



ᓄᓇᓂᓪ ᐃᓕᓕᓂᓪ ᑲᓂᓕᓂᓪ
NUNAVUT WATER BOARD
NUNAVUT IMALURIYIN KATIMAYINGI
OFFICE DES EAUX DU NUNAVUT

File No: **2BE-HBY2630**

July 27, 2026

Rob Leckie
Future Fuels Inc.
1450 – 789 West Pender St.
Vancouver, British Columbia
V6C 1H2

Nate Schmidt
Dahrouge Geological Consulting Ltd.
Suite 103, 10183 112 Street,
Edmonton, Alberta
T5K 1M1

Email: rleckie@futurefuelsinc.com

Email: nate.schmidt@dahrouge.com

RE: NWB New Water Licence No: 2BE-HBY2630

Dear Rob Leckie and Nate Schmidt:

Please find attached Water Licence No: **2BE-HBY2630** issued to Future Fuels Inc. by the Nunavut Water Board (NWB or Board) pursuant to its authority under Article 13 of the *Agreement between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in Right of Canada (Nunavut Agreement)*. The terms and conditions of the attached Licence related to the use of Water and the deposit of Waste are an integral part of this approval.

If the Licensee contemplates the continuing of this Undertaking after the Water Licence expires, it is the responsibility of the Licensee to apply to the NWB for a renewal water licence. The past performance of the Licensee, new documentation and information, and issues raised during a public hearing, if the NWB is required to hold one, will be used to determine the terms and conditions of the renewal Water Licence. Note that if the Licence expires before the NWB issues a new one, then the use of Water and the deposit of Waste must cease, or the Licensee may be in contravention of the *Nunavut Agreement* and the *Nunavut Waters and Nunavut Surface Rights Tribunal Act (NWSRTA or Act)*. However, the expiry or cancellation of a licence does not relieve the holder from any obligations imposed by the licence. The NWB recommends that an application for the renewal of this Licence be filed at least **three (3) months** prior to the Licence expiry date.

If the Licensee contemplates or requires an amendment to this Licence, the NWB may decide, in the public's interest, to hold a public hearing. The Licensee should submit application for amendment as soon as possible to give the NWB sufficient time to go through the amendment process. The process and timing may vary depending on the scope of the amendment, however, a minimum of **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.

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

The NWB strongly recommends that the Licensee consult the comments received by Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) and Fisheries and Oceans Canada (DFO) on issues identified. This information is attached for your consideration.¹

Sincerely,

Lootie Toomasie
Nunavut Water Board,
Chair

LT/ns/rh

Enclosure: New Licence No: **2BE-HBY2630**

Comments – CIRNAC, DFO

Cc: Distribution List – Kitikmeot

¹ Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC), June 23, 2026; Fisheries and Oceans Canada (DFO), June 23, 2026;

TABLE OF CONTENTS

DECISION	ii
I. BACKGROUND	iii
II. FILE HISTORY	iii
III. PROCEDURAL HISTORY	iii
IV. SUMMARY OF COMMENTS	iv
V. GENERAL CONSIDERATIONS	v
Term of the Licence	v
Annual Report	v
Water Use	v
Camp	vi
Deposit of Waste.....	vi
Spill Contingency Planning.....	vi
Closure and Reclamation Plan	vi
Management Plans	vi
Monitoring	vii
WATER LICENCE	1
PART A: SCOPE, DEFINITIONS AND ENFORCEMENT	2
1. Scope	2
2. Definitions	2
3. Enforcement	4
PART B: GENERAL CONDITIONS	4
PART C: CONDITIONS APPLYING TO WATER USE	6
PART D: CONDITIONS APPLYING TO WASTE DISPOSAL	7
PART E: CONDITIONS FOR CAMPS, ACCESS INFRASTRUCTURES AND OPERATIONS	8
PART F: CONDITIONS APPLYING TO DRILLING OPERATIONS	9
PART G: CONDITIONS APPLYING TO MODIFICATIONS	9
PART H: CONDITIONS APPLYING TO SPILL CONTINGENCY PLANNING	10
PART I: CONDITIONS APPLYING TO CLOSURE AND RECLAMATION OR TEMPORARY CLOSURE	11
PART J: CONDITIONS APPLYING TO THE MONITORING PROGRAM	12

