

Land and Water Boards of the Mackenzie Valley



APPLICATION FOR LICENCE, AMENDMENT OF LICENCE, OR RENEWAL OF LICENCE IN NON-FEDERAL AREAS

Subsection 5(1) and Schedule C of the [Waters Regulations](#)

| | | | | |
|--|--|----------|--------------------------------|--|
| Use an "X" to indicate which Board the Application is being made to: | Mackenzie Valley Land and Water Board: | X | Sahtu Land and Water Board: | |
| | Wek'èezhii Land and Water Board: | | Gwich'in Land and Water Board: | |

To complete this form, please refer to the MVLWB [Guide to the Water Licensing Process](#) (Guide) and fill in the grey fields; attach additional pages, as necessary. Indicate N/A in the grey fields for Items or parts of Items that are not applicable. Review the following MVLWB guidance for formatting your Application Package:

- [Document Submission Standards](#)
- [Standard Outline for Management Plans](#)

| | | | |
|--|------------------|--|----------|
| If applicable, provide the existing or current Water Licence number: | Not applicable | | |
| Use an "X" to indicate if this Application is accompanied by another Application for a Water Licence in a federal area and/or a Land Use Permit. | Water Licence: | | |
| | Land Use Permit: | | X |

1. NAME AND CONTACT INFORMATION – APPLICANT

| | | | |
|-------------------|---|------------|---------------------------------|
| Applicant's Name: | Terence Hughes | | |
| Position: | Regulatory and Community Affairs Advisor | | |
| Mailing Address: | Suite 2800, 421 7 th Avenue SW | | |
| Community: | Calgary | Telephone: | 403-206-3859 |
| Prov/Terr: | Alberta | Email: | terence.hughes@paramountres.com |
| Postal Code: | T2P 4K9 | Other: | 403-261-1214 |

2. NAME AND CONTACT INFORMATION – APPLICANT'S HEAD OFFICE

Include a Certificate of Corporate Registration from the Government of the Northwest Territories to your Application Package.

| | | | |
|---|--------------------------|------------|-----------------------|
| Use an "X" to indicate if this information is the same as Item 1 above: | | | |
| Name: | Paramount Resources Ltd. | | |
| Position: | Same as above | | |
| Mailing Address: | Same as above | | |
| Community: | Same as above | Telephone: | 403-290-3600 |
| Prov/Terr: | Same as above | Email: | info@paramountres.com |
| Postal Code: | Same as above | Other: | Same as above |

3. LOCATION OF PROJECT

Use the grey fields below to provide or reference the following information:

Maps and Geographic Information System (GIS) Data: Include a map in your Application Package, identifying local geographic features, watercourses and water sources, project structures, and location(s) of any proposed waste deposits. Provide geographic coordinates (latitude and longitude) of project features, and the maximum and minimum project boundary in degrees, minutes, seconds, or decimal degrees. Include GIS data in your Application Package, if applicable. Refer to the MVLWB [Guideline for Geographic Information Systems \(GIS\) Submission Standard](#) for providing geographic information.

| | | | |
|--------------------|--------------|--------------------|--------------|
| Minimum latitude: | 60° 11' 19" | Maximum latitude: | 123° 39' 18" |
| Minimum longitude: | 123° 39' 18" | Maximum longitude: | 123° 55' 10" |

NTS Map Sheet No.: Provide the map sheet number:

95B

Land Types: Use an "X" to indicate the type(s) of land on which the activities are proposed:

| | | | | | | | |
|------------------------|--|---------------------------------------|---|---------------|--|-----------------|--|
| Free Hold/ Private: | | Commissioner's/ Territorial Lands: | X | Federal Land: | | Municipal Land: | |
|------------------------|--|---------------------------------------|---|---------------|--|-----------------|--|

4. DESCRIPTION OF PROJECT

Describe your proposed activities in the grey field provided below and contact Board staff to determine whether additional information will be required. For proposed amendments to authorized activities, specify: the nature of the amendment, the condition(s) to be amended, and the rationale for the amendment.

