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NUNAVUT WATER BOARD
NUNAVUT IMALIRIYIN KATIMAYINGI
OFFICE DES EAUX DU NUNAVUT

File No.: 2BE-MLL1517 / Renewal

June 30, 2017

Merle Keefe, Environmental Engineer
Sabina Gold and Silver Corp.
Suite 375 – 555 Burrard Street
Vancouver, B.C. V7X 1M7

Email: mkeefe@sabinagoldsilver.com

RE: NWB Renewal Licence No. 2BE-MLL1722

Dear Mr. Keefe:

Please find attached renewal Licence No. **2BE-MLL1722**, issued to Sabina Gold and Silver Corp. by the Nunavut Water Board (NWB) pursuant to its authority under Article 13 of the *Agreement between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in Right of Canada (Nunavut Agreement)*. The terms and conditions of the attached Licence related to Water use and waste deposit are an integral part of this approval.

If the Licensee contemplates the renewal of this Licence, it is the responsibility of the Licensee to apply to the NWB for its renewal. The past performance of the Licensee, new documentation and information, and issues raised during a public hearing, if the NWB is required to hold one, will be used to determine the terms and conditions of the Licence renewal. Note that if the Licence expires before the NWB issues a new one, then Water use and Waste deposit must cease, or the Licensee may be in contravention of the *Nunavut Agreement* and the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*. However, the expiry or cancellation of a licence does not relieve the holder from any obligations imposed by the licence. The NWB recommends that an application for the renewal of this Licence be filed at least **three (3) months** prior to the Licence expiry date. It should be noted that in accordance with s. 75 (1) (a) of the *Nunavut Planning and Project Assessment Act* (NuPPAA), the Board is not allowed to issue a permit or authorization for a project proposal that has not been submitted to the Nunavut Planning Commission (NPC) for its determination.

If the Licensee contemplates or requires an amendment to this licence, the NWB may decide, in the public's interest, to hold a public hearing. The Licensee should submit applications for amendment as soon as possible to give the NWB sufficient time to go through the amendment 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 from interested persons on issues identified. This information is attached for your consideration.¹

Sincerely,

Thomas Kabloona
Nunavut Water Board
Chair

TK/sj/ip

Enclosure: **Renewal Licence No. 2BE-MLL1722**

Comments – INAC

Cc: Kitikmeot Distribution List

¹ Indigenous and Northern Affairs Canada (INAC), April 26, 2017.

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A. Introduction

The Wishbone-Malley Project is a mining exploration project that is part of the wider Back River Project, owned and operated by Sabina Gold and Silver Corporation (the Licensee or Applicant). The project is located near Bathurst Inlet in the Kitikmeot Region of Nunavut.

In 2012, the Nunavut Water Board (NWB or Board) issued an initial five (5) year licence to the Wishbone-Malley Project to allow for the use of waters and the deposit of waste in support of exploration activities. As this licence expired in March 2017, the Applicant submitted, for the Board's consideration, an application to renew the expired licence to allow for the continued use of waters and deposit of waste in support of exploration activities for another five (5) year period.

B. Procedural History

The above-mentioned application and supporting information (the Application) received for renewal of the licence contained the following documents:

February 17, 2017 Submission

- Application for Water Licence Cover Letter Renewal;
- Attachment 1: Application for Water Licence;
- Attachment 2: Location Map;
- Attachment 3: NPC Email Regarding Conformity, December 8, 2011;
- Attachment 4: NIRB August 5, 2010 Exemption Letter;
- Attachment 5: INAC Land Use Permit Inspection Report;
- Attachment 6: Non-Technical Summaries English, Inuktitut, and Inuinnaqtun;
- Attachment 7: Certificate of Good Standing;
- Attachment 8: A& R Plan;
- Attachment 9: Comprehensive Spill Contingency Plan;
- Attachment 10: Comprehensive Waste Management Plan;
- Attachment 11: Comprehensive Hazardous Materials Management Plan; and
- Land Use Permit N2012C0003 Extension Approval.

May 8, 2017 Submission

- Cover Letter Regarding Review of Application for Renewal of Water Licence No. 2BE-MILL1217;
- *Comprehensive Spill Contingency Plan – Wishbone-Malley*, May 2017;
- *Back River Project Abandonment and Restoration Plan, Wishbone –Malley Exploration Area,* May 2017; and
- *Comprehensive Waste Management Plan, Wishbone-Malley*, May 2017.