DECISION

LICENCE NUMBER: 2BE-HBY2630

This is the decision of the Nunavut Water Board (NWB or Board) with respect to an application dated May 11, 2026, for a new Water Licence made by:

FUTURE FUELS INC.

to allow for the use of Water and the deposit of Waste during camp operations and activities related to exploration that include prospecting, geological mapping, geochemical sampling, drone photogrammetry, airborne or ground geophysics, downhole geophysics and core drilling at the Hornby Basin Project located within the Kitikmeot Region, Nunavut, generally located at the geographical coordinates as follows:

Project Extents:	Latitude: 67° 29' 31" N	Longitude: 118° 03' 23" W
	Latitude: 67° 06' 31" N	Longitude: 115° 22' 8" W
	Latitude: 66° 37' 46" N	Longitude: 115° 36' 39" W
	Latitude: 67° 03' 16" N	Longitude: 117° 07' 36" W

Camp Locations: To Be Determined

DECISION

After having been satisfied that the Application is for a proposal that falls outside of an area with an approved land use plan, and is subject to screening because it does not belong to a class of works or activities set out in Schedule 12-1 of the *Nunavut Agreement* as determined by the Nunavut Planning Commission (NPC)¹ and as determined by the Nunavut Impact Review Board (NIRB)², a review of the Project is not required in accordance with s. 92(2)(a) of *Nunavut Planning and Project Assessment Act* (NuPPAA), subject to NIRB Screening Decision terms and conditions, the NWB decided that the Application could proceed through the regulatory process. In accordance with s. 55.1 of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* (NWNSRTA or Act) and Article 13 of the *Nunavut Agreement*, public notice of the Application was given and interested persons were invited to make representations to the NWB.

After reviewing the submission of the Applicant and considering the representations made by interested 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:

New Licence No: 2BE-HBY2630 be issued subject to the terms and conditions contained therein. (Motion #: 2026-B1-014)

Signed this 27th day of July, 2026 at Gjoa Haven, NU.

Lootie Toomasie
Nunavut Water Board,
Chair
LT/ns/rh

¹ Nunavut Planning Commission, Conformity Determination, January 06, 2026.

² Nunavut Impact Review Board (NIRB) Screening Decision, April 09, 2026.

I. BACKGROUND

The Hornby Basin Project (Project) which is located approximately 95 km southwest of Kugluktuk consists of 232 mineral claims covering an area of approximately 3,355 km². The property is owned by Future Fuels Inc. (Future Fuels or Applicant) overlaps with both Crown Land and Inuit Owned Lands; however, no exploration activities are proposed on Inuit Owned Lands.

Future Fuels is proposing an exploration program which is anticipated to run for approximately 185 days beginning in May and ending in October. The exploration activities will include prospecting, geological mapping, geochemical sampling (rock, soil, till), drone photogrammetry, airborne or ground geophysics, downhole geophysics and core drilling for up to 2 diamond drill rigs. The 2026 program will include the establishment of a seasonal 25-person camp near Mountain Lake or Mouse Lake, including a storage facility and a dedicated fuel cache.

In their Application, the Applicant requested:

- total water use of two hundred and ninety-nine (299) cubic metres per day;
- deposit of Waste during exploration activities that include drilling;
- term of four (4) years.

II. FILE HISTORY

The NWB has not issued any prior authorizations to this Project.

III. PROCEDURAL HISTORY

The Board received a new water licence application (Application) from Future Fuels Inc. on May 11, 2026. The documents submitted by Future Fuels Inc. for a new type B water licence are as follows:

- Water Licence Application
- Letter of Authorization
- NPC Determination Letter
- NIRB Screening Decision Report
- Executive Summary (English)
- Executive Summary (Inuktitut)
- Executive Summary (Inuinnaqtun)
- Q3 Financial Statements
- Property Assessment Report
- Camp and Water Withdrawal Locations
- Reclamation Cost Estimate
- Consultation Letters
- Abandonment and Restoration Plan
- Emergency Response Plan
- Environmental and Wildlife Management Plan
- Radiation Hazard Control Plan

- Spill Contingency and Fuel Management Plan
- Waste Management Plan

Following receipt and an internal preliminary review, the NWB distributed the application on June 02, 2026, for a month-long review and comment period, with the deadline for submission set for June 23, 2026. The NWB received submissions from Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC), and Fisheries and Oceans Canada (DFO) on June 23, 2026. The Applicant provided responses to all comments on July 06, 2026 which were forwarded to the Interveners. On July 10, 2026, DFO confirmed that they are satisfied with the response and on July 14, 2026, CIRNAC confirmed that all their comments were resolved.

