



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.

The NWB strongly recommends that the Licensee consult the comments received by interested persons on issues identified. This information is attached for your consideration.¹

Sincerely,

Lootie Toomasie
Nunavut Water Board
Chair

LT/as/rqd

Enclosure: Licence No: **2BE-KGP1826**
 Comments – CIRNA

Cc: Kivalliq Distribution List

¹ Crown-Indigenous Relations and Northern Affairs (CIRNA), August 20, 2021

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DECISION

LICENCE NUMBER: 2BE-KGP1826

This is the decision of the Nunavut Water Board (NWB or Board) with respect to a complete application received on July 20, 2021 for the amendment of a Water Licence made by:

SOLSTICE GOLD CORP.

to allow for the use of Water and deposit of Waste during exploration activities by Solstice Gold Corp. at the Kahuna Gold Project located within the Kivalliq Region, Nunavut, generally located at the geographical coordinates as follows:

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:

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

After having been satisfied that the Application is for a proposal that was previously reviewed by the Nunavut Planning Commission (NPC)² and for which the conformity determinations, dated January 7, 2016, November 9, 2016, November 20, 2017, November 05, 2018 and February 17, 2021 remain applicable, and that was previously reviewed by the Nunavut Impact Review Board (NIRB)³ and for which the screening decisions dated April 4, 2016, February 28, 2017, March 2, 2018 and May 25, 2021 also remain applicable, and a review of the Project is not required in accordance with s. 92(1)(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 persons, 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:

² Nunavut Planning Commission (NPC) Conformity Determination for NPC File No:149461, dated February 17, 2021

³ Nunavut Impact Review Board (NIRB) Screening Decision Report for NIRB File No: 21EN008, dated May 25, 2021

Licence No: 2BE-KGP1823 be amended as Licence No: 2BE-KGP1826 subject to the terms and conditions contained therein. (Motion #: 2021-B1-015)

Signed this 28th day of September, 2021 at Gjoa Haven, NU.

Lootie Toomasie
Nunavut Water Board, Chair

LT/as/rqd



I. BACKGROUND

The Kahuna Gold Project covers gold exploration activities by Solstice Gold Corp. (the Applicant or Solstice). The Kahuna Gold Project is an offshoot of the existing Kahuna Diamond Project operated by Kodiak Copper Corp. (formerly Dunnedin Ventures Inc.) under the Type “B” Water Licence 2BE-KDP1722. Kodiak’s exploration program found gold while exploring for diamonds. Kodiak formed Solstice Gold Corp. (Solstice) to further explore the gold findings.

The Project is located on Crown Land and Inuit-owned Land (IOL) in the Kivalliq Region of Nunavut. The Property is approximately 35 km southwest of Igluligaarjuk (Chesterfield Inlet) and 30 km northeast of Kangiqliniq (Rankin Inlet).

The Project comprises 72 mineral claims (79,567.46 ha) held 100% by Solstice Gold Corp. and 19 mineral claims held jointly with Kodiak Copper Corp. (Kodiak or formerly Dunnedin Ventures Inc.). Solstice Gold Corp. has primary rights on 9,022 ha of the jointly held claims, for a total Property area of 88,589 ha. Prior to November 14, 2017, the mineral claims comprising the Property were held wholly by Kodiak.

Past work on the Property included prospecting, geological mapping, geochemical sampling, geophysical surveys and a six-hole diamond-drilling program. Solstice does not currently have a camp permitted as the previous Solstice field programs were supported either out Kodiak’s Kahuna Camp (2018), Rankin Inlet (2019) or from a small temporary fly camp (2020).

Solstice proposes annual exploration programs which include rock, soil, and till geochemical sampling, geological mapping, ground and/or airborne geophysical surveys and diamond or reverse circulation (RC) drilling of up to 20,000m. Field programs may commence as early as February, beginning with overland mobilization of equipment and supplies from Rankin Inlet along the Winter Trail. Drilling may then commence mid-March to mid-May to test targets below lakes, with drilling of land targets commencing mid-June through September. Ground based prospecting and sampling activities would follow in June once the land is free from snow and the Property surface is fully accessible.

II. PROCEDURAL HISTORY

On **July 20, 2021**, Solstice submitted an Amendment Application (Application) for their existing Licence. The following documents were submitted by the Applicant:

- Certificate of Incorporation Dunnedin Gold Inc.
- Certificate of Name Change to Solstice Gold Corp.

