General Water Licence Application
(Application for a new Water Licence)

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Month/Day/Year

P.O. BOX 119
GJOA HAVEN, NUNAVUT
XOB 1J0
TEL: (867) 360-6338
FAX: (867) 360-6369

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NUNAVUT IMALIRIYIN KATIMAYIT
NUNAVUT WATER BOARD
OFFICE DES EAUX DU NUNAVUT

DOCUMENT MANAGEMENT

Original Document Date: February 2010

DOCUMENT AMENDMENTS

	Description	Date
(1)	Updated for public distribution as separate document from NWB Guide 4	June 2010
(2)	Updated NWB logos and reformatted table to allow rows to break across page	May 2011
(3)	Update NWB logo	February 2013
(4)		
(5)		
(6)		
(7)		
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(9)		
(10)		

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GENERAL WATER LICENCE APPLICATION
(APPLICATION FOR NEW WATER LICENCE)

The applicant is referred to the NWB's Guide 4: *Guide to Completing and Submitting a Water Licence Application for a New Licence* for more information about this application form.

LICENCE NO:
(for NWB use only)

1. APPLICANT (PROPOSED LICENSEE) CONTACT INFORMATION
(name, address)

Solstice Gold Corp.
800 West Pender Street, Suite 1020
Vancouver, BC, V6C 2V6
Phone: 807-728-3882
Fax:
e-mail: irussell@solsticegold.com

2. APPLICANT REPRESENTATIVE CONTACT INFORMATION if different from Block 1
(name, address)

Tara Gunson
APEX Geoscience Ltd.
#110, 8429-24 Street NW
Edmonton, AB, T6P 1L3
Phone: (780) 467-3532
Fax: (780) 467-4025
e-mail: tgunson@apexgeoscience.com
(Attach authorization letter.)
See "Solstice *Kahuna Gold Property APEX Authorization Letter*"

3. NAME OF PROJECT (including the name of the project location)
Kahuna Gold Project

4. LOCATION OF UNDERTAKING
Project Extents

NW: Latitude: (63°19'46.42" N) Longitude: (92°12'59.18" W)
NE: Latitude: (63°18'54.20" N) Longitude: (90°49'9.62" W)
SE: Latitude: (62°57'40.76" N) Longitude: (90°50'44.51" W)
SW: Latitude: (62°58'32.21" N) Longitude: (92°13'32.99" W)

Camp Location(s)
The Solstice mineral exploration programs will be supported by a temporary, seasonal exploration camp located in the southern portion of the Property on Mineral Claim K90309, 100% owned by Solstice. The camp is currently authorized under Crown-Indigenous Relations and Northern Affairs Canada ("CIRNAC") Land Use Permit ("LUP") N2015C0019 and Nunavut Water Board water licence 2BE-KDP1722, held by DVI. An agreement between the companies is in place allowing DVI to have a camp located on a mineral claim, which is owned 100% by Solstice and authorizing Solstice to use the camp, which is permitted by DVI. All activities at the Kahuna Camp by Solstice employees, contractors or guests will be conducted as per the terms and conditions of CIRNAC LUP N2015C0019 and NWB water licence 2BE-KDP1722, held by DVI

Latitude: (63°2'22.88" N) Longitude: (91°29'55.07" W)
575940E/ 6990898N, NAD83 Zone 15

5. **MAP** - Attach a topographical map, indicating the main components of the undertaking.
See "*Kahuna Gold Property Location Figure.*"

NTS Map Sheet No.: 055J	Map Name: Marble Island	Map Scale: 1:250,000
NTS Map Sheet No.: 055K	Map Name: Tavani	Map Scale: 1:250,000
NTS Map Sheet No.: 055N	Map Name: Gibson Lake	Map Scale: 1:250,000
NTS Map Sheet No.: 055O	Map Name: Chesterfield Inlet	Map Scale: 1:250,000

6. **NATURE OF INTEREST IN THE LAND** - Check any of the following that are applicable to the proposed undertaking (at least one box under the 'Surface' header must be checked).

Sub-surface

☐ Mineral Lease from Nunavut Tunngavik Incorporated (NTI)
Date (expected date) of issuance: _____ Date of expiry: _____

☐ Mineral Lease from Indian and Northern Affairs Canada (INAC)
Date (expected date) of issuance: _____ Date of expiry: _____

Surface

X Crown Land Use Authorization from Indian and Northern Affairs Canada (INAC)
Date (expected date) of issuance: under application Date of expiry: TBA

☐ Inuit Owned Land (IOL) Authorization from Kitikmeot Inuit Association (KIA)
Date (expected date) of issuance: _____ Date of expiry: _____

X IOL Authorization from Kivalliq Inuit Association (KivIA)
Date (expected date) of issuance: under application Date of expiry: TBA

☐ IOL Authorization from Qikiqtani Inuit Association (QIA)
Date (expected date) of issuance: _____ Date of expiry: _____

☐ Commissioner's Land Use Authorization
Date (expected date) of issuance: _____ Date of expiry: _____

☐ Other: _____
Date (expected date) of issuance: _____ Date of expiry: _____

Name of entity(s) holding authorizations:
Solstice Gold Corp.

