

General Water Licence Application (Application for a new Water Licence)

Document Date: April 2013

**Application Submission Date:** 

May 11, 2023 Month/Day/Year

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## DOCUMENT MANAGEMENT

Original Document Date: April 2010

### **DOCUMENT AMENDMENTS**

	Description	Date
(1)	Updated for public distribution as separate document	June 2010
	from NWB Guide 4	
(2)	Updated NWB logos and reformatted table to allow rows	May 2011
	to break across page	
(3)	Update NWB logo	April 2013
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
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# GENERAL WATER LICENCE APPLICATION (APPLICATION FOR NEW WATER LICENCE)

The applicant is referred to the NWB's Guide 4: <u>Guide to Completing and Submitting a Water Licence Application for a New Licence</u> for more information about this application form.

### LICENCE NO:

(for NWB use only)

1. APPLICANT (PROPOSED LICENSEE)
CONTACT INFORMATION (name, address)

SPC Nickel Corp. 1351C, Kelly Lake Road, Unit 9 Sudbury, Ontario P3E 5P5

Phone: (705) 669-1777

e-mail: gmourre@spcnickel.com

2. APPLICANT REPRESENTATIVE CONTACT INFORMATION if different

from Block 1 (name, address)

Tara Gunson

APEX Geoscience Ltd. #100, 11450 160 St. NW Edmonton, AB, T5M 3Y7 Phone: (780) 467-3532

e-mail: tgunson@apexgeoscience.com

(Attach authorization letter.)

See "220328 - SPC Muskox Nickel Project - APEX Permitting Authorization"

3. NAME OF PROJECT (including the name of the project location)

Muskox Nickel Project

### 4. LOCATION OF UNDERTAKING

### **Project Extents**

NW: Latitude: (67°04'2.27" N) Longitude: (115°23'55.85" W)
NE: Latitude: (67°03'27.52" N) Longitude: (114°37'32.52" W)
SE: Latitude: (66°11'22.39" N) Longitude: (114°42'26.68" W)
SW: Latitude: (66°11'55.71" N) Longitude: (115°27'13.71" W)

### Camp Location(s)

The project will require the establishment of a seasonal 20 person exploration camp with fuel cache to be constructed in one of 2 possible locations. The current potential locations are near:

1. Stanbridge Lake Latitude: (66°52'51.088"N) Longitude: 115°3'29.673"W)

585068E/7419424N, NAD83 Zone 11

2. Marceau Lake Latitude: (66°25'30.123"N) Longitude: 114°59'1.726"W)

589970E/ 7368738N, NAD83 Zone 11

5.	<b>MAP</b> - Attach a topographical map, indicating the main components of the undertaking. See "230206 - SPC Muskox Nickel Project Property Location Figure."						
	NTS Map Sheet No.: 086O NTS Map Sheet No.: 086J	Map Name: Copperm Map Name: Hepburn	nine Lake	Map Scale: 1:250,000 Map Scale: 1:250,000			
6.	<b>NATURE OF INTEREST IN THE LAND</b> - Check any of the following that are applicable to the proposed undertaking (at least one box under the 'Surface' header must be checked).						
	Sub-surface						
	☐ Mineral Lease from Nunavut Tunngavik Incorporated (NTI)  Date (expected date) of issuance: Date of expiry:						
	☐ Mineral Lease from Indian and Northern Affairs Canada (INAC)  Date (expected date) of issuance: Date of expiry:						
	Surface						
	X Crown Land Use Authorization from Indian and Northern Affairs Canada (INAC) Date (expected date) of issuance: under application Date of expiry: TBA						
	X Inuit Owned Land (IOL) Authorization from Kitikmeot Inuit Association (KIA) - KTL122B004 Date (expected date) of issuance: June 10, 2023 Date of expiry: June 9, 2023 SPC is applying to upgrade KIA Land Use Licence KTL122B004 to a Class III in order to include diamond drilling on IOL CO-52 and CO-60.						
	☐ IOL Authorization from Kivalliq Inuit Association (KivIA)  Date (expected date) of issuance: Date of expiry:						
	☐ IOL Authorization from Qikiqtani Inuit Association (QIA)  Date (expected date) of issuance: Date of expiry:						
	Commissioner's Land Use A Date (expected date) of issuance		ate of expir	y:			
	Other: Date (expected date) of issuand		hata af averie				
	of entity(s) holding authorizations ickel Corp.		ate of expir	y			
7.	NUNAVUT PLANNING COMM	ISSION (NPC) DETER	MINATION				
	Indicate the land use planning area in which the project is located.						
	☐ North Baffin ☐ South Baffin ☐ Akunniq	☐ Keewatin ☐ Sanikiluaq <b>X</b> West Kitikn					
	Is a land use plan conformity determination required?  X Yes □ No						
	If Yes, indicate date issued and attach copy: February 6, 2023. See "230206 - NPC Letter re 149930 The Muskox Nickel Property."						