Application Scope

The scope of the application includes but is not limited to staking, prospecting, and reconnaissance geology; geological mapping and geochemical surveys; aerial, ground, and down hole geophysical surveys, and mechanical and hand trenching/stripping; construction of ice strip depending on exploration activities and resupply activities; establishment of a sixty (60) person seasonal camp; establishment of a thirty (30) person temporary camp; and reclamation of drill sites; and site clean-up and progressive reclamation

Following receipt and an internal preliminary review, the NWB distributed the application on March 31, 2017 for a thirty (30) day review and comment period with the deadline for submission set for April 24, 2017. Two (2) days subsequent to the comment-period deadline, the NWB received a submission from Indigenous and Northern Affairs Canada (INAC). INAC in its submission recommended that specific management plans submitted in support of the Application be updated and resubmitted to the Board for consideration.

With respect to pre-licensing issues, the Nunavut Planning Commission (NPC) issued correspondence¹ indicating that the project proposal falls outside of the areas with applicable land use plans in place and that a screening determination is not required as the previous screening decision issued is to the project remains applicable.

C. File History:

The NWB has issued one Type “B” water licence to the project in the past:

- Licence No. 2BE-MLL1217 was issued to the project on March 27, 2012 and expired on March 26, 2017. The Licence allowed for the use of two hundred (200) cubic metres of water per day and the deposit of waste in support of an mining exploration program.

D. General Considerations

The following sections provide general overviews of the rationale for some of the main terms and conditions included under the renewed licence.

Term of the Licence

In accordance with s. 45 of the *Act*, the NWB may issue a licence for a term not exceeding twenty-five (25) years. The Applicant, Sabina Gold and Silver Corp., requested a five (5) year term for the licence, which the Board considers consistent for the undertaking and has therefore granted the requested term.

Annual Report

As a requirement of section 14(1) of the *Nunavut Waters Regulations* and in accordance with the terms and conditions generally included in all licences issued by the Board, the NWB has included under Part B, Item 1 of this Licence, requirements for the Licensee to submit to the Board, for review, prior to the 31st of March annually, a report detailing water use and/or waste deposit activities for the undertaking for the year preceding the report’s filing. The Board provides public access to the information submitted in licensees’ annual reports through its ftp site as well as upon request from interested parties.

The NWB has included on its website a standardized form for annual reporting that licensees can use to submit annual reporting information, supplemented by other relevant details. A copy of the NWB’s generic Annual Report Form can be obtained from the NWB upon request or electronically from the NWB’s FTP site using the following link:

<ftp://ftp.nwb-oen.ca/other%20documents/Standardized%20Forms/>

¹ Nunavut Planning Commission, determination, March 22, 2017.

Water Use

The Applicant did not request any changes to the quantity of freshwater required in support of the undertaking, consequently, the Board has authorized the same quantity of water as was authorized under the expired licence. The Licensee is authorized to use a maximum of two hundred (200) cubic metres of water per day, with seventy (70) cubic metres being allocated for domestic purposes and one-hundred and thirty (130) cubic metres allocated for drilling purposes.

Project Extents

Apart from the Type “B” licence being renewed, the NWB has issued two other Type “B” licences, 2BE-GEO1520 and 2BE-GOO1520, for undertakings associated with the wider Back River Project that is currently proceeding through the NIRB’s regulatory process. Given the proximity of the project extents for the various licences, there exist some overlap. To tentatively address this issue without necessarily amending all of the licences involved currently, the Applicant recommended that it would treat areas under the renewed licence that overlap with Licence No. 2BE-GEO1520 and 2BE-GOO1520 as if they were solely under the project extents of Licence No. 2BE-GEO1520 and/or Licence 2BE-GOO1520. The NWB concurs with the suggested approach as an interim solution.

E. Deposit of Waste

In terms of waste generated, the applicant indicated that project waste will include sewage, greywater, solid waste, hazardous waste, bulky items/scrap metal, waste oil, drill sludge, and contaminated soil and/or water.

The Applicant proposes to dispose of sewage through the use of Pacto toilets followed by incineration and offsite disposal of residue; Solid waste will be incinerated and the residue transported offsite for disposal; waste oil will be burned in waste oil furnaces; Bulky Items / Scrap metal and contaminated soil and/or water will be backhauled offsite for disposal; and Drill sludge and Greywater will be disposed of to sumps. The Board has included, under Part D of the renewed licence, terms and conditions governing the disposal of waste generated by the Project.