7. **NUNAVUT PLANNING COMMISSION (NPC) DETERMINATION**

Indicate the land use planning area in which the project is located.

☐ North Baffin	**X** Keewatin
☐ South Baffin	☐ Sanikiluaq
☐ Akunniq	☐ West Kitikmeot

Is a land use plan conformity determination required?

☐ Yes X No

If Yes, indicate date issued and attach copy _____
If No, provide written confirmation from NPC confirming that a land use plan conformity review is not required.
See NPC e-mail communication "*Solstice Kahuna Gold Property NPC Determination & NIRB Screening Not Required 26oct2018*," stating that no new conformity determination is required.

8. NUNAVUT IMPACT REVIEW BOARD (NIRB) DETERMINATION

Is an Article 12 Part 4 screening determination required?

☐ Yes X No

If Yes, indicate date issued and attach copy _____
If No, provide written confirmation from NIRB confirming that a screening determination is not required.
See NPC e-mail communication "*Solstice Kahuna Gold Property NPC Determination & NIRB Screening Not Required 26oct2018*," stating that no new NIRB Screening Review is required.

9. DESCRIPTION OF UNDERTAKING – List and attach plans and drawings or project proposal.
See:
Kahuna Gold Property Non-Technical Summary - English
Kahuna Gold Property Non-Technical Summary - Inuktitut
Kahuna Gold Property Abandonment and Restoration Plan
Kahuna Gold Property Environmental and Wildlife Management Plan
Kahuna Gold Property Fuel Management Plan
Kahuna Gold Property Emergency Response Plan
Kahuna Gold Property Spill Prevention and Response Plan
Kahuna Gold Property Waste Management Plan
Kahuna Gold Property Location Figure

10. OPTIONS – Provide a brief explanation of the alternative methods or locations that were considered to carry out the project.
Previous work completed on the Project by other exploration companies has aided in the identification of drilling targets, therefore reducing the need for duplicated work and potentially unnecessary disturbances. The general exploration activities proposed by Solstice, which will also be used to help identify drilling targets will be as low impact as possible (i.e. geological mapping, prospecting, geochemical sampling, geophysical surveys, lake bottom bathymetry etc), again to reduce the need for unnecessary disturbances.

11. CLASSIFICATION OF PRIMARY UNDERTAKING - Indicate the primary classification of undertaking by checking one of the following boxes.

☐ Industrial ☐ Agricultural
X Mining and Milling (includes exploration/drilling/exploration camps)
☐ Conservation
☐ Municipal (includes camps/lodges) ☐ Recreational
☐ Power ☐ Miscellaneous (describe below):
_____

See Schedule II of *Northwest Territories Waters Regulations* for Description of Undertakings.

Information in accordance with applicable Supplemental Information Guidelines (SIG) must be submitted with a New Water Licence Application. Indicate which SIG(s) are applicable to your application.

- ☐ Hydrostatic Testing
- ☐ Tannery
- ☐ Tourist / Remote Camp
- ☐ Landfarm & On-Site Storage of Hydrocarbon Contaminated Soil
- ☐ Onshore Oil and Gas Exploration Drilling
- **X** Mineral Exploration / Remote Camp
- ☐ Advanced Exploration
- ☐ Mine Development
- ☐ Municipal
- ☐ General Water Works
- ☐ Power

12. **WATER USE -** Check the appropriate box(s) to indicate the type(s) of water use(s) being applied for.

- ☐ To obtain water for camp/ municipal purposes
- ☐ To obtain water for industrial purposes
- ☐ To cross a watercourse
- ☐ To alter the flow of, or store water
- ☐ To divert a watercourse
- ☐ To modify the bed or bank of a watercourse
- ☐ Flood control
- **X** Other: **Diamond Drilling**

13. **QUANTITY AND QUALITY OF WATER INVOLVED -** For each type of water use indicated in Block 12, provide the source of water, the quality of the water source and available capacity, the estimated quantity to be used in cubic meters per day, method of extraction, as well as the quantities and qualities of water to be returned to source.