	If No, provide written confirmation from NPC confirming that a land use plan conformity review is not required.				
8.	NUNAVUT IMPACT REVIEW BOARD (NIRB) DETERMINATION				
	Is an Article 12 Part 4 screening determination required?				
	X Yes				
	If Yes, indicate date issued and attach copy: See "230404 - SPC Muskox Nickel Project 23EN001-Screening Decision Report."  If No, provide written confirmation from NIRB confirming that a screening determination is not required.				
9.	<b>DESCRIPTION OF UNDERTAKING</b> – List and attach plans and drawings or project proposal.				
	230206 - SPC Muskox Nickel Project Non-Technical Summary – English 230206 - SPC Muskox Nickel Project Non-Technical Summary – Inuktitut 230206 - SPC Muskox Nickel Project Non-Technical Summary – Inuinnaqtun 230101 - SPC Muskox Nickel Project Abandonment & Restoration Plan 230101 - SPC Muskox Nickel Project Environmental Management Plan 230101 - SPC Muskox Nickel Project Spill Contingency & Fuel Management Plan 230101 - SPC Muskox Nickel Project Emergency Response Plan 230101 - SPC Muskox Nickel Project Waste Management Plan 230206 - SPC Muskox Nickel Project Property Location Figure				
10.	<b>OPTIONS</b> – Provide a brief explanation of the alternative methods or locations that were considered to carry out the project.  Previous work completed on the Project by other exploration companies has aided in the identification of drilling targets, therefore reducing the need for duplicated work and potentially unnecessary disturbances. The general exploration activities proposed by SPC Nickel Corp., which will also be used to help identify drilling targets will be as low impact as possible (i.e. geological mapping, prospecting, geochemical sampling, geophysical surveys, etc), again to reduce the need for unnecessary disturbances.				
11.	CLASSIFICATION OF PRIMARY UNDERTAKING - Indicate the primary classification of undertaking by checking one of the following boxes.				
	☐ Industrial ☐ Agricultural  X Mining and Milling (includes exploration/drilling/exploration camps) ☐ Conservation ☐ Municipal (includes camps/lodges) ☐ Recreational ☐ Power ☐ Miscellaneous (describe below):				
	See Schedule II of Northwest Territories Waters Regulations for Description of Undertakings.				
	Information in accordance with applicable Supplemental Information Guidelines (SIG) must be submitted with a New Water Licence Application. Indicate which SIG(s) are applicable to your application.				
	<ul> <li>☐ Hydrostatic Testing</li> <li>☐ Tannery</li> <li>☐ Tourist / Remote Camp</li> <li>☐ Landfarm &amp; On-Site Storage of Hydrocarbon Contaminated Soil</li> </ul>				

	<ul> <li>☐ Onshore Oil and Gas Exploration Drilling</li> <li>X Mineral Exploration / Remote Camp</li> <li>☐ Advanced Exploration</li> <li>☐ Mine Development</li> <li>☐ Municipal</li> <li>☐ General Water Works</li> <li>☐ Power</li> </ul>
12.	WATER USE - Check the appropriate box(s) to indicate the type(s) of water use(s) being applied for.  X To obtain water for camp/ municipal purposes  To obtain water for industrial purposes  To cross a watercourse  To alter the flow of, or store water  X Other: Diamond Drilling
13.	QUANTITY AND QUALITY OF WATER INVOLVED - For each type of water use indicated in Block 12, provide the source of water, the quality of the water source and available capacity, the estimated quantity to be used in cubic meters per day, method of extraction, as well as the quantities and qualities of water to be returned to source.  Name of water source(s) (show location(s) on map):  Numerous unnamed sources  Describe the quality of the water source(s) and the available capacity:  Water quality will be pristine. Care will be taken to ensure that water is drawn from bodies with sufficient capacity in order to avoid impact on waterbody level or watercourse flow.  Provide the overall estimated quantity of water to be used:  299 m³/day  Provide the estimated quantity(s) of water to be used from each source:  10 m³/day from numerous sources for drilling  Indicate the estimated quantities to be used for each purpose (camp, drilling, etc.)  10 m³/day for camp use  289 m³/day for drilling  Describe the method of extraction(s):  For camp operations, water will be extracted from a proximal lake using an electrically powered submersible pump with a fine screen (<1/4" openings) on the intake to prevent fish entrapments. The drill pumps typically use a 1" inside diameter suction hose on the diesel pump with a fine screen on the foot valve. For drilling, a fiberglass window screen with a nominal opening size of less than 1/16" is also generally wrapped around the foot valve to prevent the intake of silt and sand into the pump, which can cause considerable damage to the pump chambers. In addition, it is common practice for the drilling contractor to place the foot valve of the intake hose in a perforated 20 L pail, which further protects against harmful materials and fish being entrained into water intake hoses:  Estimated quantity(s) of water returned to source(s)  Water used for camp and drilling will not be returned directly to the source but be released into an appropriate natural depression or properly constructed sump, po

