



WATER LICENCE INSPECTION FORM

☒ Original
☐ Follow-Up Report

Licensee		Licensee Representative	
MMG Resources Inc.		Theodore Muraro	
Licence No. / Expiry		Representative's Title	
2BE-HIG1722 (was 2BE-HIG1217)			
Land / Other Authorizations		Land / Other Authorizations	
76M/7-1-10 (31-12-2017)		N2011C0033	
Date of Inspection		Inspector	
20-08-2017		Eva Paul	
Activities Inspected			
<input checked="" type="checkbox"/> Camp <input type="checkbox"/> Drilling <input type="checkbox"/> Mining <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Reclamation <input checked="" type="checkbox"/> Fuel Storage			
<input type="checkbox"/> Roads/Hauling <input type="checkbox"/> Other: <input type="checkbox"/> Other:			

Conditions:	A- Acceptable	U-Unacceptable	C-Concern	NI-Not Inspected	NA- Not applicable	
PART:				Item No.*	Condition	Observation No.*
A: SCOPE, DEFINITIONS AND ENFORCEMENT					A	
B: GENERAL CONDITIONS					A	
C: CONDITIONS APPLYING TO WATER USE					NA	
D: CONDITIONS APPLYING TO WASTE DISPOSAL				4	U	1
E: CONDITIONS FOR CAMPS, ACCESS INFRASTRUCTURES AND OPERATIONS					A	
F: CONDITIONS APPLYING TO DRILLING OPERATIONS					NA	
G: CONDITIONS APPLYING TO MODIFICATIONS					NA	
H: CONDITIONS APPLYING TO SPILL CONTINGENCY PLANNING				2	U	2
I: CONDITIONS APPLYING TO ABANDONMENT AND RESTORATION OR TEMPORARY CLOSING				1	U	3
I: CONDITIONS APPLYING TO ABANDONMENT AND RESTORATION OR TEMPORARY CLOSING				10	U	4
J: CONDITIONS APPLYING TO THE MONITORING PROGRAM					NA	
<i>*The item number corresponds with specific conditions within the licence and the observation number corresponds with specific comments provided below.</i>						
Samples taken by Inspector:		Location(s):				
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No						

SECTION 1	<input checked="" type="checkbox"/> Comments (s.1)	<input checked="" type="checkbox"/> Non-Compliance with Act or Licence (s.2)	<input checked="" type="checkbox"/> Action Required (s.3)																																												
<p>A compliance inspection was carried out at High Lake on August 20, 2017. High Lake’s renewal licence 2BE-HIG1722 was issued August 4, 2017, which is substantially the same as the last issuance. For purposes of this report, I am referring to the older licence 2BE-HIG1217 which was in effect until May 31, 2017 (while MMG was active). The camp has been inactive since 2015.</p> <ol style="list-style-type: none">Melted plastic is noted in the debris left from burning of structures. This is contrary to Part D and the Board’s authorization for open burning. Further, I have no record on file of notification (as required by the Board’s authorization) that open burning was going to be undertaken.Storage of fuel and chemicals (even in small quantities) on the dock is not compliant with H.2. I did not enter the small shack to the north of the dock, or that which is immediately downslope of the kitchen: these should also be inspected for any chemicals or hazardous products.MMG is not adhering to the A+R Plan “Seasonal Shutdown and Restoration Plan”, which indicates that work will be undertaken ‘seasonally’. Inspections and maintenance should occur at least annually. This plan does not encompass the current “inactive” status of the site. Care and Maintenance requires regular site visits to undertake maintenance.A random sample of drill sites was inspected. At many of these, the drill collar/casing has been left in place, and debris was also noted. These are detailed below. <table><tr><td>1</td><td>HLE-10-001</td><td>N67 06 10.4 W110 04 56.9</td><td>Nothing found</td></tr><tr><td>2</td><td>HLE-10-005</td><td>N67 06 51.7 W110 04 51.8</td><td>collars/casing</td></tr><tr><td>3</td><td>HLE-10-008</td><td>N67 07 09.5 W110 06 24.0</td><td>collars/casing</td></tr><tr><td>4</td><td>BGC12-113</td><td>N67 28 35.6 W110 49 06.1</td><td>garbage/debris</td></tr><tr><td>5</td><td>BGC12-111</td><td>N67 23 08.3 W110 51 13.3</td><td>not found</td></tr><tr><td>6</td><td>HLGT-AB-11</td><td>N67 22 55.9 W110 50 57.6</td><td>looks to have cables in it (thermister?)</td></tr><tr><td>7</td><td>HLZ-07-219</td><td>N67 22 31.4 W110 51 21.0</td><td>Casing left with white PVC over it</td></tr><tr><td>8</td><td>HLK-RES-07</td><td>N67 22 12.0 W110 53 02.7</td><td>boards seen</td></tr><tr><td>9</td><td>HLZ-07-206</td><td>N67 19 56.2 W110 54 10.3</td><td>collars/casing</td></tr><tr><td>10</td><td>HLZ-07-218</td><td>N67 14 08.7 W110 59 29.4</td><td>boards/debris, collars/casing</td></tr><tr><td>11</td><td>CNL-09-001</td><td>N67 08 34.7 W111 06 47.0</td><td>core racks, collars/casing, several in this area.</td></tr></table>				1	HLE-10-001	N67 06 10.4 W110 04 56.9	Nothing found	2	HLE-10-005	N67 06 51.7 W110 04 51.8	collars/casing	3	HLE-10-008	N67 07 09.5 W110 06 24.0	collars/casing	4	BGC12-113	N67 28 35.6 W110 49 06.1	garbage/debris	5	BGC12-111	N67 23 08.3 W110 51 13.3	not found	6	HLGT-AB-11	N67 22 55.9 W110 50 57.6	looks to have cables in it (thermister?)	7	HLZ-07-219	N67 22 31.4 W110 51 21.0	Casing left with white PVC over it	8	HLK-RES-07	N67 22 12.0 W110 53 02.7	boards seen	9	HLZ-07-206	N67 19 56.2 W110 54 10.3	collars/casing	10	HLZ-07-218	N67 14 08.7 W110 59 29.4	boards/debris, collars/casing	11	CNL-09-001	N67 08 34.7 W111 06 47.0	core racks, collars/casing, several in this area.
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MMG was able to briefly engage Matrix Logistics, who were working in the area shortly after the August 20 inspection, to address some of the items above. The follow up report (received November 12, 2017) shows that debris was collected and the camp was boarded up. Other items will be addressed in July 2018.

