

19th June 2026

To:

William Quere

Regional Coordinator
Water Resources Division
Resource Management Directorate
Crown-Indigenous Relations and Northern Affairs Canada
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Cc:

Richard Dwyer – Manager of Licensing, Nunavut Water Board (licensing@nwb-oen.ca)
Nunavut Water Board (licensing@nwb-oen.ca)

Subject:

Response to CIRNAC Technical Review – Type B Water Licence Application No. 2BE-VLP----, Victory Lake Project

Dear William,

1517081 B.C. Ltd. (Victory Exploration) acknowledges receipt of CIRNAC's Technical Review Memorandum dated 5 June 2026 pertaining to our Type B Water Licence Application No. 2BE-VLP--- for the Victory Lake Project. We thank CIRNAC for its thorough review and welcome the opportunity to address the three recommendations (R-01, R-02, R-03) raised. Please find our detailed responses to each recommendation below. Where CIRNAC has identified gaps or inconsistencies, we have noted the specific management documents that will be updated accordingly and the nature of those updates, to ensure full consistency across all plans.

R-01 – Waste Management

CIRNAC Comment:

CIRNAC noted that Section 15 of the General Water Licence Application lists only muddy water as waste, and that waste management is inconsistent across the General Application, Wildlife Management Plan, and Waste Management Plan. CIRNAC recommended that the applicant provide details on the management of cocomatting, timber, grey water produced while cooking at drill sites, hazardous waste, and other domestic waste.

Response:

1517081 B.C. Ltd. acknowledges this inconsistency and confirms the following, which will be used to align all management documents:

Cocomatting and Timber: Cocomatting and timber used as drill pad underlays serve a critical tundra protection function. Upon completion of each drill hole, these materials are inspected for contamination, cleaned if necessary, and reused at the next drill location. All cocomatting and timber remaining at the end of the field program will be collected and flown out of the project area. No cocomatting or timber will be left on site at any time. This will be explicitly documented in the Waste Management Plan (V1.2).

Grey Water: No cooking or food preparation will take place at drill sites. All meals are prepared and consumed at the off-site accommodation (e.g., Rankin Inlet, Ferguson Lake, Quartzite Lake). Accordingly, no grey water is generated at drill sites. This will be clearly stated in the Waste Management Plan (V1.2) to remove any ambiguity.

Hazardous Waste (Fuels, Oils, Lubricants, Chemicals): All contaminated or spent fuels, oils, lubricants, drill mud/additives, and chemical waste will be placed in clearly labelled, sealed 205 L drums and backhauled to Yellowknife or Rankin Inlet for disposal at an approved hazardous waste facility. Spill kits are present at every fuel cache and drill rig. The Waste Management Plan (V1.2) will be updated to explicitly list these waste streams in a manner consistent with the General Application and the Wildlife Management Plan.

Domestic Waste (Food Containers, Packaging): All domestic waste including food packaging, wrappers, and personal waste will be stored in sealed, wildlife-resistant containers at the drill site and backhauled to the off-site accommodation or directly to Rankin Inlet for appropriate disposal. No food waste will be left at drill sites.

Inert Construction Debris (Drill Rig Shelter Material): Any inert construction materials brought to site will be flown back out at the end of each drill hole campaign. Nothing will be left on the tundra.

The Waste Management Plan will be updated to Version 1.2 to include the above detail and to ensure consistency with Section 15 of the Water Licence Application and the Wildlife Management Plan. We note that the Wildlife Management Plan references waste management broadly and the updated Waste Management Plan will serve as the primary reference document.

R-02 – Temporary Structures

CIRNAC Comment:

CIRNAC noted that while base camps are located outside the project area, temporary structures at drill sites had been referenced but not described, raising concern that additional infrastructure and water use may not be accounted for in the plans. CIRNAC recommended that the applicant describe temporary structures at drill sites, including any cooking area, grey water management, shelters, and toilets, along with estimated water use.

Response:

1517081 B.C. Ltd. confirms that drillers will be transported to and from drill sites daily by helicopter or snowmobile from off-site accommodation. No overnight camping at drill sites is planned under normal operating conditions.

The only temporary structures at each drill site will be:

- **Emergency Shelter:** A single lightweight portable shelter (such as a Scott tent or equivalent) will be present at each drill site strictly for emergency use – for example, in the event that personnel cannot be retrieved due to severe weather. This shelter will otherwise not be used for sleeping, cooking, or any routine activity. It will be erected and struck as part of drill setup and teardown respectively, and flown to the next drill location on rig moves.

- Toilet: A Pacto toilet, bucket toilet, or equivalent will be present at each drill site for personnel use. Human waste will be stored in sealed containers and backhauled to the off-site accommodation or to Rankin Inlet or Yellowknife for disposal. The toilet will be positioned more than 31 metres from the Ordinary High-Water Mark of any watercourse, consistent with the Nunavut Waters Regulations. No waste will be deposited on the tundra.