See Attachment A

5. TYPE OF UNDERTAKING

Refer to Schedule B of the [Waters Regulations](#). Use an "X" to indicate which one type of undertaking applies:

| | | |
|---|--------------------|---|
| 1 | Industrial | X |
| 2 | Mining and milling | |
| 3 | Municipal | |
| 4 | Power | |
| 5 | Agriculture | |

| | | | |
|---|---------------|--|-------------|
| 6 | Conservation | | |
| 7 | Recreation | | |
| 8 | Miscellaneous | | (describe): |

6. WATER USE CRITERIA

Refer to Schedules D to H of the [Waters Regulations](#). Use an “X” to indicate which criteria apply:

| | Type B | Type A | |
|---|--------|--------|-------------|
| To obtain water | X | | |
| To cross a watercourse | X | | |
| XTo modify the bed or bank of a watercourse | | | |
| Flood control | | | |
| To divert water | | | |
| To alter the flow of, or store, water | | | |
| Other | | | (describe): |

7. PROPOSED QUANTITY OF WATER INVOLVED

Describe the purpose of each proposed water use, name, and type (e.g., lake, river) of the water source, the location, and the quantity of water that would be used in the grey fields below. Add more rows as needed.

| Purpose of Water Use | Name and Type of Water Source | Location | Geographic Coordinates | | Proposed Water Use Volume/Rate, including units |
|----------------------|-------------------------------|-------------------------------------|------------------------|-----------|---|
| | | | Latitude | Longitude | |
| Camp | Liard River | Barge Landing, Near station 10ED001 | 60.455 | -123.866 | 12000m3 annually |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

For each water source identified in the table above, provide a comparison of total proposed water use to the available capacity. Add more rows as needed.

| Water Source | Capacity of Water Source, including units | Other Users of the Water Source | Comparison of Total Proposed Water Use to Available Capacity |
|--------------|--|---------------------------------|--|
| Liard River | See attached Daily Discharge information from the Government of Canada | Paramount Resources Ltd. | Negligible |
| | | | |
| | | | |

8. PROPOSED WASTE MANAGEMENT METHODS

Use the grey fields below to provide or reference the following information:

Waste Management Plan: Include your Waste Management Plan in your Application Package, if applicable, or for small-scale activities, describe your proposed waste management activities in the grey fields provided below. A template for the Plan is available in the MVLWB [Guidelines for Developing a Waste Management Plan](#).

If waste is proposed to be disposed of off-site within the NWT, written confirmation (e.g., an email, letter, etc.) from the facility/facilities indicating they will accept the waste is required. Include it/these in your Application Package. Please note this information will be required by the Board prior to commencement of activities.

Municipalities: Complete the relevant Operations and Maintenance Plans using the available [Templates](#) and include them in your Application Package. Please refer to Sections 4-8 of Environment and Climate Change Canada’s [Solid Waste Management for Northern and Remote Communities: Planning and Technical Guidance Document](#).

EQC and AEMP: For activities that involve the deposit of waste into water, provide proposed effluent quality criteria (EQC) in accordance with the MVLWB [Water and Effluent Quality Management Policy](#) and MVLWB/GNWT [Guidelines for Effluent Mixing Zones](#). Please refer to the MVLWB/GNWT [Guidelines for Effluent Mixing Zones](#) when mixing zones are being considered. Please refer to the MVLWB/GNWT [Guidelines for Aquatic Effects Monitoring Programs](#) for more information regarding the development of AEMP programs.

