

Water Resources Division Resource Management Directorate Nunavut Regional Office P.O. Box 100 Igaluit, NU, X0A 0H0

> Your file - Votre référence 2BE-KGP1823 Our file - Notre référence GCdocs # 97591807

September 3, 2021

Mr. Richard Dwyer
Manager of Licensing
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU, X0B 1J0
sent via e-mail: licensing@nwb-oen.ca

Re: Crown-Indigenous Relations and Northern Affairs Canada's reply to Solstice Gold Corp's response to comments on the Type B Water Licence 2BE-KGP1823 Amendment Application – Kahuna Gold Project

Dear Mr. Dwyer,

Thank you for your September 2, 2021 invitation for reply to Solstice Gold Corp's response to Crown-Indigenous Relations and Northern Affairs Canada's (CIRNAC) August 20, 2021 comments on Type B water licence amendment application.

CIRNAC examined AEM responses in pursuant to its mandated responsibilities under the Nunavut Waters and Nunavut Surface Rights Tribunal Act and the Department of Crown-Indigenous Relations and Northern Affairs Act.

Licensee has addressed all comments, CIRNAC has no further concerns.

Below are CIRNAC's reply to Solstice Gold Corp response to CIRNAC comments:

- 1. Summary of Water Use and Waste Disposal Activities in 2020 Annual Report CIRNAC recommended that licensee report:
 - Water used on site for domestic and other purposes during exploration activities in the 2020 annual report and subsequent reports;
 - Waste disposed on site; and
 - Waste backhauled to approved facility for disposal.

In response, licensee provided the total summary of water used as 30 L, how combustible kitchen waste was burned in a sand lined pit dug for the purpose and non-combustible waste backhauled to Rankin Inlet. CIRNAC concerns were addressed.



2. Quantity of Water Used for Drilling till Date Since Application for Amendment – CIRNAC recommended that licensee clarify that:

- Land drilling commenced in mid June as stated in the application for amendment; and
- Daily quantity of water used for drilling since amendment application till date.

In response, licencee stated that: "No exploration activities were completed, and therefore no water was used, during 2021."

CIRNAC concerns were addressed.

- **3. Water Source and Waste Deposit GPS Locations –** CIRNAC recommended that the licensee:
 - Provide the GPS co-ordinate locations of the unnamed water sources in the map where drilling and camp water will be extracted; and
 - Provide the GPS co-ordinate locations where wastes associated with camp and drilling operations are deposited; and
 - Ensure that water source capacity or level is maintained all through the withdrawal process as the water withdrawn will be not be returned to the source.

In response, lincensee stated that: "Water for the proposed Solstice camp will be drawn from the lake to the north of the proposed camp location. The exact intake location will be determined upon mobilization of the camp. If the Kodiak Kahuna camp location is utilized then the water intake location will be the same as used previously (Lat 62° 2' 42", Long -91 29' 40"). The exact locations of the future drillsites is currently unknown but will be within the area identified as "Proposed Drilling" in the figure "Project Extent, Drilling Area & Proposed Camp Location." As soon as they are identified, CIRNAC, the NWB and the KIA will be supplied with the proposed drillhole and water intake GPS locations."

CIRNAC concerns were addressed.

4. Post Closure Site Monitoring Duration – CIRNAC recommended that licensee update the Abandonment and Restoration Plan (ARP) to include that post closure monitoring of the site will continue until global objectives of physical and chemical stability, and future use and aesthetics are achieved.

The licensee has updated the ARP to include that post closure monitoring of the site will continue until global objectives of physical and chemical stability, and future use and aesthetics are achieved.

CIRNAC concerns were addressed.





- Kodiak Camp Purchase Discussions CIRNAC recommended that licensee clarify if:
 - A new 40-people capacity camp will still be established if the takeover Kodiak camp discussions with Kodiak go through; and
 - o Kahuna camp is the same facility as Kodiak camp.

Licensee in responds, stated that: "Solstice originally applied to establish a new 40-person camp in close proximity to the permitted Kahuna camp, but then following the submission of the application to the Nunavut Planning Commission ("NPC") and Nunavut Impact Review Board ("NIRB"), it was determined in discussions with Kodiak Copper Corp. ("Kodiak"), that Solstice may have the option to take over the existing Kahuna Camp. Discussions between Solstice and Kodiak are still occurring, and it has not yet been determined whether the new Solstice camp will be required or if the existing camp will be purchased. For clarification, the existing camp name is the Kahuna camp and the company that owns and operates the Kahuna camp is Kodiak Copper Corp."

CIRNAC concerns were addressed.

CIRNAC appreciates the opportunity to participate in this review. If there are any questions, please contact me at (867) 975-4738 or vincent.okonkwo@canada.ca

Sincerely,

Vincent Okonkwo

A/Manager Water Resources

