



File No: 2BE-IZO2636

April 24, 2026

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Sarah Hasek
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Email: Catherine.Knight@mmg.com

Email: Sarah.Hasek@mmg.com

RE: NWB Amended Renewal Water Licence No: 2BE-IZO2636

Dear Catherine Knight and Sarah Hasek:

Please find attached Licence No: **2BE-IZO2636** issued to MMG Resources 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 Water use and Waste deposit 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 (NWNSRTA 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 permit 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 submitted 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/aj/rqd

Enclosure: Amended Renewal Licence No: **2BE-IZO2636**
Comments – CIRNAC, DFO

Cc: Distribution List – Kitikmeot

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

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DECISION

LICENCE NUMBER: 2BE-IZO2636

This is the decision of the Nunavut Water Board (NWB or Board) with respect to an application dated January 19, 2026 for an amended renewal of a Water Licence made by:

MMG RESOURCES INC.

to allow for the use of Water and the deposit of Waste during camp operations and activities related to an exploration program that include sampling, prospecting, geological mapping, and geophysical surveys at the Izok Project, located within the Kitikmeot Region, Nunavut, generally at the following geographical coordinates:

Project Extents:

Latitude: 65° 30' 00" N Longitude: 111° 15' 00" W
Latitude: 66° 30' 00" N Longitude: 113° 15' 00" W

Camp Location (Ham Lake Camp):

Latitude: 65° 41' 11" N Longitude: 112° 52' 42" W

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 a 12.4.3 Screening Decision 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(1)(a) of *Nunavut Planning and Project Assessment Act (NuPPAA)*, subject to the terms and conditions recommended by NIRB's Screening Decision Report in accordance with Article 12 of the *Nunavut Agreement* and s.88, 92(1) and 92(2)(a) of *NuPPAA*, 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 parties, 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-IZO2328 be amended and renewed as Licence No: 2BE-IZO2636 subject to the terms and conditions contained therein (Motion #: 2026-B1-002)

Signed this 24th day of April, 2026 at Gjoa Haven, NU.

Lootie Toomasie
Nunavut Water Board, Chair
LT/aj/rqd

¹ Nunavut Planning Commission (NPC), Conformity Determination, April 16, 2025

² Nunavut Impact Review Board (NIRB) Screening Determination, August 25, 2025

1. PROJECT OVERVIEW

The Izok Project (Project) is located approximately 265 kilometers south of Kugluktuk and has been in care and maintenance since 2015. The Izok Corridor has been explored by various mining groups since the 1950's and is currently held by MMG, who obtained the Project in 2009. MMG is resuming mineral exploration activities in the High Lake area and the Izok Lake area. The Izok Lake camp (Ham Lake camp) will be used for exploration activities. During field exploration programs, the number of people at camp will change depending on the activities, with a maximum occupancy of 30 people. Izok Lake camp can be accessed by plane, using the gravel air strip near camp.

With the current Application, the Licensee is proposing an amendment by adding five additional mineral claims and at the same time requesting a renewal to their existing licence for a term of 10 years. No other changes have been requested in terms of water use and deposit of waste than what has already been authorized in the existing Water Licence 2BE-IZO2328. The current water use permitted for this Project is a maximum of one hundred (100) cubic metres per day.

2. FILE HISTORY

The Board previously approved several type B water licences for this Project:

- 2BE-IZO0606
- 2BE-IZO0712
- 2BE-IZO1217
- 2BE-IZO1823

The Applicant currently holds the Water Licence 2BE-IZO2328 which is expiring on May 25, 2028. The Water Licence 2BE-IZO2636 is to replace the Water Licence 2BE-IZO2328.

3. PROCEDURAL HISTORY

The Nunavut Water Board (NWB or Board) received Application for Water Licence Amendment and Renewal (Application) from MMG Resources Inc. on January 19, 2026, to amend and renew their Water Licence 2BE-IZO2328 expiring on May 25, 2028. The Application included the following documents:

- Cover Letter
- Application for Amendment and Renewal
- Waste Management Plan
- Certificate of Amalgamation
- Inspections Responses
- Izok Area Overview
- Izok Authorization Letter
- Leases, Permits, Authorizations
- NPC Determination 150635
- Non-Technical Summaries
- Spill Contingency Plan

- Closure & Reclamation Plan
- Wildlife Mitigation and Monitoring Plan

On April 26, 2025, the NWB received the Nunavut Planning Commission's (NPC) Conformity Determination indicating that the proposal is for a project that is outside the area of an applicable regional land use plan and that a screening by Nunavut Impact Review Board (NIRB) is required as the proposed amendment is for a component or activity that was not part of the original or previously amended proposal and its inclusion is a significant modification of the project. The NIRB Screening Decision was issued on August 25, 2025.

