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NUNAVUT WATER BOARD  
NUNAVUT IMALIRIYIN KATIMAYINGI  
OFFICE DES EAUX DU NUNAVUT

File No.: **2BE-GEO2025**

March 10, 2020

Merle Keefe  
Manager – Environmental Permitting  
Sabina Gold & Silver Corp.  
Suite 1800 – 555 Burrard Street  
Box 220  
Vancouver, BC V7X 1M9

Email: [mkeefe@sabinagoldsilver.com](mailto:mkeefe@sabinagoldsilver.com)

**RE: NWB Renewal Water Licence No. 2BE-GEO2025**

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Dear Mr. Keefe:

Please find attached Licence No. 2BE-GEO2025 (Licence) issued to Sabina Gold & Silver 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.

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

Sincerely,

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Lootie Toomasie  
Nunavut Water Board  
Chair

LT/sk/kc

Enclosure: Licence No. **2BE-GEO2025**  
Comments – CIRNA

Cc: Distribution List – Kitikmeot

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<sup>1</sup> Crown-Indigenous Relations and Northern Affairs (CIRNA) Letter, Re: Crown-Indigenous Relations and Northern Affairs Canada's comments on 2BE-GEO1520 Water Licence Renewal Application, dated February 28, 2020.

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## DECISION

### LICENCE No. 2BE-GEO2025

This is the decision of the Nunavut Water Board (NWB) with respect to an application dated January 23, 2020 for the renewal of a Water Licence made by:

#### SABINA GOLD & SILVER CORP.

to allow for the use of Water and deposit of Waste during camp operations and activities related to exploration that include prospecting, geological mapping, geophysical survey, drilling, etc., at the George Lake Property, Back River Project, located within the Kitikmeot Region, Nunavut, at the following geographical coordinates:

Project Extents:	Latitude: 65° 47'00'' N	Longitude: 107° 07'00'' W
	Latitude: 66° 45'30'' N	Longitude: 107° 53'00'' W
Camp Location:	Latitude: 65° 55' 13'' N	Longitude: 107° 27' 35'' W
Temporary Camp Locations:		
Split:	Latitude: 65°50'52'' N	Longitude: 107°21'06'' W
Bathurst Inlet:	Latitude: 66°31'47'' N	Longitude: 107°31'40'' W

## DECISION

After having received confirmation from the Nunavut Planning Commission (NPC)<sup>2</sup> that the Application is for a project proposal that falls outside of an area with an approved land use plan, and as such, a conformity determination is not required, and is exempt from the requirements for screening by the Nunavut Impact Review Board (NIRB)<sup>2</sup> as described within Section 12.4.3/ Schedule 12-1 of the *Nunavut Agreement*, subject to the terms and conditions recommended in the NIRB's March 16, 2012 Screening Decision Report No. 08EA084, 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* (NWNSRTA or *Act*) and Article 13 of the *Nunavut Agreement*, public notice of the Application was given and interested persons were invited to make representations to the NWB.

After reviewing the submission of the Applicant and considering the representations made by interested 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-GEO1520 be renewed as Licence No. 2BE-GEO2025 subject to the terms and conditions contained therein (Motion #: 2019-B1-031).**

Signed this 10<sup>th</sup> day of MARCH, 2020 at Gjoa Haven, NU.

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

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<sup>2</sup> Nunavut Planning Commission (NPC) Conformity Determination, dated January 21, 2020.

## I. PROJECT OVERVIEW

The George Lake Property is one of several properties associated with the larger Back River Project. The Property and Project are located approximately 400 kilometres south of Cambridge Bay and approximately 525 km northeast of Yellowknife in the Kitikmeot Region, Nunavut. The Project is owned and operated by Sabina Gold & Silver Corp. (Sabina, Licensee or Applicant).

Both the Northwest Territories Water Board (NWTWB) and the Nunavut Water Board (NWB or Board) have issued Water Licences to the George Lake Property, Back River Project, in the past. The current Water Licence, that allows Sabina to conduct general exploration activities at the George Lake Property, is set to expire on May 29, 2020. To ensure continuation of its exploration activities or undertakings, Sabina has applied to the NWB to renew its Water Licence.

