

Application for Water Licence Renewal

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P.O. BOX 119 GJOA HAVEN, NUNAVUT XOB 1J0

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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 and request for background information	April 2013
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		



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APPLICATION FOR WATER LICENCE RENEWAL

Your application may be classified as a **renewal** only if all operations remain the same as previously licensed and only the term of the licence requires change. If your application contemplates:

- · a change to the volume of water authorized for use;
- a new activity related to water use or waste disposal;
- a new component related to water use or waste disposal;
- a change in predicted environmental impacts(s); and/or
- a change to any term or condition of the original licence

your application is **NOT** classified as a renewal but rather an amendment and will require submission of an Application for Water Licence Amendment. Licensees applying for combined renewal / amendment are also referred to the Application for Water Licence Amendment.

The applicant is referred to the NWB's Guide 7: <u>Licensee Requirements Following the Issuance of a Water Licensee</u> 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 - KLG1116

1

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 name of the current licensee in the absence of assignment of the		newal will only be issued in the
If the licensee is the same, but the <u>name</u> of the licensee has changed	l, attach a ce	ertificate of name change.
Name: Northern Empire Resources Corp.		
Address: 800 - 789 West Pender St. Vancouver, BC V6C 1H2		
Phone: (604) 646 8356 or (778) 895 - 8055 e-mail: olivia@ooleepeeka.com or jpaterson@northernemp	o.com	
2. LICENSEE REPRESENTATIVE CONTACT INFORMATION -	- If different	from Block 1.
Name:		
Address:		
Phone:		. •.
Phone:Fax: e-mail:		
Fax:		
Fax: e-mail:		
Fax: e-mail: (Attach authorization letter.)	vater licence	
e-mail: (Attach authorization letter.) 3. NAME OF PROJECT	vater licence	?
e-mail: (Attach authorization letter.) 3. NAME OF PROJECT Is the name of the project the same as that considered in the existing was a state of the project the same as that considered in the existing was a state of the project the same as that considered in the existing was a state of the project the same as that considered in the existing was a state of the project the same as that considered in the existing was a state of the project the same as that considered in the existing was a state of the project the same as that considered in the existing was a state of the project the same as that considered in the existing was a state of the project the same as that considered in the existing was a state of the project the same as that considered in the existing was a state of the project the same as that considered in the existing was a state of the project the same as that considered in the existing was a state of the project the same as that considered in the existing was a state of the project the same as that considered in the existing was a state of the project the same as that considered in the existing was a state of the project the same as the project the project the same as the project the project the same as the project the p		

4.	LOCATION OF UNDERTAKING		
Is the location of the undertaking the same as that considered in the existing water licence?			
		☑ Yes ☐ No	
Projec	t Extents		
NW:	Latitude: (60°28′42" N)	Longitude: (100°30'58" W)	
NE:	Latitude: (60°28′42" N)	Longitude: (100°16'51" W)	
SE:	Latitude: (60°23′15" N)	Longitude: (100°16'51" W)	
SW:	Latitude: (60°23′15" N)	Longitude: (100°30'58" W)	
Camp	Location(s)		
Latitud	le: (60°27′49″ N)	Longitude: (100°23′05″ W)	
5.	MAP		
	locations of the main components of th	e undertaking the same as those considered in the existing	
Are the	locations of the main components of th	e undertaking the same as those considered in the existing ☑ Yes ☐ No	
Are the licence	locations of the main components of th	☑ Yes ☐ No	

6.	NATURE OF INTEREST IN THE LAND		
Is the nature of the interest in the land the same as that considered in the existing water licence?			
	☑ Yes	□No	
	any of the following that are applicable to the proposce' header must be checked).	sed undertaking (at least one box under the	
	Sub-surface		
	☐ Mineral Lease from Nunavut Tunngavik Incorpora		
	☐ Mineral Lease from Indian and Northern Affairs C Date (expected date) of issuance: I		
	Surface		
	☑ Crown Land Use Authorization from Indian and N Date (expected date) of issuance: N2011C0011 Date extension submitted March 20, 2016)		
	☐ Inuit Owned Land (IOL) Authorization from Kitikm Date (expected date) of issuance: [
	☐ IOL Authorization from Kivalliq Inuit Association (IDate (expected date) of issuance: [
	☐ IOL Authorization from Qikiqtani Inuit Association Date (expected date) of issuance: [
	Commissioner's Land Use Authorization Date (expected date) of issuance:	Date of expiry:	
	Other		
	Date (expected date) of issuance:	Date of expiry:	
Is the r	name of the entity(s) holding authorizations the same	as that considered in the existing water licence?	
	☑ Yes	□No	
If No, a	a licence assignment must be completed and approve	ed by the NWB.	
Name	of entity(s) holding authorizations: Northern Empir	re Resources Corp.	