On January 22, 2026, 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 (NWNSRTA or Act)* and forwarded notice of the Application to regulators, the council of the municipality most affected by the Project, and other interested parties. All parties were invited to make representations to the NWB by February 23, 2026.

Written submissions were received from Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) and Fisheries and Oceans Canada (DFO) on February 23, 2026, requesting for some clarifications and additional information.

On March 12, 2026, the Applicant provided their response to parties' comments. On March 24, 2026, CIRNAC provided additional comments indicating they are satisfied with the Applicant's response. Parties' comments and Applicant's response are summarized below. No public concern was expressed during the public review period, therefore, the NWB waived the requirement to hold a public hearing and proceeded with the application process.

4. SUMMARY OF COMMENTS

Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC)

CIRNAC provided the following comments and recommendations in their submission of February 23, 2026:

Missing Application Answers – CIRNAC highlighted a number of missing information related to details about the listed officers; information on quantity and purpose of water use; and timeline for ongoing operations and closure, and recommended that the Applicant provide the information.

Applicant's Response: The Applicant in their response, confirmed that the list of officers has changed since the previous licence was issued and noted that updated information on the new officers is included in the application form.

With regards to information on quantity and purpose of water use, the Applicant noted that no changes to water volumes or uses under the current water licence 2BE-IZO2328 are being proposed or requested, and that target sites for the 2026 drilling program are currently being planned, and water withdrawal requirements will be determined based on selected drilling locations and final field layout, and withdrawal volumes will be reported and submitted in the annual reports to the NWB.

Regarding the timeline for ongoing operations and closure, the Applicant noted that there is currently no defined end date of exploration activities, as the results of each year's program inform the following year's work.

Incineration steps – CIRNAC recommended that the Applicant provide information on the incinerator, steps for its incineration process, specify which wastes will be incinerated, and detail how the ash from the incinerator will be stored and removed.

Applicant's Response: *There is an incinerator on site at the Izok Lake Camp (Ketek Cyclonator - CY-2020-A-FA). The Waste Management Plan will be updated to include an Incineration Management Plan for the equipment on-site, including:*

Incinerator Operation Procedures:

- *Sort waste - remove wastes containing chlorinated compounds, wastes containing mercury and other heavy metals and hydrocarbons;*
- *Mix waste according to incinerator specifications to achieve good combustion;*
- *Supervise burn cycle to monitor operation;*
- *Once complete and cool, ash will be removed;*
- *Ash management.*

Additional details to be included in the Incineration Management Plan:

- *Regulatory Requirements;*
- *Pollutants of concern;*
- *Record keeping and monitoring;*
- *Acceptable/unacceptable waste for incineration;*
- *Ash management.*

The Applicant further noted that the Incinerator Management Plan, to be completed before exploration operations begin in 2026, will include a summary table of applicable regulations and guidance.

Waste Management plan – CIRNAC recommended that the Applicant provide greater detail in the waste management plan as to steps they will take to dispose of their waste. This includes describing methods mentioned in other plans such as backhauling, open-air burning, incineration, and sump construction with maintenance. CIRNAC recommended to detail waste storage and provide safety measures (filtering, wildlife measures, containment, etc.) taken and planned to ensure protection of water sources from waste. CIRNAC recommended that the Applicant ensures all waste is not stored within 31 m of the ordinary high-water mark of any water body.

Applicant's Response: *The Waste Management Plan will be updated to include additional detail on waste identification, classification, handling, and storage management. The update will provide clarity for identifying hazardous waste and special wastes, consistent with applicable territorial and federal regulatory requirements.*

The Applicant further noted that the Waste Management Plan, including the new incineration procedures and clear waste handling guidance, will be updated before exploration operations begin in 2026.

