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NUNAVUT WATER BOARD  
NUNAVUT IMALIRIYIN KATIMAYINGI  
OFFICE DES EAUX DU NUNAVUT

File No: **2BE-NAG2227**

August 19, 2022

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[lockettda@telus.net](mailto:lockettda@telus.net)

**RE: NWB Water Licence No: 2BE-NAG2227**

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Dear Mr. Smith and Ms. Lockett:

Please find attached Water Licence No: **2BE-NAG2227** issued to StrategX Elements Corp. by the Nunavut Water Board (NWB or Board) 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 disposal 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 disposal must cease, or the Licensee may be in contravention of the *Nunavut Agreement* and the *Nunavut Waters and Nunavut Surface Rights Tribunal Act (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 Section 75(1)(a) of the *Nunavut Planning and Project Assessment Act (NuPPAA)*, the Board is not allowed to issue a permit or authorization for any project proposal that has not been submitted to the Nunavut Planning Commission (NPC) in accordance with Section 76 of *NuPPAA*.

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.<sup>1</sup>

Sincerely,

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Lootie Toomasie  
Nunavut Water Board  
Chair

LT/sk/se

Enclosure: Licence No: **2BE-NAG2227**

Comments – Arviq HTO, CIRNA, and DFO

Cc: Distribution List – Kivalliq

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<sup>1</sup> D. Mablik (AHTO) to D. Lockett (StrategX) Letter, Re: Support Letter for StrategX Elements Corp., dated June 29, 2022.

A. Keim (CIRNA) to R. Dwyer (NWB) Letter, Re: Crown-Indigenous Relations and Northern Affairs Canada's Review of the Licence Application for the Nagvaak Project, Type B Water Licence No: 2BE-NAG, dated August 10, 2022.

R. Kiriluk (DFO) to S. Ekelik (NWB) Letter, Re: Comment Request for the StrategX Elements Corp. Nagvaak Project –Type B Water Licence - Implementation of Measures to Avoid and Mitigate the Potential for Prohibited Effects to Fish and Fish Habitat, dated July 14, 2022.

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## **I. BACKGROUND**

StrategX Elements Corp. (StrategX) is a junior exploration company, which currently has several early-stage exploration properties in the NWT and Nunavut and is exploring mainly for cobalt, nickel, vanadium, and copper.

In the current Application, StrategX is applying for authorization for Water use and Waste disposal associated with exploration activities at the Nagvaak Project located approximately 170 km northeast from Naujaat. The Project area sits within the Kivalliq Region of Nunavut and entirely on the Inuit Owned Land (IOL).

All exploration activities will be based out of North Arrow Minerals' camp operated under Mel Project's Water Licence No: 2BE-MPP1924. The Nagvaak property will be accessed via helicopter. The Project activities will consist primarily of prospecting, geological mapping, geophysical surveying, and diamond drilling. Drilling-related water source locations are yet to be determined, and drilling will only be conducted within StrategX's mineral claims. Once the locations of water sources are known, they will be provided to the NWB as part of the annual report.

## **II. PROCEDURAL HISTORY**

On May 24, 2022, StrategX Elements Corp. (StrategX or Applicant) submitted to the NWB an Application requesting authorization for Water use and Waste disposal associated with exploration activities at the Nagvaak Project, which was later supplemented by additional documentation. The final Application package included the following documents:

- Cover Letter;
- Water Licence Application Form;
- Project Map;
- NPC Determination, dated May 20, 2022;
- Non-technical Summaries in English and Inuktitut;
- Waste Management Plan, dated May 2022;
- Spill Contingency Plan, dated April 29, 2022;
- Abandonment and Restoration Plan, dated May 2022;
- Supplemental Information Guideline (SIG);
- Letter of Authorization;
- Certificate of Incorporation, dated June 28, 2018;
- StrategX Elements Register of Directors & Officers;
- StrategX Elements Corporate Update, dated October 2020;
- Consolidated Financial Statement, dated December 31, 2021; and
- Nagvaak Drill Permit Shapefiles.

On June 30, 2022, following a preliminary internal technical review, the NWB concluded that the Application met the requirements of section 48(1) of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act (Act)* and forwarded Notice of the Application to regulators, the council of the municipality most affected by the Project, and other interested parties. All parties were invited to make representations to the NWB by August 2, 2022, which was later extended to August 12, 2022 at the request of Crown-Indigenous and Northern Affairs (CIRNA).

