

File Nos.: 2BE-HIG1722

2BE-IZO1823

September 17, 2019

Theodore J. Muraro
Operations Manager – Exploration Americas
MMG Resources Ltd.
PO Box 91460
West Vancouver, BC V7V 3P1

Sarah Hasek Lands and Administrative Geologist MMG Resources Ltd. PO Box 91460 West Vancouver, BC V7V 3P1

RE: NWB Technical Review of 2017 and 2018 Annual Reports for Water Licences Nos.:

2BE-HIG1722, High Lake Project; and 2BE-IZO1823, Izok Lake Project

Dear Mr. Muraro and Ms. Hasek:

The Nunavut Water Board (NWB or Board) has completed a technical review of the 2017 and 2018 Annual Report submissions for the above stated Water Licences.

On April 10, 2019, the NWB acknowledged receipt of 2018 Annual Report for Water Licence No. 2BE-HIG1722 and made it available to the Kitikmeot distribution list for information. Similarly, on April 23, 2018 and April 10, 2019, the Board acknowledged receipt of the respective 2017 and 2018 Annual Reports for Water Licence No. 2BE-IZO1823 and provided them to the Kitikmeot distribution list for information. No comments have been received to date.

The technical review of the above mentioned Annual Reports determined that the information provided generally addresses the requirements of respective Water Licences. The Board appreciates indication that no Water use or Waste deposit occurred in the recent years, since both sites have been on long term care and maintenance with no activity since the 2015 field season.

The NWB understands that the required remediation work on both High Lake and Izok Lake Projects was suspended in 2018 due to early freezing conditions and commends the Licensee's commitment to address the issues encountered during 2017 CIRNA's inspections¹ in Spring 2019.

Crown-Indigenous Relations and Northern Affairs (CIRNA, or formerly known as INAC) Inspection Report for Water Licence No. 2BE-HIG1722, dated August 12, 2017; and CIRNA Inspection Report for Water Licence No. 2BE-IZO1823, dated July 12, 2017

Additionally, the NWB notes that the Licensee has not provided all the submissions previously required by the Water Licence No. 2BE-IZO1823. The Board understands that the Spill Contingency and Abandonment and Restoration Plans have not been modified from their 2013 versions due to the long term care and maintenance status of the site. However, the Board advises the Licensee to consult the comments received from CIRNA (formerly known as INAC) and ECCC² during the Licence renewal process when updating its Plans in accordance with Part B, Item 7 of the Licence:

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.

Should you have any questions, please feel free to contact the undersigned at (867) 360-6338 (extension 29) or sergey.kuflevskiy@nwb-oen.ca, at your earliest convenience.

Sincerely,

Sergey Kuflevskiy Nunavut Water Board, Technical Advisor

Enclosure: Comments –CIRNA and ECCC

Cc: Distribution List – Kitikmeot

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² Crown-Indigenous Relations and Northern Affairs (CIRNA or formerly known as INAC) Comments, dated December 11, 2017; and

Environment and Climate Change Canada (ECCC) Comments, dated December 11, 2017