14.	WASTE – C deposited.	heck the appro	opriate box(s)	to indicate the types of	waste(s) generated and
15.	Animal Work Other (de	s ns/Scrap Metal /aste escribe): AND QUALIT	Y OF WASTE		type of waste indicated in
	method of d		posilion, quant	iny in cubic meters/day,	method of treatment and
Ty	pe of Waste	Composition	Quantity Generated	Treatment Method	Disposal Method
	Sewage	Human waste	Maximum 20 people	Pacto toilets and incineration	Ashes from incineration will be removed and taken to approved disposal site.
Car	np greywater	Kitchen and shower water	≤ 10 (m3/day)	Excavated sump	Excavated sump constructed with plywood walls and filled with loose cobbles/gravel to aid in filtration, located at least 31 m away from the ordinary high-water mark of a water body.
Dri	ill greywater	Water and drill additives	≤289 m³/day	Sump or appropriate natural depression	Excavated sump or appropriate natural depression a minimum distance of 31 m from nearby water sources
Com	bustible solid waste	Food wastes, paper, cardboard, etc.	Variable	Incineration	Ashes from incineration will be removed and taken to approved disposal site
Inc	inerator Ash	Incinerator Ash	Variable	Stored in sealed containers	Transported to approved disposal site.
wast	ombustible solid e, bulky items, crap metal	bulky items, scrap metal, empty barrels/fuel drums, etc.	Variable	Stored in sealed containers or other appropriate and safe containment	Transported to approved recycling or disposal facility
Haza	rdous waste or oil	Used oil	Minimal	Stored in sealed containers	Removed and taken to approved disposal site
l	ontaminated soil/water	Hydrocarbons	Negligible	Stored in sealed containers or other appropriate and safe containment	Removed and taken to approved disposal site
<b>OTHER AUTHORIZATIONS</b> – In addition to the sub-surface and surface land use authorizations provided in Block 6, indicate any other authorizations required in relation to the proposed undertaking. For each provide the following:					
	Authorization: Administering Agency:				
	Project Activity:				

# 17. PREDICTED ENVIRONMENTAL IMPACTS OF UNDERTAKING AND PROPOSED MITIGATION MEASURES - Describe direct, indirect, and cumulative impacts related to water and waste.

All potential environmental effects associated with the proposed Muskox Nickel Project are considered minor, localized effects that can be mitigated. No significant residual impacts to the environment are expected to occur as a result of the implementation of this program. While individually no significant effects are anticipated, consideration should be made to the combination of all existing or known planned activities within the vicinity of the project area. Some cumulative effects can be positive, such as the case with the establishment of the diamond mines in the NWT, more residents are finishing high school and earning higher salaries. Other positive cumulative effects can be increased employment rate, infrastructure and potential for investment in communities by government. Cumulative effects may also be negative and therefore attention should be given to the potential for these to occur in advance of project growth. Cumulative effects on the land might include changes to the number of wildlife, increases in non-native plants, or the melting of permafrost.

### 18. WATER RIGHTS OF EXISTING AND OTHER USERS OF WATER

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.

The Muskox Nickel Property is approximately 100 km south of the Hamlet of Kugluktuk. Majority of the Property is within the Kugluktuk community drinking water supply. SPC recognizes the area as highly sensitive and every measure available will be taken to ensure the protection and preservation of the natural environment. All exploration activity planning will take into account any possible impacts to the cultural value of the area, including subsistence harvesting, and quality of water.

