



Application for Water Licence Amendment

Document Date: April 2013

Application Submission Date:

July 20, 2021
Month/Day/Year

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

kNK5 wmoEp5 vtmpq
NUNAVUT IMALIRIYIN KATIMAYIT
NUNAVUT WATER BOARD
OFFICE DES EAUX DU NUNAVUT

DOCUMENT MANAGEMENT

Original Document Date: April 2010

DOCUMENT AMENDMENTS

	Description	Date
(1)	Updated for public distribution as separate document from NWB Guide 7	June 2010
(2)	Updated NWB logos and reformatted table to allow rows to break across page	May 2011
(3)	New NWB logo; request for background information; and change to Block 24	April 2013
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		



P.O. Box 119

GJOA HAVEN, NU X0B 1J0

TEL: (867) 360-6338

FAX: (867) 360-6369

kNK5 wmoEp5 vtmp5

NUNAVUT WATER BOARD

NUNAVUT IMALIRIYIN KATIMAYIT

OFFICE DES EAUX DU NUNAVUT

APPLICATION FOR WATER LICENCE AMENDMENT

The applicant is referred to the NWB's Guide 7: Licensee Requirements Following the Issuance of a Water Licence for more information about this application form.

Where possible, provide background information regarding the original licence application or attach previously submitted information.

EXISTING LICENCE NO: 2BE-KGP1823

1. LICENSEE CONTACT INFORMATION

Is the licensee the same as that referred to on the existing licence?

☒ Yes ☐ No

If No, a licence assignment must be completed and approved by the NWB. **An amendment will only be issued in the name of the current licensee in the absence of assignment of the licence.**

If the licensee is the same, but the name of the licensee has changed, attach a certificate of name change.

Name: Solstice Gold Corp.

Address: 800 West Pender Street, Suite 1020
Vancouver, BC, V6C 2V6

Phone: 416-301-3985

e-mail: mtunney@solsticegold.com

2. LICENSEE REPRESENTATIVE CONTACT INFORMATION – If different from Block 1.

Name: Tara Gunson, APEX Geoscience Ltd.

Address: #100, 11450-160 Street NW
Edmonton, AB, T5M 3Y7

Phone: (780) 467-3532

e-mail: tgunson@apexgeoscience.com

(Attach authorization letter.) See "20210120 - APEX Permitting Authorization"

3. NAME OF PROJECT **Kahuna Gold Project**

Has the name of the project changed?

☐ Yes ☒ No

If Yes, indicate the name of the project including the name of the location: _____

4. LOCATION OF UNDERTAKING

Does the proposed amendment change the location of the amended undertaking?

☒ Yes ☐ No

Provide the project extents and camp locations. Identify proposed changes.

Project Extents **Project extents remain the same**

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) **Proposed Solstice camp location:**

Latitude: (63°02'25.34" N) Longitude: (91°30'10.95" W)

5. MAP

Does the proposed amendment change the locations of any of the main components of the undertaking?

☒ Yes ☐ No

See "20210101 - Solstice Kahuna Project Description Figure" for location of proposed Solstice camp

Attach a topographical map, indicating the main components of the undertaking. Identify proposed changes.

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

Does the proposed amendment change the nature of the interest in the land?

☐ Yes ☒ No

If Yes, indicate changes. _____

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

☒ Crown Land Use Authorization from Indian and Northern Affairs Canada (INAC) **N2018C0020**
Date (expected date) of issuance: **14-Jan-2019** Date of expiry: **31-Jan-2024**

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

☒ IOL Authorization from Kivalliq Inuit Association (KivIA) **KVL318B01, KVRW18F02**
Date (expected date) of issuance: **27-Feb-2019** Date of expiry: **31-Jan-2023**

☐ 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: _____

Is the name of the entity(s) holding authorizations the same as that considered in the existing water licence?

☒ Yes ☐ No

If No, a licence assignment must be completed and approved by the NWB.

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

7. NUNAVUT PLANNING COMMISSION (NPC) DETERMINATION

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

- | | |
|---------------------------------------|--|
| <input type="checkbox"/> North Baffin | <input checked="" type="checkbox"/> Keewatin |
| <input type="checkbox"/> South Baffin | <input type="checkbox"/> Sanikiluaq |
| <input type="checkbox"/> Akunnig | <input type="checkbox"/> West Kitikmeot |

Does the proposed amendment change the land use planning area?

- ☐ Yes ☒ No

If yes, indicate the land use planning area in which the amended undertaking is located.