Name of water source(s) (show location(s) on map):
Numerous unnamed sources
Describe the quality of the water source(s) and the available capacity:
Water quality will be pristine. Care will be taken to ensure that water is drawn from bodies with sufficient capacity in order to avoid impact on waterbody level or watercourse flow.
Provide the overall estimated quantity of water to be used:
200 m^3/day
Provide the estimated quantity(s) of water to be used from each source:
200 m^3/day from numerous sources for drilling
Indicate the estimated quantities to be used for each purpose (camp, drilling, etc.)
200 m^3/day for drilling (100 m^3/day per drill)
Describe the method of extraction(s):
The drill pumps typically use a 1" inside diameter suction hose on the diesel pump with a fine screen on the foot valve. For drilling, a fiberglass window screen with a nominal opening size of less than 1/16" is also generally wrapped around the foot valve to prevent the intake of silt and sand into the pump, which can cause considerable damage to the pump chambers. In addition, it is common practice for the drilling contractor to place the foot valve of the intake hose in a perforated 20 L pail, which further protects against harmful materials and fish being entrained into water intake hoses.
Estimated quantity(s) of water returned to source(s)
Water used for drilling will not be returned directly to the source but be released into an appropriate natural depression or properly constructed sump, positioned a minimum of 31 m from the normal high-water mark of any waterbody, to allow for slow infiltration into the soil.
Describe the quality of water(s) returned to source(s):
Drilling will utilize recirculation and filtration systems to minimize loss of water and drill additives and nonhazardous and bio-degradable drilling fluids will be used at all times where ever possible to ensure greywater placed in sumps is a clean as possible.

14. **WASTE** – Check the appropriate box(s) to indicate the types of waste(s) generated and deposited.

- ☐ Sewage
- X Solid Waste
- X Hazardous
- X Bulky Items/Scrap Metal
- ☐ Animal Waste
- ☐ Other (describe): _____
- X Waste oil
- X Greywater
- ☐ Sludges
- ☐ Contaminated soil and/or water

15. **QUANTITY AND QUALITY OF WASTE INVOLVED** – For each type of waste indicated in Block 14, describe its composition, quantity in cubic meters/day, method of treatment and method of disposal.

Type of Waste	Composition	Quantity Generated	Treatment Method	Disposal Method
Drill greywater	Water and drill additives	~ 200 m^3/day (100 m^3/day per drill)	Appropriate natural depression or properly constructed sump	Disposed of in natural depressions or sumps located adjacent to drill holes; allowed to percolate into overburden; minimum distance of 31 m the normal high-water mark of any waterbody.
Combustible solid waste	Food, paper, cardboard, untreated wood	Variable	Backhauled to camp for Incineration	Backhauled to Kahuna Camp for Incineration.
Non-combustible solid waste	bulky items, scrap metal, empty barrels/fuel drums	Variable	Stored in sealed containers or other appropriate and safe containment	Backhauled to Kahuna Camp, then to approved recycling or disposal site.
Contaminated soil/water	Soil/water plus hydrocarbons or other chemicals	Variable/ negligible	Stored in sealed containers	Backhauled to Kahuna Camp, then to approved disposal site.
Hazardous waste	Used oil	Variable/ negligible	Stored in sealed containers	Backhauled to Kahuna Camp, then to approved disposal site.

16. **OTHER AUTHORIZATIONS** – In addition to the sub-surface and surface land use authorizations provided in Block 6, indicate any other authorizations required in relation to the proposed undertaking. For each provide the following:

Authorization: _____

Administering Agency: _____

Project Activity: _____

Date (expected date) of issuance: _____ Date of expiry: _____

17. PREDICTED ENVIRONMENTAL IMPACTS OF UNDERTAKING AND PROPOSED MITIGATION MEASURES - Describe direct, indirect, and cumulative impacts related to water and waste.

All potential environmental effects associated with the proposed Kahuna Gold Property exploration activities are considered negligible, localized effects that can be mitigated. No significant residual impacts to the environment are expected to occur as a result of the implementation of this program. While individually no significant effects are anticipated, consideration should be made to the combination of all existing or known planned activities within the vicinity of the Project area. Some cumulative effects can be positive, such as the case with the establishment of the diamond mines in the NWT, more residents are finishing high school and earning higher salaries. Other positive cumulative effects can be increased employment rate, infrastructure and potential for investment in communities by government. Cumulative effects may also be negative and therefore attention should be given to the potential for these to occur in advance of project growth. Cumulative effects on the land might include changes to the number of wildlife, increases in non-native plants, or the melting of permafrost. Other exploration projects in the area include the adjacent Kahuna Diamond Project operated by DVI and the Agnico Eagle Meliadine Project.