See attached Waste Management Plan

9. EXISTING WATER USERS AFFECTED BY THIS PROJECT

Describe pre-Application engagement efforts with any existing water users and associated possible claims for water compensation or compensation agreements. Include the names and locations of existing water users (e.g., persons or organizations) in the grey fields below. An additional table should be added for each water user.

| | |
|--------------------------------|-----|
| Name: | N/A |
| Community: | |
| Province/Territory: | |
| Describe Engagement Completed: | |

10. POTENTIAL ENVIRONMENTAL IMPACTS OF THE PROJECT AND PROPOSED MITIGATIONS

Using the Impact-Mitigation Table below, or the more detailed Table in Appendix F of the [Guide](#), identify all potential impacts and possible mitigations that are relevant to the proposed project, and indicate whether any of the mitigation measures have been developed as a result of input from affected parties. Applicants for type A water licences must use the detailed Table in the Guide; other applicants may choose either the Table below or the Table in the Guide. Possible potential impacts are listed below; however, these lists are not exhaustive and may not apply to all projects. All information provided should reflect the size, scale, and

nature of the proposed project. Cumulative impacts and climate change must be considered. Attach additional pages if needed.

| Potential Impacts <i>Use an "X" to indicate which apply</i> | X | Potential Project Impacts and Proposed Mitigations <i>Describe the potential impact(s) and the proposed measure(s) to reduce each of these impacts.</i> |
|---|----------|---|
| ABIOTIC COMPONENTS | | |
| Land | | |
| Soil contamination | X | Spill Contingency Plan |
| Soil compaction | | |
| Destabilization/erosion | | |
| Change in soil structure | | |
| Inability to support vegetation | | |
| Other | | |
| Water | | |
| Groundwater | | |
| Water table alteration | | |
| Infiltration changes | | |
| Changes in water quality | | |
| Temperature changes | | |
| Other | | |
| Permafrost | | |
| Loss or change in extent | | |
| Changes in seasonal fluctuations | | |
| Change in persistence | | |
| Other | | |
| Surface Water | | |
| Water flow or level changes (permanent, temporary, seasonal) | | |
| Drainage pattern changes | | |
| Temperature changes | | |
| Changes in water quality | | |
| Wetland impairment | | |
| Changes to aquatic habitat (see Biotic section below) | | |
| Other | | |
| Air | | |
| Changes in air quality | X | Camp (if used) incinerator will be dual chamber or single with afterburner. Waste will be segregated prior to incineration |
| Harm to living things | | |
| Increased greenhouse gases | | |
| Other | | |
| BIOTIC COMPONENTS | | |
| Vegetation | | |
| Direct loss of vegetation | X | Clearing for access will occur, previously disturbed areas or minor clearings, it is expected revegetation |

| Potential Impacts <i>Use an "X" to indicate which apply</i> | X | Potential Project Impacts and Proposed Mitigations <i>Describe the potential impact(s) and the proposed measure(s) to reduce each of these impacts.</i> |
|---|----------|---|
| | | will occur naturally. |
| Loss of Species at Risk or may-be-at-risk plants | | |
| Change in species composition | | |
| Introduction of non-native (invasive) species | X | Equipment will be brought in from outside of the Territory, equipment will be cleaned and inspected prior to being mobilized |
| Effects on plant health (dust, metals, toxins) | | |
| Increased risk of fire | | |
| Compaction of vegetation | | Equipment will be onsite but will be staged on existing clearings to the greatest extent possible |
| Other | | |
| Terrestrial Wildlife Habitat | | |
| Direct loss or removal of habitat, dens, or nests | | |
| Loss or removal of keystone species and/or Species at Risk habitat | | |
| Fragmentation of wildlife corridor | | |
| Direct injury or mortality | | |
| Disturbances to key lifecycle stages: breeding, feeding, nesting, staging | | |
| Effects on population abundance | | |
| Change in species diversity | | |
| Effects on wildlife health (toxins, metals, etc.) | | |
| Changes to migratory movement patterns | | |
| Changes to predator-prey relationships | | |
| Human-wildlife conflicts | | |
| Other | | |
| Aquatic Habitat | | |
| Breeding disturbances | | |
| Change in species diversity | | |
| Effects on health (toxins, metals, sediment, etc.) | | |
| Changes to migratory movement patterns | | |
| Changes to predator-prey relationships | | |
| Effects on population abundance | | |
| Change in species diversity | | |
| Other | | |
| CULTURAL COMPONENTS | | |
| Wildlife Harvesting | | |
| Loss or reduction in game species populations | | |
| Effects on traditional land use, subsistence, and harvesting rights | | |
| Other | | |
| Cultural Integrity and Heritage Resources | | |
| Change to or loss of cultural integrity | | |