In the current Application, Sabina notes that the scope of activities currently authorized under Water Licence No. 2BE-GEO1520 will remain unchanged, which includes the following:

- Operation of existing camp at George Lake and additional temporary camps and associated Water use and Waste management facilities;
- Exploration and geotechnical drilling;
- Operation of helicopters and use of the airstrip;
- Fuel storage;
- Operation of winter trails from Bathurst Inlet and between the Back River camps for re-supplying materials; and
- Environmental monitoring.

## II. FILE PROCEDURAL HISTORY

Historically, the George Lake Property 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
NWB2GEO9296	July 1, 1992	Initial Licence issued to Homestake Mineral Development Company by the NWTWB allowed for the use of Water and the deposit of Waste in support of exploration, development, mining, and associated activities
NWB2GEO9702	September 1, 2001	Renewal Licence without any changes to the original scope issued to Arauco NWT Limited
	March 6, 2002	Licence assigned to Kinross Gold Corporation
2BE-GEO0210	July 3, 2002	Renewal Licence, Water use of 100m <sup>3</sup> /day for exploration and clean-up activities
	April 30, 2007	Licence assigned to Dundee Precious Metals Inc.

2BE-GEO0210 Amendment No. 1	May 4, 2009	Increase of quantity of Water use to 143 m <sup>3</sup> / day
	September 9, 2009	Licence assigned from Dundee to Sabina Silver Corporation that later became Sabina Gold & Silver Corporation (Sabina)
2BE-GEO1015	June 9, 2010	Renewal Licence, Water use of 143 m <sup>3</sup> /day in support of a Mining and Milling undertaking
2BE-GEO1015 Amendment No. 1	April 16, 2012	Increase of quantity of Water use to 175 m <sup>3</sup> / day, establishment of temporary camps
2BE-GEO1015 Amendment No. 2	May 17, 2013	Adjustments to the Project extents
2BE-GEO1520	February 19, 2015	Amended Renewal Licence allowed for the disposal of contact Water from the fuel disposal facility and for the discharge of Greywater to a natural wetland

### III. RENEWAL APPLICATION

On January 27, 2020, Sabina Gold & Silver Corporation (Sabina) submitted to the NWB an Application requesting to renew the Water Licence No. 2BE-GEO1520. The following documents were included within the Application package:

- Water Licence Application Cover Letter;
- Water Licence Renewal Application Form;
- Project Map;
- NPC Determination, dated January 21, 2020;
- NIRB Screening Decision (File No. 06EN033), dated May 15, 2006;
- NIRB Exemption Letter (File No. 08EA084), dated August 5, 2010;
- NIRB Exemption Letter (File No. 08EA084), dated April 17, 2015;
- Comprehensive Spill Contingency Plan, dated June 2018;
- Abandonment and Restoration Plan George Camp and Exploration Project, dated January 2019;
- Non-technical Summaries in English, Inuinnaqtun and Inuktitut;
- Table of Leases and Authorizations;
- Certificate of Amendment of Registration; and
- Engagement record.

On January 29, 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 (NWSRTA 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 February 29, 2020.

Prior to the deadline for comments, the NWB received submissions from the Kitikmeot Inuit Association (KIA)<sup>3</sup> and Crown-Indigenous and Northern Affairs (CIRNA)<sup>1</sup>.

Complete details on interveners' submissions received as well as the information provided for the Application are available from the NWB File Transfer Protocol (FTP) site using the following link:

<ftp://ftp.nwb-oen.ca/registry/2%20MINING%20MILLING/2B/2BE%20-%20Exploration/2BE-GEO2025%20Sabina/>

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-GEO2025.

#### **IV. GENERAL CONSIDERATIONS**

The issuance of this Licence (No. **2BE-GEO2025**) will replace Licence No. 2BE-GEO1520. 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 fifteen (15) 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, along with the comments<sup>3</sup> provided by the KIA during public review, 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 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

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<sup>3</sup> KIA Letter, Re: Kitikmeot Inuit Association comments on 2BE-GEO1520 Renewal Application, dated January 27, 2020

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 one-hundred and seventy five (175) cubic metres of freshwater *per day* (45 cubic metres for domestic purposes and 130 cubic metres for drilling). 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 1](#).