- | | |
|---------------------------------------|---|
| <input type="checkbox"/> North Baffin | <input type="checkbox"/> Keewatin |
| <input type="checkbox"/> South Baffin | <input type="checkbox"/> Sanikiluaq |
| <input type="checkbox"/> Akunnig | <input type="checkbox"/> West Kitikmeot |

Was a land use plan conformity determination required from NPC prior to the issuance of the existing water licence?

- ☐ Yes ☒ No

If Yes, indicate date issued and attach copy. _____

Does the proposed amendment change the original NPC conformity determination or the need to obtain one?

- ☒ Yes ☐ No

If Yes, indicate date issued (or expected) and attach a copy. _____

If No, provide written confirmation from NPC confirming that a land use plan conformity review is not required.

See "20210217 - 21EN008-NPC Conformity Determination."

8. NUNAVUT IMPACT REVIEW BOARD (NIRB) DETERMINATION

Was a screening determination required from NIRB prior to the issuance of the existing water licence?

- ☐ Yes ☒ No

If Yes, indicate date issued and attach copy. _____

Does the proposed amendment change the original NIRB screening determination or the need to obtain one?

- ☒ Yes ☐ No

If Yes, indicate date issued (or expected) and attach a copy. _____

If No, provide written confirmation from NIRB confirming that a screening determination is not required.

See "20210525 - 21EN008-Screening Decision Report-OT7E."

9. DESCRIPTION OF UNDERTAKING

Does the proposed amendment change the description of the undertaking?

☒ Yes ☐ No

List and attach plans and drawings or project proposal. Identify proposed changes.

20210601 - Solstice Kahuna Non-Technical Summary – English
20210601 - Solstice Kahuna Non-Technical Summary – Inuktitut
20210601 - Solstice Kahuna Gold Abandonment & Restoration Plan
20210601 - Solstice Kahuna Gold Environmental Management Plan
20210601 - Solstice Kahuna Gold Fuel Management Plan
20210601 - Solstice Kahuna Gold Emergency Response Plan
20210601 - Solstice Kahuna Gold Spill Prevention and Response Plan
20210601 - Solstice Kahuna Gold Waste Management Plan
20210101 - Solstice Kahuna Project Description Figure

The proposed changes in these documents include the addition of a new Solstice camp adjacent to the Kahuna camp or alternatively Solstice acquiring the Kahuna camp and an increase in water use for the camp and additional drilling.

10. OPTIONS

Does the proposed amendment change any of the alternative methods and locations that were considered to carry out the project?

☐ Yes ☒ No

Provide a brief explanation of the alternative methods or locations that were considered to carry out the project. Identify proposed changes.

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 for the existing licence by checking one of the following boxes:

- | | |
|--|--|
| <input type="checkbox"/> Industrial | <input type="checkbox"/> Agricultural |
| <input checked="" type="checkbox"/> Mining and Milling (includes exploration/drilling/exploration camps) | |
| <input type="checkbox"/> Conservation | |
| <input type="checkbox"/> Municipal (includes camps/lodges) | <input type="checkbox"/> Recreational |
| <input type="checkbox"/> Power | <input type="checkbox"/> Miscellaneous (describe below): |

Does the proposed amendment change the classification of primary undertaking?

☐ Yes ☒ No

If Yes, indicate the primary undertaking of the amendment: _____

Information in accordance with applicable Supplemental Information Guidelines (SIG) must be updated and submitted with an Application for Amendment. 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
- ☒ Mineral Exploration / Remote Camp
- ☐ Advanced Exploration
- ☐ Mine Development
- ☐ Municipal
- ☐ General Water Works
- ☐ Power

12. WATER USE

Indicate, using the boxes below, the types of water use(s) approved in the existing licence.

- | | |
|---|---|
| <input type="checkbox"/> To obtain water for camp/ municipal purposes | <input type="checkbox"/> To divert a watercourse |
| <input type="checkbox"/> To obtain water for industrial purposes | <input type="checkbox"/> To modify the bed or bank of a watercourse |
| <input type="checkbox"/> To cross a watercourse | <input type="checkbox"/> Flood control |
| <input type="checkbox"/> To alter the flow of, or store water | |
| <input checked="" type="checkbox"/> Other: Diamond Drilling | |

Does the proposed amendment change the type(s) of water use(s)?

☒ Yes ☐ No

If Yes, indicate using the boxes below, the proposed change(s) to the type(s) of water use(s) noting any water use(s) that are to be added, continued, or removed.