| Potential Impacts <i>Use an "X" to indicate which apply</i> | X | Potential Project Impacts and Proposed Mitigations <i>Describe the potential impact(s) and the proposed measure(s) to reduce each of these impacts.</i> |
|---|----------|---|
| Change to or loss of traditional lifestyle | | |
| Change to or loss of heritage resource | | |
| Other | | |
| Social and Economic Well-being | | |
| Increased human health hazard and risk | | |
| Economic opportunities or losses (employment, training) | X | Short term economic benefits |
| Change in ecological, cultural, social, or economic values identified for protection in approved Land Use Plans | | |
| Impairment of the recreational or traditional uses of the land or water | | |
| Impairment of the aesthetic quality of the land or water | | |
| Changes to the use of the area by other non-Indigenous people (e.g. trappers, outfitters, residents, hunters, forest harvesters, other authorized projects) | | |
| Other | | |

Spill Contingency Plan: Include your Spill Contingency Plan in your Application Package, if applicable, or for small-scale activities, provide relevant details in the grey field provided below. An example of this Plan can be found in the INAC [Guidelines for Spill Contingency Planning](#).

See attached

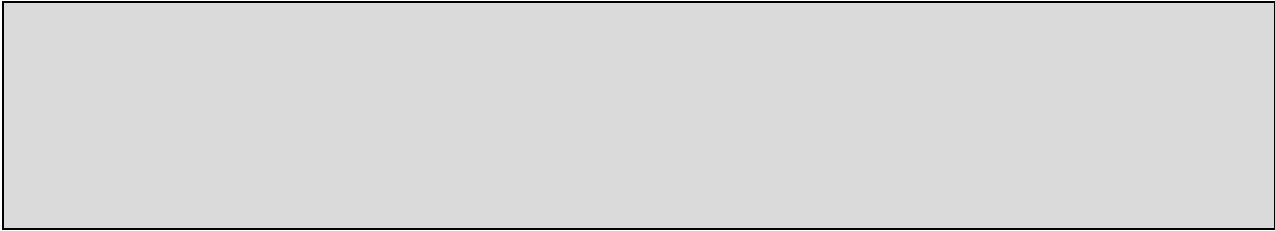
11. NAME AND CONTACT INFORMATION – CONTRACTORS AND SUB-CONTRACTORS

Include relevant names, responsibilities, and contact information in the grey fields below. An additional table should be added for each contractor and sub-contractor.

| | | | |
|-------------------|------------------|------------|--|
| Name: | To be determined | | |
| Responsibilities: | | | |
| Company Name: | | | |
| Mailing Address: | | | |
| Community: | | Telephone: | |
| Prov/Terr: | | Email: | |
| Postal Code: | | Other: | |

12. STUDIES UNDERTAKEN TO DATE

In the grey field below list any relevant studies that support the proposed activities and include them in your Application Package.



13. PROPOSED PROJECT SCHEDULE AND TERM

Indicate the proposed project start and completion dates, and the time of year the project activities are planned to occur. Describe any anticipated temporary closure(s) or seasonal shutdowns. Indicate the term requested.

| | | | |
|--|----------------|------------------|----------------|
| Start Date: | April 15, 2021 | Completion Date: | April 15, 2026 |
| See attachment for project schedule and additional project detail. | | | |
| Term of Licence Requested: | 5 years | | |

14. ADDITIONAL SUPPORTING INFORMATION

Use the grey field below to provide or reference the following information:

Engagement: Conduct engagement, prepare an Engagement Record and Engagement Plan in accordance with the MVLWB [Engagement Guidelines for Applicants and Holders of Water Licences and Land Use Permits](#), and include them in your Application Package. Templates are provided in the Guidelines. Please also refer to [Information for Proponents on MVLWB's Engagement Requirements](#).