SECTION 2

☐ Comments

☒ Non-Compliance with Act or Licence

☐ Action Required

D.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.

H.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.

I.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.

SECTION 3

☐ Comments

☐ Non-Compliance with Act or Licence

☒ Action Required

- A. All locations where structures were burned should be raked for plastic and other debris (nails etc). Any ash contaminated with melted plastic or other contaminants is to be collected and shipped out as waste. This is to be completed in the snow-free season in 2018 and confirmation of completion submitted to the Inspector.
- B. Confirm removal of all chemicals stored less than 31m from the Ordinary High Water Mark.
- C. Undertake regular maintenance visits to the site to ensure compliance with all permits and licences.
- D. Complete reclamation of all historic drilling locations. Any collars that are left purposely to house monitoring equipment should be identified to the Inspector for future reference.

Licensee or Representative	Inspector's Name
	Eva Paul
Signature	Signature
	Sent electronically
Date	Date
	16/11/2017

CC:

Licensing Department, NWB
Erik Allain, Manager of Field Operations, INAC

ATT:

Photos of August 20 2017 Inspection



PHOTOS OF AUGUST 20, 2017 INSPECTION

Date	Camera	Inspector	Authorization
August 20, 2017	SONY DSC-HX50V	Eva Paul	N2011C0033
Photo Log # 1		Location (NAD 83 DD MM SS.SS)	
Photo DSC08036		N	W



Description: HLE-10-005

Photo Log # 2	Location (NAD 83 DD MM SS.SS)	
Photo DSC08037	N	W



Description: Other drill holes in proximity to HLE-10-005 (could be HLE-10-008?) All will require the same treatment.



Photo Log # 3

Photo DSC08083

Location (NAD 83 DD MM SS.SS)

N

W



Description: BGC-12-113

Photo Log # 4

Photo DSC08092

Location (NAD 83 DD MM SS.SS)

N

W



Description: Dock as seen from the air. Contents of storage bin are strewn on the dock.



Photo Log # 5

Location (NAD 83 DD MM SS.SS)

Photo DSC08093

N

W



Description: Snowmobile is ripped apart; likely a bear.

Photo Log # 6

Location (NAD 83 DD MM SS.SS)

Photo DSC08094

N

W



Description: Engine oil and kit from snowmobile.



Photo Log # 7

Photo DSC08102

Location (NAD 83 DD MM SS.SS)

N

W



Description: Kitchen torn into.

Photo Log # 8

Photo DSC08106

Location (NAD 83 DD MM SS.SS)

N

W



Description: More wildlife damage.



Photo Log # 9

Location (NAD 83 DD MM SS.SS)

Photo DSC08108

N

W



Description: Barrels within outbuilding shown in Photo 8.

Photo Log # 10

Location (NAD 83 DD MM SS.SS)

Photo DSC08109

N

W



Description: Chemicals and jerry can from dock storage bin.



Photo Log # 11

Photo DSC08111

Location (NAD 83 DD MM SS.SS)

N

W



Description: Bottles from dock storage bin, chewed by wildlife and emptied next to the water.

Photo Log # 12

Photo DSC08096

Location (NAD 83 DD MM SS.SS)

N

W



Description: Blue tarp that is shredding with age.



Photo Log # 13

Location (NAD 83 DD MM SS.SS)

Photo DSC08099

N

W



20 08 2017

Description: Burnt debris from ‘disposal’ of structures. Plastic and metal debris are to be cleaned up.

Photo Log # 14

Location (NAD 83 DD MM SS.SS)

Photo DSC08095

N

W



20 08 2017

Description: Styrofoam seen at water’s edge from the camp (south of the dock).