## **Waste Disposal**

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

## **Spill Contingency Planning**

The Plan entitled "*Comprehensive Spill Contingency Plan*", dated June 2018, was submitted to the NWB as part of the Application package. The Board has conducted a review of the Plan and determined that, while this Plan is reasonably functional and could be implemented, the issues indicated by CIRNA<sup>1</sup> during public review have yet to be addressed. Therefore, the Board has included a condition, under [Part H, Item 2](#) of the Licence, requiring submission of the updated Spill Contingency Plan to the NWB for review within ninety (90) days from the date of issuance of this Licence. The updated version of the Plan should include details on the management of drilling fluids and Wastes as requested by CIRNA<sup>1</sup> during the review.

## **Abandonment and Restoration Planning**

The Plan entitled "*Back River Project, Abandonment and Restoration Plan, George Camp and Exploration Project*", dated January 2019, is approved by the NWB with the issuance of this Water Licence.

## **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

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### Licence No. 2BE-GEO2025

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 & SILVER CORP.**

(Licensee)

**555 BURRARD STREET, SUITE 1800, VANCOUVER, BC, V7X 1M9,**

(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-GEO2025 / TYPE "B"**

Water Management Area: **QUEEN MAUD GULF WATERSHED (30)**

Location: **GEORGE LAKE PROPERTY, BACK RIVER PROJECT  
KITIKMEOT REGION, 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**

Effective Date: **MAY 30, 2020**

Expiry of Licence: **MAY 29, 2025**

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

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**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* based at the George Lake Property, Back River Project, located approximately 400 kilometres south of Cambridge Bay and 525 km northeast of Yellowknife 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 on January 27, 2020;

**“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;

**“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;

**“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 31<sup>st</sup> of the year following the calendar year being reported, containing the following information:
  - a. summary report of Water use and Waste disposal activities including the following:
    - i. quantity of Water (in cubic metres/year) obtained for domestic and other purposes from sources on, in or flowing through Inuit-Owned Lands;

- ii. quantity of Water (in cubic metres/year) obtained for domestic and other purposes from sources on, in or flowing through Crown Lands;
    - iii. quantity of Waste disposed at on-site Waste disposal facility and Waste backhauled to approved facility for disposal;
  - 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. 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; and
  - h. 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 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.
  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](mailto: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 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 local 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 from 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, 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.
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 nearest 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 GPS coordinates of each temporary or seasonal camp, at least thirty (30) days in advance of establishing such camp.
3. The Licensee shall provide as part of the annual reporting requirements for the project, under *Part B, Item 2* of the Licence, the exact GPS coordinates (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.
4. 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.
5. 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.
6. With respect to access road, pad construction or other earthworks, the deposition of debris or sediment into or onto any Water body is prohibited. These materials shall be disposed 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 the Water.



7. The Licensee shall not mobilize heavy equipment or vehicles for trenching or other activities unless the ground surface is capable of fully supporting the equipment or vehicles without rutting or gouging. Overland travel of equipment or vehicles shall be suspended if rutting occurs.
8. 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)

9. In the event that Effluent at the Bulk Fuel Storage Facility does not meet the required discharge criteria listed under *Part D, Item 9*, 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.
10. 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<sub>2</sub>) 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 with the issuance of this Licence the Plan entitled “*Comprehensive Spill Contingency Plan*”, dated June 2018, submitted to the Board as part of the Application package.
2. The Licensee shall submit to the Board for review an updated Spill Contingency Plan within ninety (90) days from the date of issuance of this Licence, to address the comments raised by CIRNA during the review of the Application.

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 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.
6. The Licensee shall, in addition to *Part H, Item 5*, 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 Board has approved with the issuance of this Licence the Plan entitled “*Back River Project, Abandonment and Restoration Plan, George Camp and Exploration Project*”, dated January 2019, submitted to the Board as part of the Application package. The Licensee shall implement this Plan and update it on an as-needed basis.
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):

<b>Monitoring Program Station</b>	<b>Description</b>	<b>Status</b>
GEO-1	Final Discharge Point from the Bulk Fuel Storage Facility	Active (Volume / 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 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, Items 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.
9. Additional monitoring requirements may be requested by the Inspector.