinates differ from that provided in the application
 - k. Any other details on Water use or Waste disposal requested by the Board by the 1st of November of the year being reported.
3. The Licensee shall notify the NWB of any changes in operating plans or conditions associated with this project at least thirty (30) days prior to any such change.
 4. The Licensee shall install flow meters or other such devices, or implement suitable methods required for the measuring of water volumes as required under Part J, Item 1.
 5. The Licensee shall, for all Plans submitted under this Licence, include a proposed timetable for implementation. Plans submitted, cannot be undertaken without subsequent written Board approval and direction. The Board may alter or modify a Plan if necessary to achieve the legislative objectives and will notify the Licensee in writing of acceptance, rejection or alteration of the Plan.
 6. The Licensee shall, for all Plans submitted under this Licence, implement the Plan as approved by the Board in writing.
 7. The Licensee shall review the Plans referred to in this Licence, as required by changes in operation and/or technology, and modify the Plan accordingly. Revisions to the Plans shall be submitted in the form of an Addendum to be included with the Annual Report.
 8. Every Plan to be carried out pursuant to the terms and conditions of this Licence shall become a part of this Licence, and any additional terms and conditions imposed upon approval of a Plan by the Board become part of this Licence. All terms and conditions of the Licence should be contemplated in the development of a Plan where appropriate.
 9. The Licensee shall ensure a copy of this Licence is maintained at the site of operations at all times. Any communication with respect to this Licence shall be made in writing to the attention of:

(a) **Manager of Licensing:**
 Nunavut Water Board
 P.O. Box 119
 Gjoa Haven, NU X0B 1J0

Telephone: (867) 360-6338
Fax: (867) 360-6369
Email: 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 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 from George Lake and/or lakes proximal to temporary camps. Total camp Water use shall not exceed forty-five (45) cubic metres per day. Drill water shall be obtained from George Lake and/or Water source(s) proximal to the drilling targets as outlined in the Application, and shall not exceed one hundred and thirty (130) cubic metres per day. The volume of Water used for the purposes of this Licence shall not exceed one hundred and seventy-five (175) cubic metres per day.
2. The use of Water from streams or any Water bodies not identified in Part C, Item 1, is prohibited unless authorized and approved by the Board in writing.
3. The Licensee shall submit to the Board, for approval in writing, the following information at least thirty (30) days prior to the use of Water in sufficient volume that the source Water body may be drawn down: volume of water 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.
8. The Licensee shall provide a notice to an Inspector and the Board that includes the coordinates of each Water source used for the purposes outlined in Part C, Item 1, at least ten (10) days prior to using the water source.

PART D: CONDITIONS APPLYING TO WASTE DISPOSAL

1. 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.
2. The Licensee shall not practice on-site land filling of domestic Waste, unless otherwise approved by the Board in writing.
3. The Licensee is authorized to dispose of all acceptable food Waste, paper Waste and untreated wood products in an incinerator.
4. The Licensee shall not 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.
5. The Licensee shall provide to the Board documented authorization from all communities in Nunavut receiving Wastes from the George Lake Property, Back River Project prior to any backhauling and disposal of Wastes to those communities.
6. 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.
7. 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.
8. The Licensee is authorized to dispose of Greywater at the natural wetland described in the Application or to a Sump located at a distance of at least thirty-one (31) metres above the ordinary High Water Mark of any Water body, at a site where direct flow into a water body is not possible and no additional impacts are created, unless otherwise approved by the Board in writing.
9. The Licensee shall contain all toilet Wastes in latrine pits or use incineration, chemical,

portable or composting toilets. Latrine pits shall be located at a distance of at least thirty-one (31) metres above the ordinary High Water Mark of any water body, treated with lime and covered with native material to achieve the pre-existing natural contours of the land prior to abandonment.

PART E: CONDITIONS FOR CAMPS, ACCESS INFRASTRUCTURES AND OPERATIONS

1. 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 provide notice to an Inspector and the Board that includes the coordinates of each temporary or seasonal camp established, at least thirty (30) days prior to erecting the camp.
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 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.
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 provide the appropriate notice to an Inspector and the Board that includes the GPS co-ordinates (in degrees, minutes and seconds of latitude and longitude) of each temporary camp, at least thirty (30) days in advance of establishing such camp if the actual coordinates differ from that of the coordinates provided in the application.
8. The Licensee shall provide as part of the annual reporting requirements for the project, under Part B, Item 2 in the Licence, the exact GPS co-ordinates (in degrees, minutes and seconds of latitude and longitude) for the locations of all temporary camps established in support of the project if the actual coordinates differ from that of the coordinates provided in the application.

