ᓄᓇᕗᑦ ᐃᒪᓕᕆᔨᑦ ᑲᑎᒪᔨᖏᑦ
NUNAVUT WATER BOARD
NUNAVUT IMALIRIYIN KATIMAYINGI
OFFICE DES EAUX DU NUNAVUT

File No: 2WLC-PRE2425

May 28, 2024

Alex Vilela
Flexure Minerals Limited
329 Howe St, PMB 2211,
Vancouver BC V6C 3N2

Email: alex.vilela@somersetminerals.com.au

Subject: 2WLC-PRE2425 – Approval for the Use of Waters and Deposit of Waste Without a Licence

Dear Alex Vilela:

Please find attached Approval No: **2WLC-PRE2425** issued to Alexandre Jones Vilela da Silva (Alex Vilela) c/o Flexure Minerals Limited 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 Approval has been authorized for a period of one (1) year after the day on which the Board approves the Application or at the Effect Date and includes conditions related to the use of Waters and deposit of Waste, which are an integral part of this Approval required for this type of authorization under the *Nunavut Waters Regulations* (*NWR* or *Regulations*).

This Approval and the conditions contained therein permit the carrying out of activities involving the use of Waters and deposit of Waste with respect to the Application for approval. Any variation from these activities may result in a violation of this Approval and contravention of the *Nunavut Agreement*, the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* (*NWNSRTA or Act*) or the *NWR*. The NWB would like to remind the Applicant of the obligations with respect to the reclamation and reporting requirements of the Approval, which will arise as this Approval approaches its expiry.

If the activities authorized under the Approval are expected to continue longer than the term authorized, it is recommended that the Applicant, upon receipt of confirmation[1] from the Nunavut Planning Commission (NPC) and/or the Nunavut Impact Review Board (NIRB) that relevant requirements have been satisfied, apply for a new Approval at least thirty (30) days prior to the expiry of the current authorization. Note that if the existing Approval expires before the

[1]NPC and NIRB Requirements under NuPPAA.

NWB issues a new Approval, the use of Waters and/or deposit of Waste must cease as required by the *Nunavut Agreement* and the *NWNSRTA*.

The Board notes that the Applicant has indicated two potential locations for the establishment of the camp and that a suitable location will be determined at the start of the field program. The Board requires the Applicant to provide information on the finalized location before establishing the camp.

If the Applicant contemplates changes to its undertaking involving a change in scope or increased activity, a water licence may be required. It is the Applicant's responsibility to apply to the NWB for a water licence in accordance with the timelines set out for licences.

This Approval has been posted to the NWB's Public Registry and FTP site and is accessible from the following link:

ftp://ftp.nwb-oen.ca/registry/2%20MINING%20MILLING/2WL/2WLC-PRE2425%20Alex%20Vilela/4%20LICENCE/1%20LICENCE

Sincerely,

Lootie Toomasie
Nunavut Water Board
Chair

LT/aj/rh

Enclosure: Approval No: 2WLC-PRE2425

cc. Kitikmeot Region
Qikiqtani Region

NUNAVUT WATER BOARD
APPROVAL WITHOUT A LICENCE

APPROVAL DECISION

APPROVAL NO: 2WLC-PRE2425

This is the decision of the Nunavut Water Board (NWB or Board) with respect to an application for Approval for the use of Waters and deposit of Waste without a licence, dated 05/15/2024, made by:

ALEXANDRE JONES VILELA DA SILVA (ALEX VILELA)
C/O FLEXURE MINERALS LIMITED

to authorize the use of Waters and deposit of Waste during mineral exploration program including non-invasive geophysical survey, prospecting, sampling, and geological sampling at the Prescott Project, located within the Kitikmeot and Qikiqtani Regions, Nunavut and within Eastern Prince of Wales Island Watershed (43), generally at the following geographical coordinates:

Project extents:	Max Latitude: 73.863757	Max Longitude: 97.876404
	Min Latitude: 72.140449	Min Longitude: 93.629585
Camp:	Latitude: 73.379507	Longitude: 97.196099
	Latitude: 73.043944	Longitude: 96.874849

DECISION

After having received confirmation from the Nunavut Planning Commission (NPC)[2] that the Application is for a project proposal that conforms with the North Baffin Regional Land Use Plan (NBRLUP) and is exempt from the requirements for screening by the Nunavut Impact Review Board (NIRB) as described within s. 12.4.3 / Schedule 12-1 of the *Nunavut Agreement*, the Board notes that the requirements of Articles 11 and 12 of the *Nunavut Agreement* and sections 3, 4 and 5 of the *Nunavut Waters Regulations* (*NWR* or *Regulations*) have been adequately addressed. In addition, through the provision of a signed Application for an Approval Without a Licence, the Applicant has agreed to adhere to sections 4(3), 5(4), 5(5) and 6 of the *Regulations* and to comply with the associated requirements, the NWB determined that:

Approval No: 2WLC-PRE2425 be issued, subject to the conditions of Schedule 1 contained therein (Motion # 2024-WL-010).