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

<https://public.nwb-oen.ca/registry/2%20MINING%20MILLING/2B/2BE%20-%20Exploration/2BE-HBY2630%20Future%20Fuels%20Inc/>

IV. SUMMARY OF COMMENTS

Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC):

1. CIRNAC recommended that fencing and safety measures are in place at all uranium storage locations.

Applicant response: The Applicant updated the Radiation Hazard Control Plan to include that the radioactive materials will be enclosed by fencing with a lockable gate to restrict unauthorized access in addition to the existing setback distance of a minimum of 100 m from the normal high water mark of any water body.

2. CIRNAC recommended that the Applicant confirm that the incinerator will meet all applicable guidelines.

Applicant response: The Applicant submitted an updated Waste Management Plan to include full description of the incinerator unit and the operating procedure. In addition, the Applicant confirmed that the incinerator will be operated in accordance with the Environmental Guideline for the Burning and Incineration of Solid Waste (Government of Nunavut) and the Canada Wide Standards for Dioxins and Furans (Canadian Council of Ministers of the Environment).

3. CIRNAC recommended that the Applicant provide plans or protocols for open burning that include a description of the burn site, ash control plans for during and after burns, and ash waste disposal protocols.

Applicant response: The Applicant updated the Waste Management Plan to include a section on open burning that describes open burning as a last-resort waste management method to be utilized during site abandonment and restoration activities subject to approval by the relevant regulatory authorities.

Fisheries and Oceans Canada (DFO):

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

Applicant response: The Applicant acknowledges the recommendations and confirmed that the DFO's requirements for the protection of fish and fish habitat have been incorporated into the management plans and procedures and that the Applicant will operate within these requirements during the duration of the project.

V. GENERAL CONSIDERATIONS

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

Term of the Licence

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

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

Annual Report

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

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

Water Use

The quantity of water requested by the Applicant is two hundred and eighty-nine (289) cubic metres per day for drilling and other industrial activities, which shall be obtained from the local water source(s), proximal to the drilling targets as outlined in the Application and ten (10) cubic metres per day for camp use which shall be obtained from the lake adjacent to the camp. Total water use requested is two hundred and ninety-nine (299) cubic metres per day. No concerns were expressed by the Interveners with respect to the requested freshwater amount, or the manner in which it is obtained or used. The Board has authorized the Licensee to use a maximum of two hundred and ninety-nine (299) cubic metres of water per day under Part C, Item 1 of the Water

Licence.

Camp

The Project will include the establishment of a seasonal 25-person camp near Mountain Lake or Mouse Lake. The camp will consist of 10-12 canvas sleeper tents, two kitchen tents/dry tents, one office tent, two core logging tents, a generator shack, a storage facility, a fuel cache, and incinerator and outhouses or a pinto system. The Applicant has provided the following proposed camp locations selected from GIS and satellite imagery:

Proposed Camp Locations:	Latitude: 67° 16' 58" N	Longitude: 117° 12' 46" W
	Latitude: 67° 17' 18" N	Longitude: 117° 3' 6" W
	Latitude: 67° 17' 42" N	Longitude: 117° 2' 41" W
	Latitude: 67° 17' 50" N	Longitude: 116° 52' 54" W
	Latitude: 67° 5' 57" N	Longitude: 115° 43' 57" W

The proposed locations will be verified ahead of construction and the final camp location will be communicated with the relevant regulatory authorities. No concerns were expressed by the Interveners with respect to authorizing camp operations to support exploration activities. Conditions applying to camp operations are included in Part E of the Licence.

Deposit of Waste

The Applicant submitted a *Waste Management Plan, Hornby Basin Property, NU*, dated November 2025 outlining the waste management practices which will be followed at the Hornby Basin Project. The Plan was revised on July 06, 2026, to incorporate recommendations from CIRNAC regarding incineration and open burning. The updated *Waste Management Plan, Hornby Basin Property, NU*, dated July 2026 is being approved with the approval of this Licence. Terms and conditions for waste disposal are included in Part D of this Licence.