On or before the deadline, written submissions were received from the Arviq Hunters and Trappers Organization (AHTO)<sup>2</sup>, CIRNA<sup>3</sup>, and Fisheries and Oceans Canada (DFO)<sup>4</sup>. In their submission, AHTO expressed their full support of the exploration activities and requested an in-person visit of the AHTO board members during the drilling activities. DFO indicated that “*the proposal will not require an authorization under the Fisheries Act or the Species at Risk Act*” and recommended the proponent to “*review the Interim Code of Practice for End-of-pipe fish screens and the Measures to Protect Fish and Fish Habitat to ensure that all appropriate mitigation measures are implemented in the proposed project*”. CIRNA requested the Community Consultation record and a brief summary of the Mel camp occupation and number of persons involved with the Project. All CIRNA’s requests were addressed by the Applicant, which CIRNA found satisfactory<sup>5</sup> on August 11, 2022. No public concern was expressed during the public review period. Therefore, the NWB waived the requirement to hold a public hearing and proceeded with the application process.

Complete details on interveners’ submissions received as well as the information provided for the Application are available from the NWB File Transfer Protocol (FTP) site using the following link:

<ftp://rdwyer@ftp.nwb-oen.ca/registry/2%20MINING%20MILLING/2B/2BE%20-%20Exploration/2BE-NAG2227%20StrategX%20Elements%20Corp/1%20APPLICATION/0%20APPLICATION%20DATE>

Based on the results of the detailed assessment of the Application, including consideration of any potential accidents, malfunctions, or impacts to Water that the overall project might have in the area, the Board has approved the Application and has issued Water Licence No: 2BE-NAG2227.

### **III. GENERAL CONSIDERATIONS**

#### **Term of the Licence**

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<sup>2</sup> D. Mablik (AHTO) to D. Lockett (StrategX) Letter, Re: Support Letter for StrategX Elements Corp., dated June 29, 2022.

<sup>3</sup> A. Keim (CIRNA) to R. Dwyer (NWB) Letter, Re: Crown-Indigenous Relations and Northern Affairs Canada’s Review of the Licence Application for the Nagvaak Project, Type B Water Licence No: 2BE-NAG, dated August 10, 2022.

<sup>4</sup> R. Kiriluk (DFO) to S. Ekelik (NWB) Letter, Re: Comment Request for the StrategX Elements Corp. Nagvaak Project –Type B Water Licence - Implementation of Measures to Avoid and Mitigate the Potential for Prohibited Effects to Fish and Fish Habitat, dated July 14, 2022.

<sup>5</sup> A. Keim (CIRNA) to S. Ekelik (NWB) E-mail, Re: 220630 Notice of Application for Water Licence No. 2BE-NAG----, dated August 11, 2022.

In accordance with Section 45 of the *Act*, the NWB may issue a licence for a term not exceeding twenty-five (25) years. The Applicant requested a five (5) year licence, which the Board determined is consistent with the nature of the undertaking and has therefore granted.

## **Annual Reporting**

As a requirement of section 14(1) of the *Nunavut Waters Regulations* and similar to the terms and conditions generally included in all licences issued by the NWB, the Board has included under [Part B, Item 2](#) of this Licence, requirements to submit Annual Reports for the purpose of ensuring that the NWB has an accurate annual update of the 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 could be supplemented by additional monitoring documentation and Licensee’s annual reporting forms. The NWB Standardized Form is available from the NWB’s FTP site under the following Public Registry link at the NWB Website:

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

## **Water Use**

The Applicant requested the use of one hundred (100) cubic metres of freshwater *per* day for drilling purposes. The Applicant also indicated that all Water will be extracted from local nearby water sources using a pump and a hose with screen at the end to avoid fish and debris entrapment. The NWB notes that drilling-related water source locations are yet to be determined, and drilling will only be conducted within StrategX’s mineral claims. Once the locations of water sources are known, they will be provided to the NWB as part of the annual report.

No concerns were expressed by the interveners with respect to the requested freshwater amount, or to the manner in which it will be obtained or used. The Board considers the volume of Water requested to be reasonable and has included conditions governing Water use under [Part C, Item 1](#) of this Licence. The Board reminds the Applicant to consult the *Interim Code of Practice for End-of-pipe Fish Screens* and the *Measures to Protect Fish and Fish Habitat*, referenced in the DFO’s submission<sup>4</sup>, to ensure that all appropriate mitigation measures are implemented in the proposed Project.

## **Deposit of Waste**

In their Application, the Applicant indicated that all drill cuttings will be pumped to a Sump and/or natural depression located at least 31 m away from the natural High Water Mark of any local water body and will be discharged from that Sump through natural filtration.

Additionally, the Applicant has submitted with their Application the plan entitled “*Waste Management Plan, Nagvaak Project, Nunavut*”, dated May 2022, which was reviewed and approved by the Board under [Part D, Item 1](#) of this Licence.