- | | |
|--|---|
| <input checked="" type="checkbox"/> To obtain water for camp/ municipal purposes | <input type="checkbox"/> To divert a watercourse |
| <input type="checkbox"/> To obtain water for industrial purposes | <input type="checkbox"/> To modify the bed or bank of a watercourse |
| <input type="checkbox"/> To cross a watercourse | <input type="checkbox"/> Flood control |
| <input type="checkbox"/> To alter the flow of, or store water | |
| <input checked="" type="checkbox"/> Other: Diamond Drilling | |

13. QUANTITY OF WATER INVOLVED

Does the proposed amendment change the source of water? ☒ Yes ☐ No

Indicate the water source(s). Identify proposed changes.: [Numerous unnamed sources for drilling and water for camp will be extracted from the un-named lake, approximately 520 m to the northeast of the proposed camp location.](#)

(show location(s) on map) [See "20210101 - Solstice Kahuna Project Description Figure."](#)

Does the proposed amendment change the quality of the water source and/or its available capacity?

☐ Yes ☒ No

Describe the quality of the water source(s) and the available capacity(s). Identify any changes.: No change in water quality. 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.

Does the proposed amendment change the overall quantity of water to be used?

☒ Yes ☐ No

Provide the overall estimated quantity to be used. Identify proposed changes:

Existing licence is approved for 200 m³/day

Amendment requested: increase to 299 m³/day to allow extra water for drilling use and 10 m³/day allocated for camp use.

Does the proposed amendment change the quantity of water to be used from each source?

☒ Yes ☐ No

Provide the estimated quantity(s) of water to be used from each source. Identify proposed changes:

Existing licence is approved for 200 m³/day from numerous sources for drilling use

Amendment requested: increase to 299 m³/day to allow extra water for drilling use from un-named sources and 10 m³/day allocated for camp use from an un-named lake proximal to the camp.

Does the proposed amendment change the quantity of water to be used for each purpose?

☒ Yes ☐ No

Provide the estimated quantities to be used for each purpose (camp, drilling, etc.). Identify proposed changes.:

Existing licence is approved for 200 m³/day from numerous sources for drilling use

Amendment requested: increase to 299 m³/day (289 m³/day for drilling use and 10 m³/day for camp use).

Does the proposed amendment change the method(s) of extraction?

☒ Yes ☐ No

Describe the method(s) of extraction. Identify proposed changes.:

No change is proposed for the method of water extraction for drilling, described as follows: 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.

Amendment requested: The method of water extraction for camp is described as follows: the water intakes will use an electrically powered submersible pump with a fine screen (<1/4" openings) on the intake. The drill pumps use a 1" diameter suction hose on the diesel pump with a fine screen on the foot valve.

Does the proposed amendment change the quantity(s) of water returned to source(s)?

☐ Yes ☒ No

Estimated quantity(s) of water returned to source(s). Identify proposed changes. : 0 m³/day

No change. Water used for camp and 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.

Does the proposed amendment change the quality(s) of water returned to source(s)?

☐ Yes ☒ No

Describe the quality(s) of water(s) returned to source(s). Identify any changes. :

No changes for drilling. 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 wherever possible to ensure greywater placed in sumps is as clean as possible.

For camp, filters will be installed on kitchen drains to ensure solid food wastes do not enter sumps.

14. WASTE

Check the appropriate box(s) to indicate the types of waste(s) approved in the existing licence.

- | | |
|---|---|
| <input type="checkbox"/> Sewage | <input checked="" type="checkbox"/> Waste oil |
| <input checked="" type="checkbox"/> Solid Waste | <input checked="" type="checkbox"/> Greywater |
| <input checked="" type="checkbox"/> Hazardous | <input type="checkbox"/> Sludges |
| <input checked="" type="checkbox"/> Bulky Items/Scrap Metal | <input type="checkbox"/> Contaminated soil and/or water |
| <input type="checkbox"/> Animal Waste | |
| <input type="checkbox"/> Other (describe): _____ | |

Does the proposed amendment change the type(s) of waste(s) to be generated or deposited?

☒ Yes ☐ No

If Yes, indicate using the boxes below, the proposed change(s) to the type(s) of waste(s) to be generated and/or deposited noting the addition, removal or continued generation and/or disposal of waste(s).