Spill Contingency Planning

The Applicant has submitted a *Spill Contingency and Fuel Management Plan, Hornby Basin Property, NU* dated November 2025 which provides information regarding the storage and management of fuels and other potentially dangerous substances. The Plan is being approved with the approval of this Licence. The conditions for spill contingency planning are included in Part H of the Licence.

Closure and Reclamation Plan

The Applicant has submitted an *Abandonment and Restoration Plan, Hornby Basin Property, NU* dated November 2025, as additional information with the Application. The updated Plan is being approved with the approval of this Licence. The conditions for closure and reclamation are included in Part I of the Licence.

Management Plans

The NWB has approved the following plans submitted by the Applicant as additional information with the Application:

- Abandonment and Restoration Plan dated November 2025
- Spill Contingency and Fuel Management Plan dated November 2025
- Waste Management Plan dated July 2026

In addition to the abovementioned plans, the Applicant also submitted the following plans which are outside NWB mandate. However, the Applicant is recommended to implement the following plans in accordance with the current and relevant regulations:

- Emergency Response Plan
- Environmental and Wildlife Management Plan
- Radiation Hazard Control Plan

Based on the comments and recommendations provided by CIRNAC, the Applicant submitted updated versions of the Waste Management Plan and Radiation Hazard Control Plan which shall be implemented as applicable.

Monitoring

Part J of the Licence details the environmental monitoring requirements. It should also be noted that additional sampling may be required upon request by the Inspector.



NUNAVUT WATER BOARD WATER LICENCE

Licence No: 2BE-HBY2630

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

FUTURE FUELS INC.

(Licensee)

**1450 – 789 WEST PENDER ST., VANCOUVER
BRITISH COLUMBIA V6C 1H2**

(Mailing Address)

hereinafter called the Licensee, the right to alter, divert or otherwise use water or dispose of Waste for a period subject to restrictions and conditions contained within this Licence:

Licence Number/Type: **2BE-HBY2630 / TYPE B**

Water Management Area: **GREAT BEAR WATERSHED (26) AND COPPERMINE WATERSHED (28)**

Location: **HORNBY BASIN PROJECT, KITIKMEOT REGION, NUNAVUT**

Classification: **MINING UNDERTAKING**

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

Quantity of Water use not to Exceed: **TWO HUNDRED AND NINETY-NINE CUBIC METRES PER DAY (299)**

Date of Licence Issuance: **JULY 27, 2026**

Expiry of Licence: **JULY 26, 2030**

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

**Lootie Toomasie
Nunavut Water Board, Chair**

PART A: SCOPE, DEFINITIONS AND ENFORCEMENT

1. Scope

This Licence allows for the use of Water and the deposit of Waste for a Mining undertaking classified as per Schedule 1 of the *Regulations* at the Hornby Basin Project, located approximately 95 km southwest of Kugluktuk within the Kitikmeot Region, Nunavut.

- a. This Licence is issued subject to the conditions contained herein with respect to the taking of Water and the deposit of Waste of any type in any Waters or in any place under any conditions where such Waste or any other Waste that results from the deposits of such Waste may enter any Waters. Whenever new Regulations are made or existing Regulations are amended by the Governor in Council under the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*, or other statutes imposing more stringent conditions relating to the quantity or type of Waste that may be so deposited or under which any such Waste may be so deposited, this Licence shall be deemed, upon promulgation of such Regulations, to be subject to such requirements; and
- b. Compliance with the terms and conditions of this Licence does not absolve the Licensee from responsibility for compliance with the requirements of all applicable Federal, Territorial and Municipal legislation.