18. WATER RIGHTS OF EXISTING AND OTHER USERS OF WATER

Provide the names, addresses and nature of use for any known persons or properties that may be adversely affected by the proposed undertaking, including those that hold licences for water use in precedent to the application, domestic users, in-stream users, authorized waste depositors, owners of property, occupiers of property, and/or holders of outfitting concessions, registered trapline holders, and holders of other rights of a similar nature.

The Property is approximately 10 km southwest of Chesterfield Inlet and 30 km northeast of Rankin Inlet. The Property is covered by an area of Char abundance, high mineral potential and traditional land use as identified by the DNLUP shapefiles. All exploration activity planning will take into account any possible impacts to the cultural value of the area, including subsistence harvesting, and quality of water.

Advise the Board if compensation has been paid and/or agreement(s) for compensation have been reached with any existing or other users.

19. INUIT WATER RIGHTS

Advise the Board of any substantial affect of the quality, quantity or flow of waters flowing through Inuit Owned Land (IOL) and advise the Board if negotiations have commenced or an agreement to pay compensation for any loss or damage has been reached with one or more Designated Inuit Organization (DIO).

20. CONSULTATION – Provide a summary of any consultation meetings including when the meetings were held, where and with whom. Include a list of concerns expressed and measures to address concerns.

Consultation has occurred on the project since July 2015, historically for diamond exploration. Solstice Gold began joint consultations in the communities in March 2018 with DVI. Solstice acquired the Kahuna Gold project from DVI. Further joint consultations took place in May 2018. Specific consultations with regards to this planned submission were conducted in August 2018 and included representatives from Hunters and Trappers Organization ("HTO") of Chesterfield and Rankin Inlets, a director from the KIA, the Mayor and Senior Administrative Officer ("SAO") from Chesterfield Inlet. In September meetings were held in Rankin Inlet with the HTO, the KIA Lands Department, the MLA for Rankin North and a well-attended Community Meeting. In Chesterfield Inlet meetings were held with the Hamlet in addition to a community meeting. In October, additional meetings were held in Rankin Inlet between Solstice and the Mayor of Rankin, SAO for Rankin, HTO of Rankin and the Government of Nunavut Economic Development and Transportation representatives.

See "*Kahuna Gold Property Consultation Log"* updated October 16, 2018 and "Hamlet of Chesterfield Inlet Support Letter for Solstice Gold." A letter of support is also anticipated from Hamlet of Rankin Inlet and will be submitted to CIRNAC, the NWB and the KIA when received.

21. SECURITY INFORMATION

Provide an estimate of the total financial security for final reclamation equal to the total outstanding reclamation liability for land and water combined sufficient to cover the highest liability over the life of the undertaking. Estimates of reclamation costs must be based on the cost of having the necessary reclamation work done by a third party contractor if the operator defaults. The estimate must also include contingency factors appropriate to the particular work to be undertaken.

Where applicable, the financial security assessment should be prepared in a manner consistent with the principals respecting mine site reclamation and implementation found in the *Mine Site Reclamation Policy for Nunavut,* Indian and Northern Affairs Canada, 2002.

Estimate for Third Party Reclamation of Small (< 4,000 L) Exploration Fuel Caches and Drill Sites

Activity	Quantity	Days	Cost	Total
Crew	2	1	$500.00	$1,000.00
Food	2	1	$50.00	$100.00
Helicopter	1	1	$3,000.00	$3,000.00
Flights	2	1	$5,000.00	$10,000.00
				$14,100.00
10% Contingency				$1,410.00
Total				$15,510.00

22. FINANCIAL INFORMATION

Provide a statement of financial responsibility.
See "*SOLSTICE GOLD CORP. CONDENSED INTERIM FINANCIAL STATEMENTS*, *For the nine months ended March 31, 2018 (Unaudited - Expressed in Canadian Dollars)*"

If the applicant is a business entity, provide a list of the officers of the company.

David Adamson - Executive Chairman
Marty Tunney - President
Ian Russell - Vice President Exploration
David Fischer - Chief Financial Officer

If the applicant is a business entity attach a copy of the Certificate of Incorporation or evidence of registration of the company name.

See "*Dunnedin Gold Inc. Certificate of Incorporation"* dated June 8, 2017 and "*Dunnedin Gold Inc. Certificate of Name Change to Solstice Gold Corp."* dated September 18, 2017.

23. STUDIES UNDERTAKEN TO DATE - List and attach copies of studies, reports, research, etc.
In April 2016, Golder Associates Ltd. ("Golder") conducted a search of the Nunavut Archaeological Site database and found that no previously recorded sites had been documented or any archaeological assessments been carried out within the Kahuna Diamond Property.