- | | |
|---|---|
| <input checked="" type="checkbox"/> Sewage | <input checked="" type="checkbox"/> Waste oil |
| <input checked="" type="checkbox"/> Solid Waste | <input checked="" type="checkbox"/> Greywater |
| <input checked="" type="checkbox"/> Hazardous | <input type="checkbox"/> Sludges |
| <input checked="" type="checkbox"/> Bulky Items/Scrap Metal | <input type="checkbox"/> Contaminated soil and/or water |
| <input type="checkbox"/> Animal Waste | |
| <input type="checkbox"/> Other (describe): _____ | |

15. QUANTITY AND QUALITY OF WASTE INVOLVED

Does the proposed amendment change the quantity(s) of the types of wastes involved?

☒ Yes ☐ No

Does the proposed amendment change the composition(s) of the types of wastes involved?

☒ Yes ☐ No

Does the proposed amendment change the method(s) of treatment for the types of waste involved?

☒ Yes ☐ No

Does the proposed amendment change the method(s) of disposal for the types of waste involved?

☒ Yes ☐ No

If Yes to any of the above, describe the proposed changes:

The amended proposes an increase from 200 m³/day to 299 m³/day to allow extra water (89 m³/day) for drilling use and 10 m³/day of water for camp use.

Therefore, the quantity of waste drill grey water may increase by up to 89 m³/day (144 m³/day per drill) and the quantity of waste camp greywater will increase by up to 10 m³/day maximum. Additionally, the proposed addition of a 40-person camp will generate sewage and other camp wastes such as food packaging that will require incineration and/or removal to appropriate recycling or disposal facilities.

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
Sewage	Sewage	Maximum 40 people	Pacto toilets and incineration	Incineration
Camp greywater	Kitchen and shower water	≤ 10 m ³ /day	Excavated sump	Excavated sump constructed with plywood walls and filled with loose cobbles/gravel to aid in filtration, located at least 31 m away from the ordinary high-water mark of a water body.
Drill greywater	Water and drill additives	~ 289 m ³ /day	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, etc.	Variable	Incineration	Incineration
Incinerator Ash	Incinerator Ash	Variable	Stored in sealed containers	Transported to approved disposal site.
Non-combustible solid waste	bulky items, scrap metal, empty barrels/fuel drums, etc.	Variable	Stored in sealed containers or other appropriate and safe containment	Transported to approved recycling or disposal facility.
Contaminated soil/water	Soil/water plus hydrocarbons or other chemicals	Variable/negligible	Stored in sealed containers	Transported to approved disposal facility.
Hazardous waste	Used oil	Variable/negligible	Stored in sealed containers	Transported to approved disposal facility.

16. OTHER AUTHORIZATIONS

Does the proposed amendment change the need for other authorizations in addition to the sub-surface and surface land use authorizations provided in Block 6?

☐ Yes ☒ No

If Yes, indicate any additional authorizations required, which authorizations are no longer required, and which authorizations continue to be required.

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

Does the proposed amendment change the predicted environmental impacts of the undertaking or the mitigation measures?

☐ Yes ☒ No

Describe direct, indirect, and cumulative impacts related to water and waste. Identify any changes.

No change from application. 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 Agnico Eagle Meliadine Project.

18. WATER RIGHTS OF EXISTING AND OTHER WATER USERS

Was compensation paid and/or an agreement(s) for compensation been entered into with any existing or other users of water during consideration of the existing licence?

☐ Yes ☒ No

If Yes, provide the names, addresses and the nature of water use by those persons or properties.

Does the proposed amendment adversely affect any known persons or property including those that hold licences for water use in precedence 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?

☐ Yes ☒ No

If Yes, provide the names, addresses and the nature of water use of those persons or properties.

Advise the Board if compensation has been paid and/or an agreement(s) for compensation has been reached with any existing or other water users with respect to the proposed amendment.

19. INUIT WATER RIGHTS

Was compensation paid/ or an agreement(s) for compensation been entered into with any Designated Inuit Organization (DIO) during consideration of the existing licence?

☐ Yes ☒ No

If Yes, which DIO(s) _____

Does the proposed amendment substantially affect the quality, quantity or flow of waters flowing through Inuit Owned Land (IOL)?

☐ Yes ☒ No

If Yes, 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 DIO(s) with respect to the proposed amendment.

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 Dunnedin Ventures Inc. (DVI). Solstice acquired the Kahuna Gold project from DVI. Further joint consultations took place in May 2018. Specific consultations with regards to Solstice's 2018 land use 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 2018, 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.