7. NUNAVUT PLANNING COMMISSION (NPC) DETERMINATION
Is the undertaking located in the same land use planning area as that considered in the existing licence?
☑ Yes ☐ No
Indicate the land use planning area in which the project is located.
□ North Baffin ☑ Keewatin □ South Baffin ☐ Sanikiluaq □ Akunniq ☐ 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. April 10, 2013
Does the proposed renewal 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.
Please see attached file: 2015-10-23 NPC Letter re Review of Project Proposals.pdf
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. May 31, 2011
Does the proposed renewal 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
After contacting NIRB, we understand that the new Nunavut Planning and Project Assessment Act, which came into force July 2015, adjusted the responsibilities and decision making powers between the NIRB, NWB, and the Nunavut Planning Commission and that a letter from NIRB confirming that a screening decision is not required is no longer necessary. Please see attached file: 2015-10-23 NPC Letter re Review of Project Proposals.pdf

9. DESCRIPTION OF UNDERTAKING		
Is the description of the undertaking the same as that considered in the existing water licence?		
☑ Yes □ No		
List and attach plans and drawings or project proposal.		
Attached is the Project Description from 2013 (2013 Project Description Oct12.pdf) when Northern Empire (previously Prosperity Goldfields Corp.) applied and was granted amendments to its water licence. At this time, Northern Empire does not have any plans to conduct any field work due to poor market conditions.		
10. OPTIONS		
Are the alternative methods and locations that were considered to carry out the project the same as those considered in the existing water licence?		
☐ Yes ☑ No		
Provide a brief explanation of the alternative methods or locations that were considered to carry out the project.		
No alternative methods or locations are being considered.		
11. CLASSIFICATION OF PRIMARY UNDERTAKING		
Is the primary undertaking the same as that considered in the existing water licence?		
☑ Yes ☐ No		
Indicate the primary classification of undertaking by checking one of the following boxes.		
☐ Industrial ☐ Agricultural ☐ Agricultural ☐ Agricultural ☐ Mining and Milling (includes exploration/drilling/exploration camps) ☐ Conservation ☐ Municipal (includes camps/lodges) ☐ Recreational		
Power Miscellaneous (describe below):		
See Schedule II of the Northwest Territories Waters Regulations for Description of Undertakings.		
12. WATER USE		
Is the type(s) of water use(s) the same as that considered in the existing water licence?		
☑Yes □ No		
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 divert a watercourse ☐ To modify the bed or bank of a watercourse ☐ To alter the flow of, or store water ☐ Other: 		

13. QUANTITY OF WATER INVOLVED
Is the source of water the same as that considered in the existing licence? Yes No Name of water source(s): Kiyuk Lake, Cobalt, Gold Point, Rusty, North Snake, Amundsen, Bancroft, Anderson (please see attached map: WaterLicense_WaterSource_20160419.jpg)
Is the quality of the water source and its available capacity the same as that considered in the existing licence? ☑ Yes ☐ No
Describe the quality of the water source(s) and the available capacity(s): Kiyuk Lake is approximately $5 \text{ km } (E-W)$ by $4 \text{ km } (N-S)$ and has provided camp with a clean source of drinking water during previous field programs. The other water sources (lakes) were only used for drilling purposes but were surveyed prior to usage to ensure they were volumetrically suitable for drilling activities.
Is the overall estimated quantity of water to be used the same as that considered in the existing licence? ☑ Yes ☐ No
Provide the overall estimated quantity of water to be used: 160 m³/day This amount would only be used if Northern Empire continued field work which included drilling which it has no plans of doing so at this time.
Are the quantity(s) of water to be used from each source the same as those considered in the existing
licence? ☑ Yes ☐ No
Provide the estimated quantity(s) of water to be used from each source: Northern Empire is not able to provide an estimate at this time as it does not have plans to conduct any field work at this time.
Are the quantity(s) of water to be used for each purpose the same as those considered in the existing licence? Yes \sum \subset No
Provide the estimated quantities to be used for each purpose (camp, drilling, etc.): Currently, the Kiyuk Lake Property is permitted for up to 160m³/day of water usage.
Are the method(s) of extraction the same as those considered in the existing licence? ☐ Yes ☐ No
Describe the method(s) of extraction: No extraction is planned at this time.
Are the quantity(s) of water returned to source(s) the same as those considered in the existing licence? ☑ Yes ☐ No
Estimated quantity(s) of water returned to source(s): No field work, and therefore no water usage is required at this time.
Are the quality(s) of water(s) returned to source(s) the same as those considered in the existing licence?
☑ Yes ☐ No
Describe the quality(s) of water(s) returned to source(s):