- Land Use Permit Inspection Form 08.06.20 (2020-KIV03-CW N2018C0020)
- 21EN008-NPC Conformity Determination
- 21EN008-Screening Decision Report-OT7E
- Abandonment & Restoration Plan
- APEX Permitting Authorization
- Application Water Licence Amendment
- Compliance Assessment Report
- Compliance Assessment
- Condensed Interim Financial Statements
- Emergency Response Plan
- Environmental Management Plan
- Exploration-Remote Camp Questionnaire
- Fuel Management Plan
- Golder Archaeological Study 2019 Confidential
- KIA License KVL318C01
- KIA License KVRW18F02
- Non-Technical Summaries in English and Inuktitut
- Project Description Figure
- Reclamation Cost Estimate
- Response to NIRB Screening Comments
- SGC- DVI Kahuna Project Community Consultation Log
- Spill Prevention and Response Plan
- Waste Management Plan
- 2019 Annual Report

The NPC conformity determination under *Nunavut Planning and Project Assessment Act* (NuPPAA) was received on February 17, 2021 and NIRB screening decision was received on May 25, 2021.

On **August 06, 2021**, the NWB concluded that the Application generally met the requirements of section 48(1) of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* (NWNSTRA or Act) and forwarded notice of the Application to interested parties. All parties were invited to make representations to the NWB within twenty-one (21) days by **August 27, 2021**. Before the deadline for comments elapsed, a submission was received from Crown Indigenous Relations and Northern Affairs Canada (CIRNA). The Applicant's responses to comments were received on September 02, 2021.

The NWB has placed in its Public Registry copies of the Application and all comments received from interveners. This information can be accessed on the NWB's FTP site using the following link:

<ftp://ftp.nwb-oen.ca/registry/2%20MINING%20MILLING/2B/2BE%20-%20Exploration/2BE-KGP1826%20Solstice%20Gold%20Corp/>

III. FILE HISTORY

According to information included on the NWB's FTP site, one licence have been issued by the Nunavut Water Board (NWB) to Solstice Gold Corp. in the past for its undertaking.

Licences Issued by the Nunavut Water Board

- Licence No: 2BE-KGP1823 which was issued on December 17, 2018 and is valid until December 16, 2023. The licence allows for the use of 200 cubic metres of water *per* day and the deposit of waste in support of a Mining undertaking.

IV. GENERAL CONSIDERATIONS

The following sections provide background information relevant to the terms and conditions included in this Licence, in the context of submissions received and/or the Board's rationale.

Term of the Licence

In accordance with s. 45 of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* (NWNSTRA or Act), the NWB may issue a licence for a term not exceeding twenty-five (25) years. In determining an appropriate term for a renewal licence, the Board generally takes into consideration several factors including interveners' comments, the Licensee's compliance history, as well as the rationale contained in the Application.

The Licensee requested, in their Application, an extension to the expiry date from December 16, 2023 to September 30, 2026. The Intervenors, in their submissions, did not object to the term requested for the renewal licence. The Board, in examining the compliance history of the licensee, felt that the requested extension of expiry was practical for the undertaking. The Board has therefore granted the term requested by the Licensee. In so doing, the Board believes and expects that the additional two-year term will provide the Licensee with significant opportunities to consistently abide by the terms and conditions in the Licence over time and provide ongoing compliance record prior to a need for renewal. The Amended Licence No: 2BE-KGP1826 is to replace the existing Licence No: 2BE-KGP1823.

Annual Reports

Under Part B, Item 1 of the Licence, the Licensee is required to submit Annual Reports for the purpose of ensuring that the NWB has an accurate annual update of activities related to Water use and Waste disposal during each calendar year. This information is maintained on the Public Registry and is available to interested parties upon request. A "Standardized Form for Annual Reporting" is to be used by the Licensee and is available from the NWB file transfer protocol (FTP) site under the Public Registry link at the NWB Website:

Water Use

The existing Licence permits the Licensee to use up to 200 cubic metres of freshwater *per* day. In the Application, the Licensee has applied to increase the water use to 299 cubic metres per day (10 m³/day for camp and 289 m³/day for drilling). No concerns were expressed by the interveners with respect to the requested quantity of freshwater, or to the manner in which it is obtained or used. Therefore, the Water use condition imposed by previous Water Licence has been amended into the Licence under Part C, Item 1.