Several consultation meetings took place in 2019. In January 2019, an in-person meeting between Solstice and CIRNAC took place regarding pending changes to the NU mining act and online management system. In March 2019, an in-person meeting regarding the KIA permit application and to discuss a project update took place between Solstice and representatives of the KIA, followed by an NTI Luncheon with representatives from multiple government agencies and companies working in Nunavut. From April 2-4, 2019, Solstice attended the Nunavut Mining Symposium and met with various government, companies, and individuals, including Agnico, local Nunavut prospectors, suppliers and government agencies.

An in-person meeting was held in Rankin Inlet on June 4, 2019, between Solstice and representatives from the KIA. The purpose of the meeting was to provide an update on Solstice's exploration programs and to review the

2019 proposed work plan. An open house followed the in-person meeting in Rankin Inlet and was attended by 15 people. Solstice presented their 2019 proposed exploration plans for the summer field season and announced that they were working under their own permits, with the exception of a shared camp with Dunnedin Ventures Inc. (DVI). Concerns raised during the open house included: 1) local hires, 2) helicopter disturbance in town, 3) project length, and 4) if the camp would be removed from the land. These concerns were addressed by Solstice, as follows: 1) local hires will be from Chesterfield Inlet and supplies/services will be sourced from Rankin Inlet to benefit both communities, 2) Solstice will follow a helicopter protocol, to avoid town as much as possible and to maintain an elevation between town and the property in order to not disturb wildlife (caribou mitigation measures will be followed if caribou are encountered), 3) the length of the project is dependent on results of exploration, and 4) the camp will be removed once final demobilization from the area is foreseen.

On June 28, 2019, separate in-person meetings were held with representatives from HTO and the Government of Rankin Inlet. The active caribou migration was discussed at both meetings. Solstice delayed helicopter flights and crew transport to the project area northeast of town until the main herd passed through and the area was free from caribou.

On July 12, 2019, an in-person meeting was held in Chesterfield Inlet between Solstice and representatives from HTO of Chesterfield Inlet regarding Solstice's summer exploration program. The HTO representatives hoped for more employment opportunities for the community in the future. Solstice indicated that they hire seasonal workers from Chesterfield Inlet on a priority basis. An in-person meeting with Chesterfield Inlet Mayor, SAO and Chesterfield Inlet councilors and elders, regarding Solstice's 2019 exploration plans and program reduction for 2019 was held on July 12, 2019. Concerns raised at the meeting included lack of employment opportunity for locals and helicopter disturbance of wildlife. Solstice indicated that they hire seasonal workers from Chesterfield Inlet on a priority basis and provide on the job training. Solstice will follow a helicopter protocol, will avoid the town as much as possible and will maintain an elevation between the town and the property to not disturb wildlife (caribou mitigation measures will be followed if caribou are encountered). A community member asked if the Company would be willing to use the helicopter to location Chesterfield Inlet residents that were stranded or missing. Solstice indicated that they would be more than willing to help if that situation arose.

An in-person meeting was held between Solstice and representatives of CIRNAC on August 10, 2019. Solstice gave corporate and technical presentations on the project. No concerns were raised.

On September 10, 2019, an in-person meeting was held between Solstice and representatives from Rankin Inlet, Chesterfield Inlet, Baker Lake, Whale Cove, Arviat, HTOs, Agnico, local government and the World Wildlife Fund (WWF). The meeting took place to discuss and identify Community Areas of Interest for cultural and conservation reasons through a participatory mapping exercise and to allow industry representatives to share their studies and perspectives on the business of exploration and caribou management in the region.

In person consultations in both Kangiqliniq and Igluligaarjuk were scheduled in 2020 and 2021, but were cancelled at the request of the communities due to the outbreak of Covid-19. Although in person meetings were not possible during 2020 and 2021, Solstice discussed the proposed work plans with the Mayor of Chesterfield Inlet, HTO, GN and KIA.

See "20210425 - SGC-DVI Kahuna Project Community Consultation Log" for additional information.

21. SECURITY INFORMATION

Does the proposed amendment change the financial security assessment?

☒ Yes ☐ No

Does the proposed amendment change the estimate of the total financial security for final reclamation?

☒ Yes ☐ No

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. Identify any changes in the financial security assessment resulting from the proposed amendment.

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.

See "20210119 - Solstice Kahuna Gold Reclamation Cost Estimate."

22. FINANCIAL INFORMATION

Is the statement of financial security the same as that considered in the existing water licence?

☐ Yes ☒ No

Provide an updated statement of financial security.

See "202010331 -Solstice Gold Corp Condensed Interim Financial Statements."