Advise the Board if compensation has been paid and/or agreement(s) for compensation have been reached with any existing or other users.

### 19. INUIT WATER RIGHTS

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.

See "230214 - SPC Nickel Corp. 2022 Community Consultation Log."

Consultation with the Hamlet, Hunters and Trappers Organization and public of Kugluktuk will be completed prior to the 2023 field program.

### 21. SECURITY INFORMATION

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.

Where applicable, the financial security assessment should be prepared in a manner consistent with the principals respecting mine site reclamation and implementation found in the *Mine Site Reclamation Policy for Nunavut*, Indian and Northern Affairs Canada, 2002.

See "230201 - SPC Muskox Nickel Reclamation Cost Estimate."

### 22. FINANCIAL INFORMATION

Provide a statement of financial responsibility.

See "230127 - SPC Muskox Nickel Project Condensed Interim Financial Statements."

If the applicant is a business entity, provide a list of the officers of the company.

### Management

- Grant Mourre Chief Executive Officer, President & Director
- Scott McLean Executive Director
- Guy Mahaffy Chief Financial Officer

#### **Directors**

- Olav Langelaar
- William Shaver
- Brian Montgomery
- Alger St. Jean
- Alistair Ross

Winter

Spring

If the applicant is a business entity attach a copy of the Certificate of Incorporation or evidence of registration of the company name.

- 23. STUDIES UNDERTAKEN TO DATE List and attach copies of studies, reports, research, etc. No Studies have been completed on the project by SPC Nickel Corp. to date.
- PROPOSED TIME SCHEDULE Indicate the proposed start and completion dates for each 24. applicable phase of development (construction, operation, closure, and post closure). Construction Proposed Start Date: July/2023 Proposed Completion Date: July/2023 (month/year) (month/year) Operation Proposed Start Date: July/2023 Proposed Completion Date: June/2028 (month/year) (month/year) Closure Proposed Start Date: June/2028 Proposed Completion Date: June/2028 (month/year) (month/year) Post - Closure Proposed Start Date: Proposed Completion Date: (month/year) (month/year) For each applicable phase of development indicate which season(s) activities occur. Construction □Winter X Spring X Summer ☐ Fall ☐ All season Operation X Spring X Summer X Fall All season Closure ☐ Winter ☐ Spring Summer X Fall ☐ All season Post - Closure

∏Fall

☐ All season

Summer

25.	PROPOSED TERM OF LICENCE				
	Number of years (maximum of 25 years): years				
	Requested Date of Issu	uance: July/20 (month/y	23 Requested Expiry Date: vear)	June/2028 (month/year)	
licence a water lic licensing licence a respond	The requested date of issuance must be <u>at least</u> three (3) months from the date of application for a type B water icence 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-icensing land use planning or development impact requirements, time for the applicant to prepare and submit a water icence 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:</i> <u>Processing Water Licence Applications</u> for more information)				
26.			NWB's <u>Standardized Form for An</u> ports and a proposed outline or ter		
27.	CHECKLIST – The following must be included with the application for the water licensing process to begin.				
	Written confirmation from the NPC confirming that NPC's requirements regarding land use plan conformity have been addressed.				
	X Yes	□No	If no, date expected		
	Written confirmation from the NIRB confirming that NIRB's requirements regarding development impact assessment have been addressed.			garding development	
	X Yes	□No	If no, date expected		
	Completed General Wa	ater Licence Applic	ation form.		
	X Yes	□No	If no, date expected		
	Information addressing	Supplemental Info	ormation Guideline (SIG), where a	applicable (see Block 11)	
	X Yes	□No	If no, date expected		
	English Summary of Ap	pplication.			
	X Yes	□No	If no, date expected		
	Inuktitut and/or Inuinnaqtun Summary of Application.				
	X Yes	□No	If no, date expected		
	Application Fee of \$30.00 CDN (Payee Receiver General for Canada).				
	Yes	X No	If no, date expected To be paid v	via credit card by phone	
	use fee will be calcula	ted by the NWB	Payee Receiver General for Can- based upon the amount of wate ne of issuance of the licence. If no, date expected To be paid vi	r authorized for use in	

28.	SIGNATURE			
	Tara Gunson	Geologist	Jara Ofmon	May 11, 2023
	Name (Print)	Title (Print)	Signature	Date