2. Definitions

“**Act**” 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;

“**Applicant**” means the Licensee;

“**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 Cache**” means the fuel storage facility as described in the Application and supporting documents submitted May 11, 2026;

“Closure and Reclamation Plan” means a Plan developed to reach the closure goal and taking in account the “Guidelines for the Closure and Reclamation of Advanced Mineral Exploration and Mine Sites in the Northwest Territories” 2013;

“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 water body rises at its highest point and remains for sufficient time so as to change the characteristics of the land (ref. Department of Fisheries and Oceans Canada, Operational Statement: Mineral Exploration Activities);

“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 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” or “Sumps” means a structure or depression that collects, controls, and filters liquid Waste before it is released to the environment. This structure should be designed to prevent erosion while allowing percolation of liquid Waste;

“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 for the right to the use of Water shall be paid annually in accordance with Section 12 of the *Regulations*.
2. The Licensee shall file an Annual Report on the Appurtenant Undertaking with the Board no later than March 31st of the year following the calendar year being reported, containing the following information:
 - a. A summary report of Water use and Waste disposal activities;
 - b. Quantity of Water (in cubic metres/day) obtained for domestic and other purposes from sources on, in or flowing through Inuit-Owned Lands for the reporting period;
 - c. Quantity of Water (in cubic metres/day) obtained for domestic and other purposes from sources on, in or flowing through Crown Lands reporting period;
 - d. Quantity of Waste backhauled to approved Waste disposal facility;
 - e. A list of unauthorized discharges and a summary of follow-up actions taken;

- f. Any revisions to the management plans, as required by Part B, Item 7, submitted in the form of an Addendum;
 - g. A description of all progressive and or final reclamation work undertaken, including photographic records of site conditions before, during and after completion of operations;
 - h. Report all artesian flow occurrences as required under Part F, Item 4;
 - i. A summary of all information requested and results of the Monitoring Program;
 - j. Details pertaining to locations of sump(s) and drill holes;
 - k. 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;
 - l. A summary, including photographic records before, during and after any relevant construction activities or Modifications and/or major maintenance work carried out on facilities under this Licence and an outline of any work anticipated for the next year;
 - m. Detailed discussion on the performance, installation, and evaluation, including the use of photographic record, of the primary and secondary containment functions used in fuel storage to safeguard impacts to freshwaters;
 - n. An updated estimate of the current restoration liability required under Part B, Item 2, based upon the results of restoration assessment, project development monitoring, and any changes or Modifications to the Project;
 - o. A summary of public consultation/participation, describing consultation with local organizations and residents of the nearby communities, if any were conducted;
 - p. Any other details on Water use or Waste disposal requested by the Board by the 1st November of the year being reported.
3. The Licensee shall notify the NWB of any changes in operating plans or conditions associated with this Project at least thirty (30) days prior to any such change.
 4. The Licensee shall install flow meters or other such devices, or implement suitable methods required for the measuring of Water volumes as required under Part J, Item 1.
 5. The Licensee shall, for all Plans submitted under this Licence, include a proposed timetable for implementation. Plans submitted, cannot be undertaken without subsequent written Board approval and direction. The Board may alter or modify a Plan if necessary to achieve the legislative objectives and will notify the Licensee in writing of acceptance, rejection or alteration of the Plan.
 6. The Licensee shall, for all Plans submitted under this Licence, implement the Plan as approved by the Board in writing.
 7. The Licensee shall review the Plans referred to in this Licence, as required by changes in operation and/or technology, and modify the Plan accordingly. Revisions to the Plans shall be submitted in the form of an Addendum to be included with the Annual Report.
 8. Every Plan to be carried out pursuant to the terms and conditions of this Licence shall become a part of this Licence, and any additional terms and conditions imposed upon

approval of a Plan by the Board become part of this Licence. All terms and conditions of the Licence should be contemplated in the development of a Plan where appropriate.

9. The Licensee shall ensure a copy of this Licence is maintained at the site of operations at all times. Any communication with respect to this Licence shall be made in writing to the attention of:

(a) Manager of Licensing:

Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU X0B 1J0
Telephone: (867) 360-6338
Fax: (867) 360-6369
Email: licensing@nwb-oen.ca

(b) Inspector Contact:

Manager of Field Operations, CIRNAC
Nunavut District, Nunavut Region
918 Nunavut Drive
Iqaluit, NU X0A 3H0
Telephone: (867) 975-4284
Fax: (867) 979-6445

10. The Licensee shall submit an electronic copy of all reports, studies, and plans to the Board. Reports or studies submitted to the Board by the Licensee shall include a detailed executive summary in Inuktitut and Inuinnaqtun.
11. The Licensee shall ensure that all documents or correspondence submitted by the Licensee to the NWB are received and acknowledged by the Manager of Licensing.
12. This Licence is assignable as provided for in Section 44 of the Act.
13. The expiry or cancellation of this Licence does not relieve the Licensee from any obligation imposed by the Licence, or any other regulatory requirement.