No cooking facilities, no grey water, and no permanent or semi-permanent structures will be present at drill sites. Water use at the drill site is limited to drilling purposes only (up to 50 m³/day, typically less than 20 m³/day due to water recycling). No additional water use for camp or domestic purposes will occur at the drill site.

The Waste Management Plan (V1.2) and Closure and Reclamation Plan (V1.2) will be updated to include a clear description of drill site temporary structures consistent with the above.

R-03 – Closure and Reclamation Plan

CIRNAC Comment:

CIRNAC noted that the Closure and Reclamation Plan (V1.1) provides general information on final project closure but does not address temporary closure procedures or describe regulator involvement. CIRNAC recommended that temporary closure plans and procedures be added, and that for final closure, areas of disturbed vegetation at temporary camps, fuel caches, and drill sites be photographed and managed in consultation with the CIRNAC Inspector.

Response:

1517081 B.C. Ltd. welcomes this guidance and is committed to working closely with the CIRNAC Inspector throughout the life of the project. We confirm the following commitments, which will be incorporated into a revised Closure and Reclamation Plan (V1.2):

Temporary Closure (Seasonal Shutdown): Each year, operations will shut down for the mandatory caribou calving and post-calving stand-down period (15 May – 15 July). Prior to any seasonal shutdown, the following temporary closure procedures will be followed:

- All drill holes will be temporarily secured or marked with a labelled picket.
- All waste, fuel drums, drill consumables, and portable equipment will be secured or removed from the drill site.
- Emergency shelters and toilet facilities will be properly secured or removed.
- A site inspection will be conducted by the site supervisor prior to stand-down, and a brief written record will be completed noting the condition of the site, any residual materials, and any areas requiring attention upon return.
- Photographs will be taken of each drill site and fuel cache location prior to stand-down for record and reporting purposes.
- CIRNAC will be notified in advance of seasonal shutdowns and upon recommencement of activities.

Final Closure: Upon completion of the full program, the following final closure activities will be conducted in consultation with the CIRNAC Inspector:

- All drill holes will be completed, casing cut to ground level where required, and marked with a labelled picket.
- All sumps will be backfilled and contoured to match the surrounding land surface.

- All cocomattings, timber, portable structures, waste, and fuel will be removed from site.
- All areas of disturbed vegetation at drill sites, fuel caches, and any temporary access routes will be photographed (before and after) and assessed. Any recontouring or re-establishment of ground cover required will be carried out in consultation with the CIRNAC Inspector.
- A Final Reclamation Report will be prepared and submitted to CIRNAC, NWB, and other applicable regulators, including photographic documentation and GPS-referenced records of all drill sites and sumps.
- A final joint site inspection with the CIRNAC Inspector will be arranged prior to submission of the Final Reclamation Report, to confirm that all reclamation objectives have been met.

The Closure and Reclamation Plan will be updated to Version 1.2 to explicitly incorporate the above temporary and final closure procedures and to confirm the role of the CIRNAC Inspector in the final closure process.

Water Licence Fees

We note CIRNAC's requirement that the applicant provide confirmation from the Nunavut Water Board that all outstanding water licence fees have been paid in full prior to approval. We are confirming the status of the application and water use fee deposits with the NWB and will provide written confirmation of payment to the Board promptly. We do not anticipate this to be a barrier to progressing the application.

Summary of Document Updates

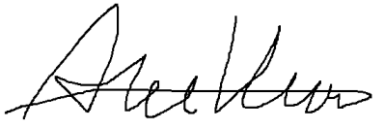
In response to the above recommendations, 1517081 B.C. Ltd. will issue the following updated management documents for submission to the NWB:

- Waste Management Plan V1.2 – Updated to: (i) provide explicit detail on all waste streams including cocomattings, timber, grey water (confirming none at drill sites), hazardous waste, and domestic waste; (ii) ensure full consistency with the Wildlife Management Plan and Water Licence Application; and (iii) describe drill site temporary structures and their waste management.
- Closure and Reclamation Plan V1.2 – Updated to: (i) add temporary (seasonal) closure procedures; (ii) describe drill site temporary structures; and (iii) confirm final closure will be conducted in consultation with the CIRNAC Inspector including joint site inspection and photographic documentation of all disturbed areas.

We appreciate CIRNAC's constructive engagement with this application. The Victory Lake Project is designed to be a responsible, low-impact exploration program, and we are committed to ensuring that all management plans are thorough, consistent, and reflective of best practice for Arctic mineral exploration. We value the protection of the land, water, and wildlife of the Kivalliq region and will continue to work collaboratively with CIRNAC, the Nunavut Water Board, the Kivalliq Inuit Association, and local communities throughout the project.

Please do not hesitate to contact us if any further information or clarification is required.

Sincerely,



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