CIRNAC noted that they are satisfied with the Applicant's response provided all their recommendations are included in the coming update and that all plans and updates to be sent to the NWB a minimum of 30 days prior to any change, as required by Part B, Item 3 of the Licence.

Inspection Report – CIRNAC recommended that the applicant confirm if the concerns indicated in the inspection report by the CIRNAC inspector including the one related to failed secondary containment/no cover on secondary containment that is holding fuel, have been rectified.

Applicant's Response: *MMG provided a response to the inspection reports on December 19, 2024 outlining the timeline for addressing the concerns identified in the inspection reports. MMG can confirm that all concerns outlined in the inspection reports have been addressed. Details will be documented in annual reports.*

Spill Contingency Plan – CIRNAC recommended that motor oil, hydraulic oil, and transmission fluid are not incinerated unless capable equipment is used.

Applicant's Response: *The Spill Contingency Plan will be updated to remove this reference before exploration activities begin in 2026.*

Closure and Reclamation Plan – CIRNAC recommended the Applicant include in their Closure and Reclamation Plan, and in any other relevant plan or application, mention of post closure monitoring to the point of chemical and physical stability of the site.

Applicant's Response: *A description of all progressive and/or final reclamation work undertaken in association with the camp and exploration program is submitted to the NWB as part of the annual report, as required under Part B of the approved Water Licence. The closure and reclamation plan outlines three closure scenarios - seasonal closure, long-term care and maintenance and final closure. If a spill is identified, it will be addressed immediately: contaminated materials are removed, and the location is monitored to achieve pre-spill conditions. As no chemical spills with long term environmental impacts have occurred or physical stability concerns have been identified, no chemical post closure monitoring is currently anticipated.*

Conditions applying to monitoring program – CIRNAC recommended that the Applicant provide a plan or contingency to sample the water column below any ice where and as required under Part F, Item 5 and 6.

Applicant's Response: *No drilling through ice is currently planned. Management plans and standard operating procedures are reviewed annually, and updated to reflect planned activities, including drilling on ice. A procedure will be developed to address this sampling if required.*

CIRNAC noted they are satisfied with the Applicant's response so long as the plan is submitted to the NWB at least 30 days before any anticipated on-ice drilling.

Fisheries and Oceans Canada (DFO)

DFO provided the following recommendations in their submission of February 23, 2026:

- the Proponent to follow DFO's protective measures for fish and fish habitat and standard codes of practice;
- the proponent should refer to DFO's Interim code of practice: End-of-pipe fish protection screens for small water intakes in freshwater;
- for water withdrawal from watercourses, the proponent to follow the Framework for Assessing the Ecological Flow Requirements to Support Fisheries in Canada;
- the proponent should follow the DFO Protocol for Winter Water Withdrawal in the NWT (2010) and not withdraw more than 10% of under-ice water volumes; and
- if the proposal meets the criteria for a site-specific review, they should complete and submit the request for review form available on the DFO website.

Applicant's Response: *The reminder is appreciated, DFO requirements have been incorporated into MMG's management plans and procedures. MMG will continue to operate within these requirements.*

5. GENERAL CONSIDERATIONS

The issuance of this Licence No: **2BE-IZO2636** will replace existing Licence No: 2BE-IZO2328. The project activities have remained essentially the same as with the existing Licence except the addition of five mineral claims and an extended term of 10 years from the date of issuance of the Amended Renewal Licence.

Term of Licence

In accordance with the s. 45 of *Nunavut Waters and Nunavut Surface Rights Tribunal Act*, the NWB may issue a Licence for a term not exceeding twenty-five (25) years. The previous Licence was issued for a five (5) years term, the Application requested for a ten (10) years term. The parties did not express any concerns regarding the requested term for the renewal, and hence the NWB believes that a term of ten (10) years from current date is appropriate and will allow time to continue exploration work and plan for future project activities. As indicated in the Application, if the exploration work is to advance into mining activities, this Licence will be terminated and replaced by another licence allowing for mining activities provided all requirements and conditions are met.