PART C: CONDITIONS APPLYING TO WATER USE

1. The Licensee shall obtain all Water for domestic camp use from the lake adjacent to the camp. Total camp Water use shall not exceed ten (10) cubic metres per day. Drill Water shall be obtained from local Water source(s), proximal to the drilling targets as outlined in the Application and shall not exceed two hundred and eighty-nine (289) cubic metres per day. The volume of Water for all purposes under this Licence shall not exceed two hundred and ninety-nine (299) 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 withdrawal of Water from any stream shall not exceed ten (10) per cent of the low flow of that stream unless approved by the Board in writing.
4. Where the use of Water is of a sufficient volume that the source water body may be drawn down, the Licensee shall submit, for approval of the Board in writing, the following information: the volume required, a hydrological overview of the water body, details of impacts, and proposed mitigation measures.
5. The Licensee shall equip all Water intake hoses with a screen of an appropriate mesh size to ensure that fish are not entrained and shall withdraw Water at a rate such that fish do not become impinged on the screen.
6. The Licensee shall not conduct any work below the ordinary High Water Mark of any water body unless approved by the Board in writing.
7. The Licensee shall not cause erosion to the banks of any water body and shall provide necessary controls to prevent such erosion.
8. Sediment and erosion control measures shall be implemented prior to and maintained during the undertaking to prevent entry of sediment into Water.

PART D: CONDITIONS APPLYING TO WASTE DISPOSAL

1. The Board has approved the Plan entitled *Waste Management Plan, Hornby Basin Property, NU* dated November 2025 that was submitted as additional information with the Application.
2. The Licensee shall locate areas designated for Waste disposal at a minimum distance of thirty-one (31) metres from the ordinary High Water Mark of any water body such that the quality, quantity or flow of Water is not impaired, unless otherwise approved by the Board in writing.
3. The Licensee shall not practice on-site land filling of domestic Waste, unless otherwise approved by the Board in writing.
4. The Licensee is authorized to dispose of all acceptable food Waste, paper Waste and untreated wood products in an incinerator.
5. The Licensee shall not open burn plastics, wood treated with preservatives, electric wire, Styrofoam, asbestos or painted wood to prevent the deposition of Waste materials of incomplete combustion and/or leachate from contaminated ash residual, from impacting any surrounding Waters, unless otherwise approved by the Board in writing.
6. The Licensee shall provide to the Board documented authorization from all communities in Nunavut receiving Wastes from the Hornby Basin Project prior to any backhauling and disposal of Wastes to those communities.

7. The Licensee shall backhaul and dispose of all hazardous Wastes, Waste oil and non-combustible Waste generated through the course of the operation at a licensed Waste disposal site in accordance with applicable sections of “The Cross-border Movement of Hazardous Waste and Hazardous Recyclable Material Regulations”.
8. The Licensee shall maintain records of all Waste backhauled and records of confirmation of proper disposal of backhauled Waste. These records shall be made available to an Inspector upon request.
9. The Licensee shall contain all Greywater in a Sump located at a distance of at least thirty-one (31) metres above the ordinary High Water Mark of any water body, at a site where direct flow into a water body is not possible and no additional impacts are created, unless otherwise approved by the Board in writing.
10. The Licensee shall contain all Toilet Wastes in latrine pits or use incineration, chemical, portable or composting toilets. Latrine pits shall be located at a distance of at least thirty-one (31) metres above the ordinary High Water Mark of any water body, treated with lime and covered with native material to achieve the pre-existing natural contours of the land prior to abandonment.

PART E: CONDITIONS FOR CAMPS, ACCESS INFRASTRUCTURES AND OPERATIONS

1. The Licensee shall not erect camps or store material on the surface of frozen streams or lakes including the immediate banks except what is for immediate use. Camps shall be located such as to minimize impacts on surface drainage.
2. The Licensee shall conduct all activities in such a way as to minimize impacts on surface drainage and the Licensee shall immediately undertake corrective measures in the event of any impacts on surface drainage.
3. Stream crossing shall be a minimum of five hundred (500) meters from spawning areas.
4. With respect to access road, pad construction or other earthworks, the deposition of debris or sediment into or onto any water body is prohibited. These materials shall be disposed 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.
5. The Licensee shall not mobilize heavy equipment or vehicles for trenching or other activities unless the ground surface is capable of fully supporting the equipment or vehicles without rutting or gouging. Overland travel of equipment or vehicles shall be suspended if rutting occurs.