SIGNED this 28th day of MAY, 2024 at Gjoa Haven, NU.

Lootie Toomasie
Nunavut Water Board
Chair

LT/aj/rh

[2] NPC Correspondence, May 8, 2024

NUNAVUT WATER BOARD
APPROVAL WITHOUT A LICENCE

APPROVAL NO: 2WLC-PRE2425

Pursuant to the *Nunavut Waters Regulations*, *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

ALEXANDRE JONES VILELA DA SILVA (ALEX VILELA)
C/O FLEXURE MINERALS LIMITED

of

329 HOWE ST, PMB 2211, VANCOUVER BC V6C 3N2

Hereinafter called the Applicant, the right to use Waters and deposit of Waste for a period of one (1) year after the day on which the Board approved the Application or at Effect Date, subject to the conditions contained in Schedule 1 attached to this Approval:

Project Name:	**PRESCOTT PROJECT**
Location:	**KITIKMEOT REGION AND QIKIQTANI REGION, NUNAVUT**
Water Management Area:	**EASTERN PRINCE OF WALES ISLAND WATERSHED (43)**
Classification of Undertaking:	**2. MINING UNDERTAKING**
Purpose:	**USE OF WATERS AND DEPOSIT OF WASTE**
Approval Criteria:	**TOTAL WATER USE FIVE (5) CUBIC METRES PER DAY, DEPOSIT OF SEWAGE**
Effect Date:	**MAY 28, 2024**
Expiry of Approval:	**MAY 27, 2025**

Dated this 28th day of May 2024, at Gjoa Haven, NU

Nunavut Water Board
Chair

SCHEDULE 1
CONDITIONS FOR USE OF WATERS AND DEPOSIT OF WASTE WITHOUT A LICENCE

General

1. In the case of an Applicant who has a mineral right and who intends to use Waters or deposit Waste in relation to that right, the Applicant shall respect the priority conferred on Inuit by section 62 of the Act as if that applicant had a licence for the use or deposit.

Use of Waters

2. The Applicant shall take measures prior to the use of Waters to minimize any alteration to the bed or banks of a watercourse whose waters are to be used, and the measures shall be maintained during the operation of the undertaking.

Deposit of Waste

3. The Applicant shall not deposit Waste to surface water or within thirty-one (31) metres of the Ordinary High Water Mark of any water body.

4. The Waste must not contain more than 15 milligrams per litre of petroleum or petroleum product and must not have a visible hydrocarbon sheen.

5. All other than Sewage Waste must be backhauled and disposed of at an approved Waste disposal facility.

Spill Contingency

6. Measures to deal with unforeseen petroleum and hazardous materials releases that may occur during the activities conducted under the authorization to use Waters and/or deposit Waste without a licence, including:

    a. 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;
    b. prevent any chemicals, petroleum products or Waste associated with the project from entering water;
    c. report spills immediately to the NWT/NU 24-Hour Spill Line at (867) 920-8130 and to the Inspector at (867) 975-4284;
    d. 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 reference to the assigned spill number, 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; and
    e. in addition to Item 6(c), regardless of the quantity of releases of harmful substances, report to the NWT/NU 24-Hour Spill Line if the release is near or into a water body.

Abandonment and Restoration

7. Prior to the closure or abandonment of the undertaking or end of the period authorized for the use of Waters or deposit of Waste without a licence, whichever occurs first, the site shall be restored — to the extent practicable — to the state in which it was before the use of Waters or the deposit of Waste.[a]

Record Keeping

8. The Applicant shall:
   a. maintain accurate and detailed books and records of:
      i. the quantity of Waters, in cubic metres, used each day,
      ii. the quantity, in cubic metres, of Waste deposited each day,
      iii. where the Waste is deposited including GPS coordinates in Latitude and Longitude,
      iv. the concentration of the substance, or substances, in the deposited solid or liquid that has the effect of making the deposit of Waste,
      v. the methodology used to calculate or determine the information referred to in items (i) to (v), and
      vi. the measures that were taken to avoid or mitigate any adverse impacts of the deposit of Waste.
   b. keep the books and records on the site of the undertaking during the period of its operation and make them available during that period to an inspector on request;
   c. submit to the Board a report containing a summary description and supporting photographs of the restoration of the site of the undertaking within thirty (30) days after the earliest of (i) the day on which the undertaking is closed or abandoned, and (ii) the last day of the period authorized for the unlicensed use or deposit;[b] and
   d. keep the books and records for two years after submitting the report describing the restoration of the site and undertakings.

Notes:

a) A site need not be restored prior to the end of the period authorized for the use of Waters or the deposit of Waste without a licence, as required by Item 7, if the Board issues a licence for the use of Waters or deposit of Waste for the same undertaking on same site prior to the end of that period.

b) The Applicant need not submit the report referred to in Item 8(c) if the Applicant obtains a new approval authorizing a use of Waters or deposit of Waste without a licence, or a licence authorizing a use of Waters or deposit of Waste for the same undertaking on the same site within thirty (30) days after the last day of the period previously authorized.