Annual Report

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 Board, the NWB has included under Part B, Item 2 of this Licence, requirements for the Licensee to submit to the Board for review, prior to the 31st of March, annually, a report detailing Water use and Waste deposit activities for the undertaking for the preceding year. The submission of Annual Reports ensures that the NWB has on file accurate updates of all Water use and Waste deposit activities related to an undertaking for any particular year preceding one in which the report is filed.

The Board provides public access to the information submitted in licensees' annual reports through its ftp site as well as upon request from interested parties. The NWB has included on its website a standardized form for annual reporting that licensees can use to submit annual reporting information, supplemented by other project-specific, relevant details. A copy of the NWB's

generic Annual Report Form can be obtained from the NWB upon request or electronically from the NWB's site using the following link:

[Nunavut Water Board Standard Annual Report Form](#)

Water Use

Licence No: 2BE-IZO2328 permitted total water use of one hundred (100) cubic metres per day for all purposes including fifteen (15) cubic metres daily for camp use. Since the Amendment and Renewal Application did not request any changes to the water use and quantity, the Board is keeping the quantity of water use same for the Licence No: 2BE-IZO2636.

Waste Disposal

The Applicant submitted with their application the *Waste Management Plan*, dated August 5, 2025. CIRNAC provided recommendations on the submitted Waste Management Plan and stated that *CIRNAC is satisfied with the responses provided that all CIRNAC recommendations to the waste management plan are included in the coming update. CIRNAC expects all plans and updates to be sent to the NWB a minimum of 30 days prior to any change, as required by Part B-3 of the Licence.*

The Applicant submitted an updated *Waste Management Plan*, dated April 2, 2026, taking into account recommendations from CIRNAC. The Board approved the updated *Waste Management Plan*, dated April 2, 2026, with the issuance of this Licence.

Drilling Operations

The Applicant indicated exploration activities may occur on-ice occasionally during winter, if drilling targets are identified. CIRNAC recommended the Applicant provide a plan or contingency to sample the water column below ice where and as required under Part F, Item 5 and 6. The Applicant responded stating that no drilling through ice is currently planned and that management plans and standard operating procedures will be updated to reflect planned activities, including drilling on ice. A procedure will be developed to address this sampling if required. CIRNAC noted they are satisfied with the Applicant's response so long as the plan is submitted to the NWB a minimum of 30 days before any anticipated on-ice drilling. The Licence, Part F Item 6, requires the Licensee to establish water quality conditions prior to and upon completion of any drilling program through lake ice.

The Licence includes other standard conditions under Part F related to drilling operations.

Modifications

The Board allows for modification to the project activities/facilities in accordance with Part G of this Licence.

Spill Contingency Planning

The Board has approved the Plan entitled *Spill Contingency Plan*, dated April 2, 2026, that was submitted as additional information during the Application review process. Conditions applying to spill contingency planning are included in Part H of the Licence.

Closure and Reclamation

The Board has approved the Plan entitled *Closure and Reclamation Plan*, dated August 5, 2025, that was submitted as additional information with the Application. Under the terms and conditions applying to abandonment and restoration, the Licensee is required to remove any remaining equipment associated with the Project upon completion. Additional conditions for restoration have been included under Part I of this Water Licence.

Monitoring

The Board included conditions for monitoring in Part J of this Licence.



NUNAVUT WATER BOARD WATER LICENCE

Licence No: 2BE-IZO2636

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

MMG RESOURCES INC.

(Licensee)

PO BOX 91460, WEST VANCOUVER, BC V7V 3P1

(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-IZO2636 / TYPE B**

Water Management Area: **COPPERMINE WATERSHED (28)**

Project / Location: **IZOK PROJECT, KITIKMEOT REGION, NUNAVUT**

Classification: **MINING UNDERTAKING**

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

Quantity of Water use not to exceed: **ONE HUNDRED (100) CUBIC METRES PER DAY**

Effective Date: **APRIL 24, 2026**

Expiry of Licence: **APRIL 23, 2036**

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 I and II of the *Regulations* at the Izok Project, located approximately 265 kilometres south 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**” or “**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*;

“**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;

“**Hazardous Waste**” means Waste classified as “hazardous” by Nunavut Territorial or Federal legislation, or as “dangerous goods” under the *Transportation of Dangerous Goods Act*;

“**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);