F. Management Plans

The Application included six (6) management plans for the Board’s consideration. While the Board has reviewed all of the management plans submitted, it has approved the following plans with issuance of the renewed licence:

Comprehensive Waste Management Plan

An updated plan entitled, *Comprehensive Waste Management Plan, Wishbone-Malley*, dated May 2017, was submitted to address intervenor’s concerns, which the Board approved under Part D, Item 1 of the Licence.

Comprehensive Spill Contingency Plan

As requested by INAC, an updated plan entitled *Comprehensive Spill Contingency Plan – Wishbone-Malley*, dated May 2017, was submitted by the Applicant following the public

review period to address the comments / recommendations made by the intervening party regarding the plan. The Board has approved the Plan under Part H, Item 1 of the Licence.

Closure and Reclamation

Similar to the spill contingency Plan, an updated plan entitled *Back River Project Abandonment and Restoration Plan, Wishbone – Malley Exploration Area*, dated May 2017, was submitted by the Licensee to address INAC's concerns raised during the review period for the file. The Board has approved the plan under Part I, Item 1 of the Licence.

G. MONITORING

Under the monitoring section of the licence, conditions have been included requiring the Licensee to undertake general monitoring. The Licensee should note, however, that the Board and/or an inspector may request that additional monitoring be conducted as may be required.

DECISION

LICENCE NUMBER: 2BE-MLL1722

This is the decision of the Nunavut Water Board (NWB) with respect to an application dated February 8, 2017 for the renewal of a Water Licence made by:

SABINA GOLD AND SILVER CORP.

to allow for the use of water and the deposit of waste during camp operations and activities related to a mining exploration project that includes prospecting, geological mapping, geophysical surveys mechanical and hand trenching/stripping, possible ice strip construction, establishment of temporary and/or seasonal camps and related activities at the Wishbone-Malley Project located within Kitikmeot Region, Nunavut, generally located at the following geographical coordinates:

Latitude: 66° 00' 00" N	Longitude: 109° 00' 00" W
Latitude: 66° 00' 00" N	Longitude: 106° 45' 00" W
Latitude: 66° 45' 00" N	Longitude: 106° 45' 00" W
Latitude: 66° 45' 00" N	Longitude: 109° 00' 00 W (Project Extents)
Latitude: 65° 28' 35" N	Longitude: 107° 37' 31" W (Rocky Camp)
Latitude: 65° 24' 18" N	Longitude: 107° 39' 48" W (Rocky 2 Camp)

For the purpose of this Licence and in cases where the above-mentioned project extents overlap with the project extents of Licence No. 2BE-GEO1520 and/or 2BE-GOO1520, the respective areas of overlap will be tentatively treated as if they were specifically under Licence No. 2BE-GEO1520 and 2BE-GOO1520, respectively.

DECISION

After having been satisfied that the Application is for a proposal that falls outside of an area with an approved land use plan in place, exempt from section 235 of *Nunavut Planning and Project Assessment Act* (NuPPA), and exempt from screening in accordance with section 12.4.3 of the *Nunavut Agreement*, as determined by the Nunavut Planning Commission (NPC)², 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* (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*

² Nunavut Planning Commission, Determination, dated, March 22, 2017.

and of the *Act*, waived the requirement to hold a public hearing, and determined that:

Licence No. 2BE-MLL217 be renewed as Licence No. 2BE-MLL1722 subject to the terms and conditions contained therein (Motion #: 2017-B1-010).

Signed this 30th day of June 2017 at Gjoa Haven, NU.

Thomas Kabloona
Nunavut Water Board
Chair

TK/sj/ip



NUNAVUT WATER BOARD WATER LICENCE RENEWAL

Licence No. 2BE-MLL1722

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

SABINA GOLD AND SILVER CORP.

(Licensee)

SUITE 375 – 555 BURNARD STREET, VANCOUVER, B.C. V7X 1M7

(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-MLL1722 / TYPE “B”**

Water Management Area: **QUEEN MAUD GULF (#30) AND BACK (#31)
WATERSHEDS**

Project / Location: **WISHBONE-MALLEY PROJECT/ KITIKMEOT REGION,
NUNAVUT**

Classification: **MINING UNDERTAKING**

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

Quantity of Water use not
to Exceed: **TWO HUNDRED (200) CUBIC METRES PER DAY**

Date of Licence Issuance: **JUNE 30, 2017**

Expiry of Licence: **JUNE 29, 2022**

This Licence renewal, issued and recorded at Gjoa Haven, Nunavut, includes and is subject to the annexed conditions.