If the applicant is a business entity please answer the questions below:

Is the list of the officers of the company the same as those considered in the existing water licence?

☐ Yes ☒ No

Provide a list of the officers of the company.

David Adamson - Chairman
Marty Tunney - President
David Fischer - Chief Financial Officer

Is the Certificate of Incorporation or evidence of registration of the company name the same?

☒ Yes ☐ No

Attach a copy of the Certificate of Incorporation or evidence of registration of the company name.

See "20170608 - Certificate of Incorporation Dunnedin Gold Inc." and "20170918 - Certificate of Name Change to Solstice Gold Corp."

23. STUDIES UNDERTAKEN TO DATE

List and attach updated 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. Fifteen new archaeological sites, typical of late Thule or Caribou Inuit camping and hunting activities, were recorded. No sites were identified in conflict with the field camp. The geographic coordinates of the archaeological sites will be incorporated into future project planning by Solstice so that the sites and associated features can be avoided during exploration activity.

In 2019 Golder Associates Ltd. conducted an archaeological inventory and reconnaissance of proposed exploration sites and temporary camp areas for the Kahuna Gold Project on behalf of Solstice. Areas were examined using a combination of low-level helicopter survey and pedestrian transects. During the course of the field survey one new archaeological site was documented. No archaeological sites were identified in areas where potential drill locations or field camps were being considered. The geographic coordinates of all archaeological features were provided to Solstice and incorporated into project planning to be avoided.

See "*Solstice Kahuna Gold Golder Archaeological Study 2019 Confidential*" attached. This document is attached for internal use only.

Provide a compliance assessment and status report including a response to any inspector's reports. The licensee must contact the NWB for licence specific direction in completing the assessment and report.

See "*20210720 - Solstice Kahuna Gold Water Licence Compliance Assessment*" and "*20210720 - Solstice Kahuna Gold Water Licence Compliance Assessment Report*."

If in non-compliance, a licence may not be issued until compliance is achieved. If in non-compliance, attach plans/reports for consideration. Application will not be processed if significant issues of non-compliance exist.

24. PROPOSED TIME SCHEDULE

When are proposed amendments scheduled to be undertaken: **February 1 to September 30 Annually (5 years)**

Does the proposed amendment change the time schedule considered in the existing licence for any phase of development?

☒ Yes ☐ No

Indicate the start and completion dates for each applicable phase of development (construction, operation, closure, and post closure). Identify proposed changes.

Construction

Proposed Start Date: February/2022
(month/year)

Proposed Completion Date: February/2022
(month/year)

Operation

Proposed Start Date: February/2022
(month/year)

Proposed Completion Date: September/2026
(month/year)

Closure

Proposed Start Date: September/2026
(month/year)

Proposed Completion Date: September/2026
(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

☒ Winter ☒ Spring ☐ Summer ☐ Fall ☐ All season

Operation

☒ Winter ☒ Spring ☒ Summer ☒ Fall ☒ All season

Closure

☒ Winter ☒ Spring ☒ Summer ☒ Fall ☒ All season

Post - Closure

☐ Winter ☐ Spring ☐ Summer ☐ Fall ☐ All season

25. PROPOSED TERM OF LICENCE

On what date does the existing licence expire? December 16, 2023

Is the Licensee applying for a combined renewal and amendment of the existing licence?

☒ Yes ☐ No

If Yes, indicate the proposed term of the renewal (maximum of 25 years): 5-year term

Requested date of renewal issuance: October 1, 2021*
(month/year)

Requested Expiry Date: September 30, 2026
(month/year)

**or as soon as authorization can be obtained.*

(The requested date of renewal 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

Will the proposed amendment change the content of annual reports or the annual report template?

☐ Yes ☒ No

If Yes, 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 Amendment for the water licensing process to begin.

Completed Application for Water Licence Amendment form.

☒ Yes ☐ No If no, date expected _____

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

☒ Yes ☐ No If no, date expected _____

Compliance Assessment / Status Report (see Block 23).

☒ Yes ☐ No If no, date expected _____

Indication of Renewal Requirement (see Block 26)

☒ Yes ☐ No If no, date expected _____

English Summary of Amendment Application.

☒ Yes ☐ No If no, date expected _____

Inuktitut and/or Inuinnaqtun Summary of Amendment Application.

☒ Yes ☐ No If no, date expected _____

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

☒ 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.

☒ Yes ☐ No If no, date expected _____

28. SIGNATURE

Tara Gunson

Geologist



July 20, 2021

Name (Print)

Title (Print)

Signature

Date