Between August 28 and September 1, 2016, Golder conducted an archaeological inventory and reconnaissance of proposed exploration areas within DVI Kahuna Diamond Property, portions of which cover the current Solstice Kahuna Gold Property. Approximately 1,348 ha of land were examined as well as two low level aerial passes were carried out along the 46 km long winter trail

from Rankin Inlet to the claim area. A total of 10 sites were identified, 2 within proposed exploration areas and the rest were located adjacent to exploration or winter trail boundaries, or along Josephine Lake while flying between areas.

The geographic coordinates of the archaeological sites identified in the 2016 survey were provided to DVI and subsequently to Solstice so that the sites and associated features can be incorporated into Project planning and avoided during exploration activity.

In the summer of 2018, Nuqsana Golder was commissioned by DVI to complete another archaeological field investigation a number of drilling targets, including some on the current Solstice Gold Property, and the Kahuna Camp location. The areas were examined for archaeological resources using a combination of aerial (low-level helicopter) and ground (pedestrian transects) surveys. The locations of any identified archaeological sites were recorded, mapped with a hand-held GPS unit, and photographed. The final report has not yet been completed by Nuqsana Golder, but when finalized will be provided to Solstice Gold Corp. by DVI to use for the Kahuna Gold Project planning.

24. PROPOSED TIME SCHEDULE – Indicate the proposed start and completion dates for each applicable phase of development (construction, operation, closure, and post closure).

Construction
Proposed Start Date: February/2019 (month/year) Proposed Completion Date: February/2019 (month/year)

Operation
Proposed Start Date: February/2019 (month/year) Proposed Completion Date: January/2024 (month/year)

Closure
Proposed Start Date: January/2024 (month/year) Proposed Completion Date: January/2024 (month/year)

Post - Closure
Proposed Start Date: _____ (month/year) Proposed Completion Date: _____ (month/year)

For each applicable phase of development indicate which season(s) activities occur.

Construction
X Winter **X** Spring ☐ Summer ☐ Fall ☐ All season

Operation
X Winter **X** Spring **X** Summer **X** Fall ☐ All season

Closure
X Winter **X** Spring **X** Summer **X** Fall ☐ All season

Post - Closure
☐ Winter ☐ Spring ☐ Summer ☐ Fall ☐ All season

25. PROPOSED TERM OF LICENCE

Number of years (maximum of 25 years): 5 years

Requested Date of Issuance: February/2019 (or as soon as possible)
Requested Expiry Date: January/2024 (or 5 years from issuance date)

(The requested date of issuance must be at least three (3) months from the date of application for a type B water licence and at least one (1) year from the date of application for a type A water licence, to allow for processing of the water licence application. These timeframes are approximate and do not account for the time to complete any pre-licensing land use planning or development impact requirements, time for the applicant to prepare and submit a water licence application in accordance with any project specific guidelines issued by the NWB, or the time for the applicant to respond to requests for additional information. See the NWB's *Guide 5: Processing Water Licence Applications* for more information)

26. **ANNUAL REPORTING –** If not using the NWB's *Standardized Form for Annual Reporting*, provide details regarding the content of annual reports and a proposed outline or template of the annual report.

27. **CHECKLIST –** The following must be included with the application for the water licensing process to begin.

Written confirmation from the NPC confirming that NPC's requirements regarding land use plan conformity have been addressed.

X Yes ☐ No If no, date expected _____

Written confirmation from the NIRB confirming that NIRB's requirements regarding development impact assessment have been addressed.

X Yes ☐ No If no, date expected _____

Completed General Water Licence Application form.

X Yes ☐ No If no, date expected _____

Information addressing Supplemental Information Guideline (SIG) , where applicable (see Block 11)

X Yes ☐ No If no, date expected _____

English Summary of Application.

X Yes ☐ No If no, date expected _____

Inuktitut and/or Inuinnaqtun Summary of Application.

X Yes ☐ No If no, date expected _____

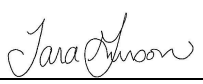
Application Fee of $30.00 CDN (Payee Receiver General for Canada).

X Yes ☐ No If no, date expected _____

Water Use Fee Deposit of $30.00 CDN (Payee Receiver General for Canada). The actual water use fee will be calculated by the NWB based upon the amount of water authorized for use in accordance with the Regulations at the time of issuance of the licence.

X Yes ☐ No If no, date expected _____

28. **SIGNATURE**

Tara Gunson	Geologist		October 29, 2018
Name (Print)	**Title (Print)**	**Signature**	**Date**