**Thomas Kabloona,
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 Wishbone-Malley Project, located approximately 120 kilometres south of Bathurst Inlet, in the Kitikmeot 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;

“**Applicant**” means the Licensee;

“**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*;

“**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);

“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 or Sumps” 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, payable to the Receiver General for Canada, shall be sent to the Board annually for the right to the use of water 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 the 31st March 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 during the reporting period for domestic and other purposes from sources on, in or flowing through Inuit-owned land;
 - c. Quantity of water (in cubic metres/day) obtained reporting period for domestic and other purposes from sources on, in or flowing through Crown Land;
 - d. Quantity of waste disposed of at 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, and other management Plans required by Part B, Item 7, submitted in the form of an Addenda;
 - 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. A summary of public consultation/participation, describing consultation with local organizations and residents of the nearby communities, if any were conducted;
 - o. 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, INAC
Nunavut District, Nunavut Region
P.O. Box 100
Iqaluit, NU X0A 0H0
Telephone: (867) 975-4295
Fax: (867) 979-6445

10. The Licensee shall submit one (1) paper copy and one (1) 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 and Inuinnaqtun.
11. The Licensee shall ensure that any document(s) or correspondence submitted by the Licensee to the NWB is received and acknowledged by the Manager of Licensing.
12. This Licence is assignable as provided for in section 44 of the *Act*.

PART C: CONDITIONS APPLYING TO WATER USE

1. The Licensee shall obtain all water for domestic camp use from sources proximal to camp facility. Total camp water use shall not exceed seventy (70) cubic metres per day. Water for drilling shall be obtained from source(s), proximal to the drilling targets as outlined in the Application and shall not exceed one hundred and thirty (130) cubic metres per day. The volume of water for all purposes under this Licence shall not exceed two hundred (200) cubic metres per day.
2. The Licensee shall provide a notice to an Inspector and the Board that includes the coordinates of each water source to be used for the purposes outlined in Part C, Item 1, at least ten (10) days prior to using the water source.
3. If the Licensee requires water in sufficient volume that the source water body may be drawn down the Licensee shall, at least thirty (30) days prior to commencement of use of water, submit to the Board for approval in writing the following: volume required, hydrological overview of the water body, details of impacts, and proposed mitigation measures.
4. 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.
5. The Licensee shall not remove any material from below the ordinary high water mark of any water body unless authorized.

6. The Licensee shall not cause erosion to the banks of any body of water and shall provide necessary controls to prevent such erosion.
7. 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 Board has approved the plan entitled *Comprehensive Waste Management Plan, Wishbone-Malley*, dated May 2017 that was submitted as additional information for the application.
2. 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.
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 for review documented authorization from all communities in Nunavut receiving wastes from the Wishbone-Malley Project prior to the backhauling and disposal of wastes 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, unless otherwise approved by the Board in writing.
10. The Licensee shall contain all toilet wastes through the use of Pacto Toilets followed by incineration. The residue generated from combustion shall be backhauled for disposal at

an approved waste disposal facility or as otherwise approved by the Board in writing.

PART E: CONDITIONS FOR CAMPS, ACCESS INFRASTRUCTURES AND OPERATIONS

1. The Licensee is allowed to establish two (2) temporary or seasonal camps in support of the project or as otherwise authorized by the Board in writing.
2. The Licensee shall provide notice to an Inspector and the Board that includes the coordinates of each temporary or seasonal camp referred to in Part E, Item 1, at least fifteen (15) days prior to establishing the camp(s).
3. 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.
4. All activities shall be conducted in such a way as to minimize impacts on surface drainage and the Licensee shall immediately undertake any corrective measures in the event of any impacts on surface drainage.
5. 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.
6. 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 a 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.

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 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.

PART G: CONDITIONS APPLYING TO MODIFICATIONS

1. The Licensee may, without written consent from the Board, carry out Modifications to the Water and Waste management facilities or structures 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 *Comprehensive Spill Contingency Plan – Wishbone-Malley*, dated May 2017 and submitted as additional information for 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) 975-4295; and
- c. For each spill occurrence, submit to the Inspector and the Baord, 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, OR TEMPORARY CLOSURE

1. The Board has approved the Plan entitled *Back River Project Abandonment and Restoration Plan, Wishbone –Malley Exploration Area*, dated May 2017 and submitted as additional information for 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, sewage/ washwater pits 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 cores 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 the extent possible to pre-disturbed state 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 used from sources located on, in or flowing through Crown Land, utilized for camp, 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 include in the Annual Report required under Part B, Item 2 all data, monitoring results and information required by this Part.