Eligibility: Contact federal, territorial, and Indigenous governments, and other parties to ensure all appropriate authorizations have been obtained or are in the process of being obtained. Obtain permission from the landowner(s), if necessary (e.g., obtain and reference licences of occupation, leases, access authorizations, etc.) and attach it/them to the Application.

Land Use Plans: Contact the applicable Land Use Planning Board or the Tłjchq Government to discuss conformity with the relevant Land Use Plan(s). Include a Land Use Plan Conformity Table in your Application Package, demonstrating how the project meets the requirements of the Land Use Plan, if applicable.

Traditional (Environmental) Knowledge (TEK/TK): Provision of TEK/TK is mandatory for Applications to the Sattu Land and Water Board. Other applicants are strongly encouraged to include TEK/TK.

Facilities: Include the supporting information required under subsection 5(2) of the [Waters Regulations](#) if the project includes the following: dam(s); storage reservoir(s); watercourse crossing(s); camp(s) or lodge(s); use of water for industrial use or mining and milling; deposit of waste; or handling or storage of petroleum products or hazardous materials.

Closure and Reclamation: Describe your plans for closure and reclamation, including any temporary closures and seasonal shutdowns. Include your Closure and Reclamation Plan in your Application Package, or for Water Licence – Application – Non-Federal Areas

small-scale activities, describe the proposed activities in the grey field provided below. Please also refer to the MVLWB/AANDC [Guidelines for the Closure and Reclamation of Advanced Mineral Exploration and Mine Sites in the Northwest Territories](#) and Environment and Climate Change Canada’s [Solid Waste Management for Northern and Remote Communities: Planning and Technical Guidance Document](#).

Closure Cost Estimate: Prepare a Closure Cost Estimate and include it in your Application Package. Applicants are encouraged to contact the Board, prior to applying, to determine which closure-cost-estimate template is most suited to the project activities being applied for. Guidance is provided in section 2.2 of the MVLWB/AANDC/GNWT [Guidelines for Closure and Reclamation Cost Estimates for Mines](#). If your Application is submitted concurrently with a Land Use Permit Application, the estimate should include a breakdown of water- and land-related activities and liabilities.

Financial Capacity: Provide information relating to your financial capacity, as outlined in paragraph 26(5)(d) of the [Waters Act](#). Please note this information will be required by the Board prior to issuance.

Paramount Resources Ltd. currently has security for the project posted under MV2014X0011. To provide an updated security for the project activities contemplated under the current applications must be conducted so that a revised security estimate can be provided to the MVLWB and reviewers. Paramount Resources Ltd. is a publicly traded company (symbol POU on the TSX) that has posted security with the MVLWB for over 20 years regarding projects in the Mackenzie Valley.


15. FEES

Refer to the following guidance for assistance with determining relevant fees: [Water Use Fee Policy](#); [Water Use Fee Calculator](#); and [Water Licence Application Fee, Water Use Fee, and Security Deposit Information](#).

| Type of Fee | Amount (\$) |
|------------------------|-----------------|
| Application fee: | \$30.00 |
| Water use fee deposit: | \$120.00 |
| Total Fees: | \$150.00 |

16. SIGNATURE

| | |
|--|--|
| Paramount Resources Ltd. (Terence Hughes) | Regulatory and Community Affairs Advisor |
| Applicant’s Name (print) or Company Name | Position (print) |

| | |
|---|------------------|
|  | February 5, 2021 |
| Signature | Date |

Please submit completed applications to the Regulatory Manager or Executive Director identified on the “Contact Us” pages of the respective Land and Water Board (www.mvlwb.com, www.wlwb.ca, www.slwb.com, www.glwb.com).