9. All Effluent discharge from the Bulk Fuel Storage Facility at Monitoring Program Station GEO-1 shall not exceed the following effluent quality limits:

Parameter	Maximum Concentration of any Grab Sample (µg/L)
Benzene	370
Toluene	2
Ethylbenzene	90
Oil and Grease	5000
pH	6 to 9 (pH units)

10. In the event that Effluent at the Bulk Fuel Storage Facility under Part D, Item 9 does not meet the required discharge criteria, it shall be considered hazardous waste and be backhauled for proper disposal or disposed of in a manner that is approved by the Board in writing.
11. The Licensee shall, at least ten (10) days prior to initiating any release of Effluent, notify an Inspector. The notice shall include water quality results, an estimate of volume and the proposed receiving location.

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 (CaCl_2) 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.

PART G: CONDITIONS APPLYING TO MODIFICATIONS

1. The Licensee may, without written consent from the Board, carry out Modifications to the Water Supply Facilities and Waste Disposal Facilities provided that such Modifications are consistent with the terms of this Licence and the following requirements are met:
 - a. the Licensee has notified the Board in writing of such proposed Modifications at least sixty (60) days prior to beginning the Modifications;
 - b. such Modifications do not place the Licensee in contravention of the Licence or the *Act*;
 - c. such Modifications are consistent with the NIRB Screening Decision;
 - d. the Board has not, during the sixty (60) days following notification of the proposed Modifications, informed the Licensee that review of the proposal will require more than sixty (60) days; and
 - e. the Board has not rejected the proposed Modifications.
2. Modifications for which all of the conditions referred to in Part G, Item 1 have not been met can be carried out only with written approval from the Board.
3. The Licensee shall provide as-built plans and drawings of the Modifications referred to in this Licence within ninety (90) days of completion of the Modification. These plans and drawings shall be stamped by an Engineer.

PART H: CONDITIONS APPLYING TO SPILL CONTINGENCY PLANNING

1. The Board has approved the Plan entitled *Comprehensive Spill Contingency Plan, George Camp*, dated January 2013, which was submitted as additional information with the 2012 Annual Report.
2. The Licensee shall submit as part of the 2015 Annual Report for the Project, an Addendum to the Plan referred to in Part H, Item 1, to address the comments raised by AANDC in its technical review submission.
3. 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.
4. 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.

5. 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.
6. The Licensee shall, in addition to Part H, Item 5, regardless of the quantity of releases of harmful substances, report to the 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 Board has approved the Plan entitled *Back River Project, Abandonment and Restoration Plan, George Camp and Exploration Project*, dated January 2013, which was submitted as additional information with the 2012 Annual Report.
2. The Licensee shall submit as part of the 2015 Annual Report for the Project, an Addendum to the Plan referred to in Part I, Item 1, to address the comments raised by AANDC in its technical review submission.
3. The Licensee shall complete all restoration work prior to the expiry of this Licence.
4. The Licensee shall carry out progressive reclamation of any components of the project no longer required for the Licensee's operations.
5. The Licensee shall backfill and restore all Sumps to the pre-existing natural contours of the land.
6. 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.
7. All roads and airstrip, if any, shall be re-graded to match natural contour to reduce erosion.
8. The Licensee shall remove any culverts and restore the drainage to match the natural channel. Measures shall be implemented to minimize erosion and sedimentation.
9. 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.

10. 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 Contaminated Site Remediation*, (Revised 2009). 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.
11. 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.
12. 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.
13. 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 ID	Description	Status
GEO-1	Final Discharge Point from the Bulk Fuel Storage Facility	New (Volume and 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 degrees, minutes and seconds of latitude and longitude) of all locations where sources of Water are utilized for all purposes.
4. The Licensee shall determine the GPS co-ordinates (in degrees, minutes and seconds of latitude and longitude) of all locations where Wastes associated with camp operations and drilling operations are deposited.
5. The Licensee shall obtain representative samples of the Water column below any ice where required under Part F, Item 5 and 6. Monitoring shall include but not be limited to the following:

Total Suspended Solids
pH
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

6. 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.
7. All analyses shall be performed in a laboratory accredited according to ISO/IEC Standard 17025. The accreditation shall be current and in good standing.
8. The Licensee shall include in the Annual Report required under Part B, Item 2 all data, monitoring results and information required by this Part.