Camp

The existing Licence does not allow for camp activities. In the Amendment Application, the Licensee has applied to operate a 40-person camp on the Kahuna Gold Property.

The Applicant stated that “all exploration activities will either be based out of a new Solstice Camp, located adjacent to the existing Kodiak Kahuna Camp or at the existing Kahuna Camp. Following the submission of the application to amend CIRNAC LUP N2018C0020 and NWB Water Licence 2BE-KGP1823 to the Nunavut Planning Commission (“NPC”) and Nunavut Impact Review Board (“NIRB”), Solstice management was informed by Claudia Tornquist, the CEO of Kodiak Copper, that it is Kodiak’s intention remove the Kodiak Camp from the field, reclaim the location and remove the Kodiak Camp from their CIRNAC LUP and NWB Water Licence. Solstice and Kodiak have entered into discussions, which include the potential for Solstice to either take over the Kodiak Camp or purchase some of the materials and items from Kodiak and relocate them to the new Camp location before the Kodiak Camp is removed”.

No concerns were expressed by the Intervener with respect to setting up a camp to support exploration activities. Therefore, the existing Water Licence has been amended to include conditions in Part E of the Licence for the installation and operation of a new Camp (called as Solstice Camp). The Board notes that the Kodiak Camp is currently within the scope of Water Licence 2BE-KDP1722, and if Solstice plans to take over the Kodiak Camp in the future, further amendments to Water Licences Nos: 2BE-KGP1823 and 2BE-KDP1722 will be required.

Waste Disposal

Combustible waste will be incinerated in a batch feed dual-chamber controlled air incinerator, in accordance with the Canada-Wide Standards (CWS) for Dioxins and Furans by the Canadian Council of Ministers of the Environment (CCME). Wastes that cannot be incinerated will be stored in appropriate containers until they can be removed from site for treatment and/or disposal at an accredited facility.

The Licensee has submitted the document titled “*Waste Management Plan, Kahuna Gold Property, Nunavut, Canada*” dated June 01, 2021 along with the Amendment Application package. This document is being approved by the NWB with the issuance of the Licence.

Spill Contingency Plan

The Licensee has submitted the document titled “*Spill Prevention and Response Plan, Kahuna Gold Property, Nunavut, Canada*” dated June 01, 2021 along with the Amendment Application package. This document is being approved by the NWB with the issuance of the Licence.

Abandonment and Restoration Plan

The Licensee has submitted the document titled “*Abandonment and Restoration Plan, Kahuna Gold Property, Nunavut, Canada*” dated June 01, 2021 along with the Amendment Application package. This document is being approved by the NWB with the issuance of the Licence.

Monitoring Plan

Part J of the Licence details the environmental monitoring requirements. Requirements are similar to the previous Licence.

It should also be noted that additional sampling may be required upon request by the Board or the Inspector.

Management Plans

The Board notes also that Applicant submitted a number of management plans in addition the ones stated above: Emergency Response Plan, Environmental Management Plan and Fuel Management Plan. No concerns were raised regarding these management plans. The Board appreciates submission of detailed information associated generally with the Project. The review of these management plans found that those activities pertaining to the NWB mandate and discussed within these plans are acceptable.



NUNAVUT WATER BOARD WATER LICENCE

Licence No: 2BE-KGP1826

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

SOLSTICE GOLD CORP.

(Licensee)

800 WEST PENDER STREET, SUITE 1020 VANCOUVER, BC, V6C 2V6

(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 renewal:

Licence Number/Type: **2BE-KGP1826 TYPE "B"**

Water Management Area: **WAGER BAY WATERSHED (15)**

Location: **KIVALLIQ REGION, NUNAVUT**

Classification: **MINING UNDERTAKING**

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

Quantity of Water use not to Exceed: **TWO HUNDRED NINETY NINE (299) CUBIC METRES *PER* DAY**

Date of Amended Licence issuance: **SEPTEMBER 28, 2021**

Expiry of Licence: **SEPTEMBER 30, 2026**

This Licence renewal, 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 1 of the Regulations at the Kahuna Gold Project, located approximately 10 km southwest of Chesterfield Inlet and 30 km northeast of Rankin Inlet within the Kivalliq Region, Nunavut.