“**ICP Scan**” means the laboratory method for determining trace metals in water through Emission Spectroscopy using inductively coupled plasma (including from approximately 22 to 32 elements, depending on the laboratory performing the analysis);

“**Inspector**” means an Inspector designated by the Minister under Section 85 (1) of the *Act*;

“**Licensee**” means the holder of this Licence;

“**Modification**” means an alteration to a physical work that introduces a new structure or eliminates an existing structure and does not alter the purpose or function of the work, but does not include an expansion;

“**Nunavut Agreement**” or “**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 fees payable to the Receiver General for Canada for the right to use Waters, shall be sent to the Board 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;

- c. quantity of Water (in cubic metres/day) obtained for domestic and other purposes from sources on, in or flowing through Crown Lands;
 - d. quantity of Waste disposed of on on-site Waste disposal facility;
 - e. quantity of Waste backhauled to approved facility for disposal;
 - f. a list of unauthorized discharges and a summary of follow-up actions taken;
 - g. any revisions to plans, as required by Part B, Item 7, submitted in the form of an Addendum;
 - h. a description of all progressive and/or final licensed reclamation work undertaken, including photographic records of site conditions before, during and after completion of operations;
 - i. report all artesian flow occurrences as required under Part F, Item 3;
 - j. a summary of all information requested and results of the Monitoring Program;
 - k. details pertaining to locations of sump(s) and drill holes;
 - l. 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;
 - m. 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;
 - n. 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;
 - o. a summary of public consultation/participation, describing consultation with local organizations and residents of the nearby communities, if any were conducted; and
 - 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.
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 Ham Lake. Total camp Water use shall not exceed fifteen (15) cubic metres per day. Drill Water shall be obtained from local Water source(s), proximal to the drilling targets as outlined in the Application. The volume of Water for all purposes under this Licence shall not exceed one hundred (100) 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. The Licensee shall submit to the Board for approval in writing, the following information at least thirty (30) days prior to the use of Water of a sufficient volume that the source water body may be drawn down: volume required, 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*, dated April 2, 2026, that was submitted as additional information during the application review process.
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 landfilling 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 Izok 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.
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 dispose of all toilet wastes through incineration, chemical 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. Any remaining residue generated through the course of the operation shall be backhauled and disposed of in an approved waste disposal site.

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. 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.
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. Stream crossing shall be a minimum of five hundred (500) metres from spawning areas.
6. Sediment and erosion control measures shall be implemented prior to and maintained during the construction and operation where necessary to prevent entry of sediment into 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.

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 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 non-toxic, 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, within the scope of the Water license application 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 Modification 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 Plan*, dated April 2, 2026, that was submitted as additional information during the application review process.
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 the spill immediately to the NWT/NU 24-Hour Spill Line at (867) 920-8130 and to the Inspector at (867) 975-4284; 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.

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 *Closure and Reclamation Plan*, dated August 5, 2025, 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 licensed components of the Project no longer required for the Licensee's operations.
4. The Licensee shall backfill and restore, to the satisfaction of an Inspector, all sumps, sewage/wash-water pits to the pre-existing natural contours of the land when possible.
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 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*. 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. The Licensee shall contour and stabilize all disturbed areas to reduce erosion and sedimentation to Water, upon completion of work of the undertaking and as per Part I, Item 3.

PART J: CONDITIONS APPLYING TO THE MONITORING PROGRAM

1. The Licensee shall measure and record, in cubic metres, the daily quantities of Water used for camp, drilling and all other purposes. The daily quantities of Water used for drilling shall be recorded for each Water source used in accordance with Part C, Item 1.
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. The Licensee shall obtain representative samples of the Water column below any ice where required under Part F, Item 5 and 6. Monitoring shall include but not be limited to the following:
 - Total Suspended Solids;
 - pH;
 - Electrical Conductivity;
 - Total Trace Metals as determined by a standard ICP Scan (to include at a minimum, the following elements: Al, Sb, Ba, Be, Cd, Cr, Co, Cu, Fe, Pb, Li, Mn, Mo, Ni, Se, Sn, Sr, Tl, Ti, U, V, Zn); and
 - Trace Arsenic and Mercury.
5. 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.
6. All analyses shall be performed in a laboratory accredited according to ISO/IEC Standard 17025. The accreditation shall be current and in good standing.
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.