PART F: CONDITIONS APPLYING TO DRILLING OPERATIONS

1. The Licensee shall not conduct any land-based drilling within thirty-one (31) metres of the ordinary High Water Mark of any water body, unless otherwise approved by the Board in writing.
2. The Licensee shall dispose of all drill waste, including Water, chips, muds and salts (CaCl₂) in any quantity or concentration, from land-based drilling, in a properly constructed Sump or an appropriate natural depression located at a distance of at least thirty-one (31) metres from the ordinary High Water Mark of any adjacent water body, where direct flow into a water body is not possible and no additional impacts are created.
3. Drill mud solids or cuttings with a uranium concentration greater than 0.05 percent are either to be collected and then disposed of down the drill hole and sealed or collected and stored in appropriate containers. The containers shall be placed in appropriate secondary containment in such a way they are not exposed to weather and shall be removed from the project area to an approved disposal facility 3 years or prior to completion of Project.
4. 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.
5. On-ice drilling is not authorized under this Licence.

PART G: CONDITIONS APPLYING TO MODIFICATIONS

1. The Licensee may, without written consent from the Board, carry out Modifications to the Water Supply Facilities and Waste Disposal Facilities provided that such Modifications are consistent with the terms of this Licence and the following requirements are met:
 - a. the Licensee has notified the Board in writing of such proposed Modifications at least sixty (60) days prior to beginning the Modifications;
 - b. such Modifications do not place the Licensee in contravention of the Licence or the Act;
 - c. such Modifications do not constitute “significant modifications” that require conformity assessment by the Nunavut Planning Commission and/or impact assessment by the Nunavut Impact Review Board before consideration by the NWB;
 - d. within sixty (60) days following notification of the proposed Modifications, the Licensee, Nunavut Planning Commission, Nunavut Impact Review Board, designated Inuit organization or responsible regulatory authority has not indicated that any conformity determination, impact assessment, compensation negotiations or other consideration of the Modification that must be completed before the NWB can consider the Modification will take longer than 45 days; and
 - e. within sixty (60) days following notification of the proposed Modifications, the

Board has not indicated that a written approval is required or rejected the proposed Modifications.

2. Modifications for which all of the conditions referred to in Part G, Item 1 have not been met can be carried out only with written approval from the Board.
3. The Licensee shall provide as-built plans and drawings of the Modifications referred to in this Licence within ninety (90) days of completion of the Modification. These plans and drawings shall be stamped by an Engineer.

PART H: CONDITIONS APPLYING TO SPILL CONTINGENCY PLANNING

1. The Board has approved the Plan entitled *Spill Contingency and Fuel Management Plan, Hornby Basin Property, NU* dated November 2025 that was submitted as additional information with the Application.
2. The Licensee shall prevent any chemicals, petroleum products or Wastes associated with the Project from entering Water. All Sumps and fuel caches shall be located at a distance of at least thirty-one (31) metres from the ordinary High Water Mark of any adjacent water body and inspected on a regular basis.
3. The Licensee shall conduct any equipment maintenance and servicing in designated areas and shall implement special procedures (such as the use of drip pans) to manage motor fluids and other Waste and contain potential spills.
4. If during the term of this Licence, an unauthorized discharge of Waste occurs, or if such a discharge is foreseeable, the Licensee shall:
 - a. Employ the approved Spill Contingency Plan;
 - b. Report spills immediately via the [online Spill Report Webform](#) or by calling the NWT/NU 24-Hour Spill Line at [\(867\) 920-8130](#) and to the Inspector at [\(867\) 975-4284](#);
 - c. For each spill occurrence, submit to the Inspector, no later than thirty (30) days after initially reporting the event, a detailed report that will include the amount and type of spilled product, the GPS location of the spill, and the measures taken to contain and clean up the spill site.
5. The Licensee shall, in addition to Part H, Item 4, regardless of the quantity of releases of harmful substances, report to the NWT/NU 24-Hour Spill Line if the release is near or into a water body.