- a. This Licence is issued subject to the conditions contained herein with respect to the taking of Water and the depositing 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” 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;

“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*;

“Bulk Fuel Storage Facility” means the fuel storage facility as described in the Application and supporting documents submitted on July 20, 2021;

“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;

“High Water Mark” means the usual or average level to which a body of water 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” 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**” 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 Water use fees for the right to use Waters shall be paid 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 31 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 Land for the reporting period;
 - c. Quantity of Water (in cubic metres/day) obtained for domestic and other purposes from sources on, in or flowing through Crown Land reporting period;
 - 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 the Spill Contingency Plan, Closure and Reclamation Plan, as required by Part B, Item 7, submitted in the form of an Addendum;
 - h. A description of all progressive and or final 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;
 - 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
P.O. Box 100
Iqaluit, NU X0A 0H0
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 Water for domestic camp use from a lake adjacent to the camp. Total camp Water use shall not exceed ten (10) cubic metres per day. Water for drilling purposes shall be obtained from local Water source(s), proximal to the drilling targets as outlined in the Application and shall not exceed two hundred eighty-nine (289) cubic metres per day. The volume of Water for all purposes under this Licence shall not exceed two hundred ninety-nine (299) 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, at least thirty (30) days prior to the use of Water of a sufficient volume that the source water body may be drawn down, the following: 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 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.
2. The Board has approved the Plan entitled “*Waste Management Plan, Kahuna Gold Property, Nunavut, Canada*”, dated June 01, 2021 that was submitted as additional information with the Application.
3. The Licensee shall not practice on-site land filling 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 Waste from the Kahuna Gold Project prior to any backhauling and disposal of Waste 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, or discharge it to a wetland area 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 Waste through incineration, chemical or composting toilets. Any remaining residue generated through the course of the operation shall be backhauled and disposed of in an approved Waste disposal site.
11. All Effluent discharge from the Bulk Fuel Storage Facility at the camp site shall not exceed the following effluent quality limits:

Parameter	Maximum Concentration of any Grab Sample (µg/L)
Benzene	370
Toluene	2
Ethylbenzene	90
Phenols	20
Oil and Grease	5000
pH	6 to 9 (pH units)

12. In the event that Effluent at the Bulk Fuel Storage Facility under Part D, Item 11 does not meet the required discharge criteria, it shall be considered hazardous Waste and be backhauled for proper disposal.

13. The Licensee shall, at least ten (10) days prior to initiating any release of Effluent, notify an Inspector. The notice shall include Effluent quality results, an estimate of volume and the proposed receiving location.

PART E: CONDITIONS FOR CAMPS, ACCESS INFRASTRUCTURE 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 of 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. The Licensee shall not mobilize heavy equipment or vehicles 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.
6. The Licensee shall, within ninety (90) days of completion of construction of facilities and/or infrastructure associated with the project, submit to the Board a Construction Summary Report along with stamped as-built plans and drawings, providing explanation to reflect any deviations from construction drawings taking into account construction and field decisions and how they may affect the performance of engineered facilities.
7. The Licensee will ensure that all stream crossings are at a minimum of five hundred (500) meters from spawning areas.
8. 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.

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 nontoxic, 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 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 Modifications are consistent with the NIRB Screening Decision;

- d. the Board has not, during the sixty (60) days following notification of the proposed Modifications, informed the Licensee that review of the proposal will require more than sixty (60) days; and
 - e. the Board has not 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 Prevention and Response Plan, Kahuna Gold Property, Nunavut, Canada*” dated June 01, 2021 that was submitted as additional information with the Application.
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 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 and the NWB, 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 Spill Line if the release is near or into a Water body.

PART I: CONDITIONS APPLYING TO CLOSURE AND RECLAMATION

1. The Board has approved the Plan entitled “*Abandonment and Restoration Plan, Kahuna Gold Property, Nunavut, Canada*” dated June 01, 2021 that was 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 components of the project no longer required for the Licensee’s operations.
4. The Licensee shall backfill and restore all sumps to the pre-existing natural contours of the land.
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 airstrip, if any, shall be re-graded to match natural contour 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, 2010. 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.

PART J: CONDITIONS APPLYING TO THE MONITORING PROGRAM

1. The Licensee shall measure and record, in cubic metres, the daily quantities of water that is used from sources located on, in or flowing through Crown Land, utilized for drilling and other purposes.
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 in writing.
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. Additional monitoring requirements may be requested by the Inspector.