## **Conditions Applying to Construction and Operations**

The Board provides conditions for construction and operation activities associated with exploration activities in [Part E](#) of this Licence. In their Application, StrategX indicated that all exploration activities will be based out of North Arrow Minerals' camp operated under Mel Project's Water Licence No: 2BE-MPP1924. In support of this, the Applicant provided a copy of Agreement<sup>6</sup> between North Arrow Minerals Inc. and StrategX Elements Corp. allowing them to utilize the Mel Camp during exploration activities under this Licence.

### **Conditions Applying to Drilling Operations**

The Applicant indicated that drilling will occur on land and on ice. The Licence includes standard conditions under [Part F](#) related to drilling operations for the purpose of core drilling.

### **Conditions Applying to Modifications**

The Board allows for modification to the Project in accordance with [Part G](#) of this Licence.

### **Conditions Applying to Spill Contingency Planning**

The Applicant has submitted with their Application the plan entitled "*Spill Contingency Plan, Nagvaak Project, Nunavut*", dated April 29, 2022, which was reviewed and approved by the Board under [Part H, Item 1](#) of this Licence.

### **Conditions Applying to Closure and Reclamation**

As part of the Application, the Applicant has submitted the Closure and Reclamation Plan entitled "*Abandonment and Restoration Plan, Nagvaak Project, Nunavut*", dated May 2022, which was reviewed and approved by the NWB under [Part I, Item 1](#) of this Licence.

### **Conditions Applying to Monitoring**

The Board provides conditions for monitoring associated with exploration in [Part J](#) of this Licence.

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<sup>6</sup> Agreement between North Arrow Minerals Inc. and StrategX Elements Corp., dated January 13, 2021.

## DECISION

**LICENCE NUMBER: 2BE-NAG2227**

This is the decision of the Nunavut Water Board (NWB) with respect to an application dated May 24, 2022 for a new Water Licence made by:

### **STRATEGX ELEMENTS CORP.**

to allow for the use of Water and the deposit of Waste during exploration and related activities including prospecting, geological mapping, geophysical surveys, land-based and on-ice drilling at the Nagvaak Project, located within the Kivalliq Region, Nunavut, generally at the following geographical coordinates:

Project Extents:	Latitude: 67° 30' 00" N	Longitude: 83° 13' 30" W
	Latitude: 67° 30' 04" N	Longitude: 83° 03' 30" W
	Latitude: 67° 29' 25" N	Longitude: 83° 03' 30" W
	Latitude: 67° 29' 17" N	Longitude: 83° 13' 00" W

## **DECISION**

After having received confirmation from the Nunavut Planning Commission (NPC)<sup>7</sup> that the Application is for a project proposal that is in conformity with the Keewatin Regional Land Use Plan (KRLUP), subject to the requirements of Appendix C, G, and H of the KRLUP, and is exempt from the requirements for screening by the Nunavut Impact Review Board (NIRB)<sup>2</sup>, as described within Section 12.4.3/ Schedule 12-1 of the *Nunavut Agreement*, the NWB decided that the application could proceed through the regulatory process. In accordance with Section 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* and of the *Act*, waived the requirement to hold a public hearing, and determined that:

**Licence No: 2BE-NAG2227 be issued subject to the terms and conditions contained therein. (Motion #: 2022-B1-011)**

Signed this 19<sup>th</sup> day of AUGUST, 2022 at Gjoa Haven, NU.

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Lootie Toomasie  
Nunavut Water Board, Chair  
LT/sk/se

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<sup>7</sup> Nunavut Planning Commission (NPC) Conformity Determination, dated May 20, 2022.





## NUNAVUT WATER BOARD WATER LICENCE

**Licence No: 2BE-NAG2227**

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

**STRATEGX ELEMENTS CORP.**

(Licensee)

**#514 55 WATER STREET, VANCOUVER, BC V6B 1A1,**

(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:

Licence Number/Type: **2BE-NAG2227 / TYPE "B"**

Water Management Area: **KINGORA WATERSHED (20)**

Project / Location: **NAGVAAK PROJECT / KIVALLIQ REGION, NUNAVUT**

Classification: **MINING UNDERTAKING**

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

Quantity of Water use not to Exceed: **ONE HUNDRED (100) CUBIC METRES PER DAY**

Date of Licence Issuance: **AUGUST 19, 2022**

Expiry of Licence: **AUGUST 18, 2027**

This Licence, 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 Nagvaak Project, located approximately 170 km northeast of the Hamlet of Naujaat 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 Land Claims Agreement* and the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*;

“**Closure and Reclamation Plan**” means a Plan developed to reach the closure goal and taking in account the “*Guidelines for the Closure and Reclamation of Advanced Mineral Exploration and Mine Sites in the Northwest Territories*” 2013;

“**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 18<sup>th</sup> 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” or “Wastes”** 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 the use of Water 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 the 31<sup>st</sup> of March of the year following the calendar year being reported, containing the following information:

- a. Summary report of Water use and Waste disposal activities for the reporting period including the following:
    - i. quantity of Water (in cubic metres/day) obtained for domestic and other purposes from sources on, in or flowing through Inuit-Owned Lands;
    - ii. quantity of Water (in cubic metres/day) obtained for domestic and other purposes from sources on, in or flowing through Crown Lands;
    - iii. quantity of Waste disposed of at on-site Waste disposal facility; and
    - iv. quantity of Waste backhauled to approved facility for disposal;
  - b. List of unauthorized discharges and a summary of follow-up actions taken;
  - c. Any revisions to the Management Plans approved under this Licence, as required by [Part B, Item 7](#), submitted in the form of an Addendum;
  - d. Description of all progressive and/ or final reclamation work undertaken, including photographic records of site conditions before, during and after completion of operations;
  - e. Report all artesian flow occurrences, as required under [Part F, Item 3](#);
  - f. Details pertaining to location of sump(s) and drill holes;
  - g. Depth of permafrost and location of the drill hole where drilling activity has penetrated below the permafrost layer;
  - h. Summary of all information requested and results of the Monitoring Program;
  - i. Summary of public consultation/participation, describing consultation with local organizations and residents of the nearby communities, if any were conducted; and
  - j. Any other details on Water use and Waste disposal requested by the Board by the 1<sup>st</sup> of 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](mailto:licensing@nwb-oen.ca)
  - (b) **Inspector Contact:**  
Manager of Field Operations, CIRNA  
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 one 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 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*.
13. The Licensee shall provide the Board and an Inspector with at least thirty (30) days' notice prior to recommencing active operations at the Project.

#### **PART C: CONDITIONS APPLYING TO WATER USE**

1. The Licensee shall obtain all Water for drilling purposes from source(s) proximal to the drill targets as outlined in the Application and shall not exceed one hundred (100) cubic metres *per* day.
2. The use of Water from streams or any Water bodies not identified in [Part C, Items 1](#) is prohibited unless otherwise authorized or 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 in writing, the following information at least thirty (30) days prior to the use of Water of a sufficient volume that the source waterbody may be drawn down: a) volume of Water required, b) hydrological overview of the waterbody, c) details of impact to the water body, and d) 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 remove any material from below the ordinary High Water Mark of any water body unless authorized.
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 implement the Plan entitled “*Waste Management Plan, Nagvaak Project, Nunavut*”, dated May 2022 that was approved by the Board with the issuance of this Licence.
2. The Licensee shall locate areas designated for the deposit of Waste 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 designed for this purpose.
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 Wastes from the Nagvaak Project prior to any 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 or the Board 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 dispose of all Toilet Wastes in latrine pits or use incineration, chemical, portable or composting toilets. Latrine pits shall be located at a distance of at least thirty-one (31) metres above the ordinary High Water Mark of any waterbody, treated with lime and covered with native material to achieve the pre-existing natural contours of the land prior to abandonment. As per the Incinerator, the Licensee shall insure that a suitable incinerator is used for combusting such Waste and the incinerator is operated according to the manufacturer's specification.

**PART E: CONDITIONS FOR CAMPS, ACCESS INFRASTRUCTURES AND OPERATIONS**

1. The Licensee shall use Mel Camp approved under Water Licence No: 2BE-MPP1924 during exploration activities at the Nagvaak Project.
2. The Licensee shall not store material on the surface of frozen streams or lakes including the immediate banks except what is for immediate use.
3. 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.
4. With respect to access road, pad construction or other earthworks, the deposition of debris or sediment into or onto any waterbody 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.
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.



## **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 (CaCl<sub>2</sub>) 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 waterbody, where direct flow into a waterbody 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 Contingency Plan, Nagvaak Project, Nunavut*”, dated April 29, 2022 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 waterbody 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 NWT/NU Spill Line at (867) 920-8130 and to the Inspector at (867) 975-4284; and
  - c. For each spill occurrence, submit to the Inspector, 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 24-Hour NWT/NU Spill Line if the release is near or into a waterbody.

**PART I: CONDITIONS APPLYING TO ABANDONMENT AND RESTORATION OR TEMPORARY CLOSING**

1. The Board has approved the Plan entitled “*Abandonment and Restoration Plan, Nagvaak Project, Nunavut*”, dated May 2022, 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 restores 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 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 Contaminated Site Remediation*, revised March 2009. 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 waterbody, where any direct flow into a waterbody is not possible and no additional impacts are created.
13. The Licensee shall contour and stabilize all disturbed areas to a 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 utilized for drilling and other purposes associated with the Licence.
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 drilling operations are deposited.
4. The Licensee shall obtain representative samples of the Water column below any ice where required under [Part F, Items 5](#) and [Part F, Item 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. An Inspector may impose additional monitoring requirements.