14. WASTE	
Are the type(s) of waste(s) to be generate licence?	ed and/ or deposited the same as those considered in the existing
	☐ Yes ☑ No
Check the appropriate box(s) to indicate	the types of waste(s) generated and deposited.
☑ Sewage	☑ Waste oil
☑ Solid Waste	☑ Greywater
☑ Hazardous	Sludges
☑ Bulky Items/Scrap Metal	Contaminated soil and/or water
Animal Waste	
Other (describe):	1

15. QUANTITY AND QUALITY OF WASTE INVOLVED	
Are the quantity(s) of the types of wastes involved the same as those considered in the existing licence?	
☑ Yes □ No	
Are the composition(s) of the types of wastes involved the same as those considered in the existing licence?	
☑ Yes □ No	
Are the method(s) of treatment for the types of waste involved the same as those considered in the existing licence?	
☑ Yes □ No	
Are the method(s) of disposal for the types of waste involved the same as those considered in the existing	
licence? ☑ Yes □ No	
For each type of waste indicated in Block 14, describe its composition, quantity in cubic meters/day, method of treatment and method of disposal.	
Please see table below and note that no waste has been generated since 2013.	

Type of Waste	Composition	Quantity Generated	Treatment Method	Disposal Method
Sewage	Organic Waste	0.5 m ³ /day	Pacto Bag	Incinerated on site. Ashes barreled and transported to approved disposal site in MB.
Grey Water	Camp	1.5 m ³ /day	Evaporation	Sumped 31 m above high water mark, back filled.
Hazardous	Paints, solvents and machinery related substances.	<0.01 m ³ /day	Collection and appropriate storage until removal	Transported to an approved disposal facility in MB.
Solid Waste	Camp and domestic related waste	0.5 m³/day	Collection and appropriate storage until removal	Combustible materials burnt in a vented base fuel fed incinerator. Ashes barreled and transported to approved disposal site in MB. Non-combustible waste materials transported to approved disposal site in MB.
Waste Oil	Used oil from drill equipment	0.02 m ³ /day	Collection and appropriate storage until removal.	Transported to an approved disposal or recycling facility in MB.
Bulky Items/Scrap Metal	Non- combustible	0.3 m³/day	Collection and appropriate storage until removal	Back hauled to recycling or approved disposal site in MB.

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16. OTHER AUTHORIZATIONS	
In addition to the sub-surface and surface land use authorizations provided in Block 6, are the same authorizations required as considered in the existing licence?	
☐ Yes ☑ No	
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	
Are predicted environmental impacts of the undertaking and proposed mitigation measures the same as those considered in the existing water licence?	€
☑ Yes □ No	
Describe direct, indirect, and cumulative impacts related to water and waste.	
Although no field work is planned at this time, progressive reclamation will be implemented whereby every site will be reclaimed by ensuring that it is properly cleaned and that all equipment, debris and fuel is removed and the site is restorant left in a condition whereby natural re vegetation can occur. Water used at drill sites is deposited into a sump located, at minimum, 31 m away from any water body and in a depression. Camp grey water is collected in a sump which is located several hundred metres from any surrounding waterbodies. All waste is transported off site for disposal.	er ed

18. WATER RIGHTS OF EXISTING AND OTHER WATER USERS
Are the effects of the undertaking on 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, the same as those considered in the existing water licence?
☑ Yes ☐ No
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.
Advise the Board if compensation has been paid and/or agreement(s) for compensation have been reached with any existing or other users.
Northern Empire Communicates with local stakeholders in the area although no effects on the water source, Kiyuk Lake are anticipated. Lac Brochet and Tadoule Lake are the closest communities to Kiyuk Lake. Below are the contacts for those communities.
Chief and Council Northlands Denesuline First Nation General Delivery Lac Brochet, MB ROB 2E0 Attn: Chief Leo Dettanikkeaze ph (204) 337-2270 Chief and Council Sayisi Dene First Nation General Delivery Tadoule Lake, MB ROB 2C0 Attn: Chief Leo Dettanikkeaze ph (204) 684-2022
19. INUIT WATER RIGHTS
Are the effects of the undertaking on the quality, quantity or flow of waters flowing through Inuit Owned Land (IOL) the same as those considered in the existing water licence?
☐ Yes ☑ No
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.
Please see attached community consultation log.