PART I: CONDITIONS APPLYING TO CLOSURE AND RECLAMATION OR TEMPORARY CLOSURE

1. The Board has approved the Plan entitled *Abandonment and Restoration Plan, Hornby Basin Property, NU* dated November 2025 that was submitted as additional information with the Application.
2. The Licensee shall complete all restoration work prior to the expiry of this Licence.
3. The Licensee shall carry out progressive reclamation of any components of the Project no longer required for the Licensee's operations.
4. The Licensee shall backfill and restore all sumps, sewage/ washwater pits 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 intakes, pumps and lines, material and equipment prior to the expiry of this Licence.
6. All roads and airstrips, if any, shall be re-graded to reduce erosion and sedimentation to Water.
7. The Licensee shall remove any culverts and restore the drainage to match the natural channel. Measures shall be implemented to minimize erosion and sedimentation.
8. In order to promote growth of vegetation and the needed microclimate for seed deposition, all disturbed surfaces shall be prepared by ripping, grading, or scarifying the surface to conform to the natural topography.
9. Areas that have been contaminated by hydrocarbons shall be reclaimed to meet objectives as outlined in the Government of Nunavut's "Environmental Guideline for Contaminated Site Remediation". The use of reclaimed soils for the purpose of back fill or general site grading may be carried out only upon consultation and approval by the Government of Nunavut, Department of Environment and an Inspector.
10. The Licensee shall restore all drill holes and disturbed areas to natural conditions immediately upon completion of the drilling. The restoration of drill holes must include the removal of any drill casing materials and if having encountered artesian flow, the capping of holes with a permanent seal. Where drill casings cannot be removed the Licensee shall cut off the casings at ground level and identify with signage.
11. The Licensee may leave the casings on site, if it intends to continue drilling in existing casings, but shall add signaling to keep the area safe for the other territory users. The drill casings left cannot stay on the field for more than 2 years after the drilling.
12. The Licensee may store drill core produced by the appurtenant undertaking in an appropriate manner and location at least thirty-one (31) metres above the ordinary High

Water Mark of any adjacent water body, where any direct flow into a water body is not possible and no additional impacts are created.

13. For the long-term storage of drill core or drill mud solids or cutting, radiation levels must be reduced to less than 1.0 $\mu\text{Sv/hr}$ measured at 1 metre from the surface and in no instance is the level allowed to exceed 2.5 $\mu\text{Sv/hr}$.
14. Any drill hole that encounters mineralization with a uranium content greater than 1.0 percent over a length >1.0 metre, and with a meter-percent concentration >5.0 , will be sealed by grouting over the entire length of the mineralization zone and not less than 10 meters above or below each mineralization zone.
15. Drill holes are to be sealed by cementing (grouting) the upper 30 metres of bedrock or the entire depth of the hole, whichever is less or as otherwise approved by the Board in writing.
16. If the radiation levels for the stored core exceed the levels identified in Part I, Item 13, the Licensee shall submit to the Inspector, a detailed report of the test results and the proposed long term core handling and mitigation measures for long term storage or removal.
17. The Licensee shall contour and stabilize all disturbed areas to reduce erosion and sedimentation to Water, upon completion of work upon completion of the undertaking and as per Part I, Item 4.

PART J: CONDITIONS APPLYING TO THE MONITORING PROGRAM

1. The Licensee shall measure and record, in cubic metres, the daily quantities of Water utilized for camp, drilling and other purposes.
2. 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.
3. 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.
4. All sampling, sample preservation and analyses shall be conducted in accordance with methods prescribed in the current edition of *Standard Methods for the Examination of Water and Wastewater*, or by such other methods approved by the Board in writing.
5. All analyses shall be performed in a laboratory accredited according to ISO/IEC Standard 17025. The accreditation shall be current and in good standing.
6. Where uranium mineralization has been encountered, under Part F, Item 3 and Part I, Items 13 and 14, the Licensee shall monitor the drill Sumps and core storage areas to

provide the necessary data needed in order to assess and ensure that the mitigation measures required for restoration under the Closure and Reclamation Plan have been completed.

7. The Licensee shall include in the Annual Report required under Part B, Item 2 all data, monitoring results and information required by this Part.
8. An Inspector may impose additional monitoring requirements.