21. SECURITY INFORMA	TION			
Is the financial security assessment the same as that considered in the existing water licence?				
	☑ Yes □ No			
Is the estimate of the total finalicence?	ncial security for final reclamation the same as that considered in the existing water			
✓ 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.				
Please see attached of FINAL.pdf	ocument: NM FS 2015-03-31 Final.pdf and NM 2015 FS DEC 31 2015			
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 <i>Mine Site Reclamation Policy for Nunavut</i> , Indian and Northern Affairs Canada, 2002.				
22. FINANCIAL INFORMA	TION			
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.			
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 James Paterson John Robins Darryl Cardey Adrian Fleming Doug Hurst Jeff Sundar Vivien Chuang	the company. President, CEO & Director Chairman of the Board, Director Director Director Director Vice President, Corporate Development CFO			
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.				
Certificate of Incorporation and Amalgamation attached.				

23. STUDIES UNDERTAKEN TO DATE						
List and attach updated studies, reports, research etc.						
An archaeological survey was undertaken in the spring of 2011 and report submitted to NIRB. No archaeological sites were identified. Please see attached "Reports" folder.						
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.						
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						
Is the time schedule for all phases of development (construction, operations, closure and post closure) the same as that considered in the existing licence?						
☐ Yes ☑ No						
Indicate the proposed start and completion dates for each applicable phase of development (construction, operation, closure, and post closure). No construction, operation, closure or post-closure plans at the time.						
Construction Proposed Start Date: Proposed Completion Date: (month/year)						
Operation						
Proposed Start Date: Proposed Completion Date: (month/year) (month/year)						
Closure Proposed Start Date: Proposed Completion Date:						
(month/year) (month/year)						
Proposed Start Date: Proposed Completion Date: (month/year) (month/year)						
(month/year) (month/year)						
For each applicable phase of development indicate which season(s) activities occur.						
No construction, operation, closure or post-closure plans at the time.						
Construction ☐ Winter ☐ Spring ☐ Summer ☐ Fall ☐ All season						
Operation Winter Spring Summer Fall All season						
<u>Closure</u> ☐ Winter ☐ Spring ☐ Summer ☐ Fall ☐ All season						
Post - Closure ☐ Winter ☐ Spring ☐ Summer ☐ Fall ☐ All season						

25. PROPOSED TERM OF LICENCE	•						
23. FROFOSED TERM OF EIGENGE							
On what date does the existing licence expire? June 10, 2016							
Indicate the proposed term of the renewal (maximum of 25 years): June 10, 2026							
Requested date of renewal issuance:	June 2016 Requested Expiry Date: (month/year)		June, 2026 (month/year)				
(The requested date of renewal issuance must be <u>at least</u> three (3) months from the date of application for a type B water licence and <u>at least</u> 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 <i>Guide 5: <u>Processing Water Licence Applications</u> for more information)</i>							
26. ANNUAL REPORTING		:					
Is the annual report template expected to be the same as that considered in the existing licence?							
	☑ Yes ☐ N	o					
If not using the NWB's <u>Standardized Form for Annual Reporting</u> , 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 renewal for the water licensing process to begin.							
	Completed Application for Water Licence Renewal form.						
	☑ Yes	□No	If no, date expected				
	Updated plans, including designs and reports (see Block 23).						
	☐Yes	□No	If no, date expected No field work planned at this time				
	Updated security assessment (see Block 21).						
	☑ Yes	□No	If no, date expected				
	Updated financial statement (see Block 22).						
	☑ Yes	□No	If no, date expected				
	Compliance Assessmer	nt / Status Report (see Block 23).				
	☑ Yes	□No	If no, date expected				
	English Summary of Renewal Application.						
	Yes	□No	If no, date expected				
	Inuktitut and/or Inuinnaqtun Summary of Renewal Application.						
	☐Yes	□No	If no, date expected				
	Application fee of \$30.00 CDN (Payee Receiver General for Canada).						
	Yes	□No	If no, date expected				
ŀ	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						
(print name) certify that the application requires no changes to water use or waste disposal as previously authorized and that the information given on this form is, to the best of my knowledge, correct and complete.							
Signatur		<u>Ост. 1Ч</u> Date	7016				