



Sahtu Land and Water Board

Staff Report

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| Division: Land | Report No: 1 |
| Applicant: Evrin Exploration Canada Corp. | |
| Location: Mackenzie Mountains, Tulita District NT | File Number: S19C-003 |
| Date Prepared: March 20, 2019 | Date of Board Meeting: March 22, 2019 |
| Subject: New Land Use Permit Application for Mineral Exploration | |

1. Purpose/Report Summary

The purpose of this Report is to present to the Sahtu Land and Water Board for consideration:

- a) the new Land Use Permit (LUP or Permit) Application S19C-003 as submitted by Evrin Exploration Canada Corp. (Evrin) (Attachment 1);
- b) Summary of stakeholder review comments and proponent responses;
- c) the draft Preliminary Environmental Screening Report;
- d) Engagement Record and Plan;
- e) Land Use Plan Conformity Determination;
- f) Management Plans (Spill Contingency Plan, Waste Management Plan, Closure and Reclamation Plan, and Wildlife, Archaeology and Environmental Awareness Plan)
- g) Reclamation security estimates; and
- h) the draft terms and conditions for the new LUP.

2. Background

- **February 6, 2019** - Application Received;
- **February 14, 2019** - Application Deemed Complete;
- **February 14, 2019** - Application Forwarded for Review to the Tulita District Distribution List;
- **March 8, 2019** - Review Period End Date (note, a one-day extension was requested by Fort Norman Metis Land Corporation);
- **March 15, 2019** - Proponent Response End Date (note, an additional day was given for responses to be received because of the extension);
- **March 28, 2019** - End of 42-day timeline;
- **March 22, 2019** - Board Meeting Date.

3. Discussion

3.1 Project Overview

Evrin proposes to conduct early stage mineral exploration activities (prospecting, soil and stream sediment sampling, airborne and ground-based geophysics, reverse circulation drilling and core (diamond) drilling) at the Astro Project located in the Backbone Range of the Mackenzie Mountains near the Yukon border in the Tulita District, NT. The Astro Project consists of 31 mineral claims over

an area of 24,000 ha. Attachment 2 shows the location of the project (boundaries highlighted in red and named “Astro”) within Zone 38 (Mackenzie Mountains) of the Sahtu Region (as per Sahtu Land Use Plan), as well as the proposed camp location at Mile 222 (10 Km south of Astro Project within Zone 39 (Doi T’oh Territorial Park and Canol Heritage Trail Reserve)). The NWT/Yukon boundaries (thick brown line) show that the project activities occur only within Sahtu Region.

Evrin is applying for a permit for mineral exploration for a period of three years from May 2019 until April 2022. Work will be conducted from mid to late May until early October each year. Evrin is planning to locate a 20-45 person camp on Federal Lands proximal to the Canol Trail Mile 222 airstrip. A fuel cache of up to 100 – 205L drums will be set up near the camp to support camp and project activities.

Access: Access to the project area will be by fixed-wing planes landing at either the airstrip at Mile 222, NT and/or MacMillan Pass (Mac Pass), YT and by road via the North Canol road (Yukon). No new roads will be built as all travel within the project area is by helicopter.

Drilling: Drilling operations are planned from mid-May to early October, each year. Drilling equipment to be used includes 2 diamond drills and 1 RC drill. All drilling activities are helicopter supported.

- Result dependent RC Drilling may be up to 40 holes in 3 years. RC drilling specifications: 100mm diameter holes with a depth of 50-200 metres; no water usage for drilling.
- Result dependent Diamond Drilling may be up to 65 holes in 3 years. Drilling specifics: 40-65 mm diameter holes with 250-500 m depth. Water usage per core (or diamond) drill is approximately 30 to 40 cubic meters per day. Water from diamond drill rig is redirected to a sump.

3.2 Program Components

3.2.1 Management Plans

The following Management Plans and Studies were submitted with the Application:

- Engagement Record and Plan
- Traditional Knowledge Study (to be kept confidential)
- Waste Management Plan v. 1.0
- Spill Contingency Plan v. 1.0
- Closure and Reclamation Plan v. 1.0
- Wildlife, Archaeology, Environmental Awareness Plan v. 1.0

3.2.2 Equipment and Infrastructure

The following equipment is identified as required for the Project described in the LUP Application:

| Number | Type | Size | Proposed Use |
|--------|--------------------------------|---------|--|
| 1 | ASTAR helicopter or equivalent | 1300 kg | Camp and Crew support (+ geophysics) |
| 2 | 5 hp Water Pumps | 25 Kg | Getting water to kitchen/dry |
| 3 | Generator 5 kW | 20 kg | Providing power to camp |
| 2 | Pickup trucks | 2500 kg | Bringing people and supplies to Mile 222 or Mac Pass |

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|---|--|---------|--|
| 1 | Flatbed truck | 5000 kg | Bringing people and supplies to Mile 222 or Mac Pass |
| 1 | Fixed Wing Plane | -- | Bringing supplies to Mile 222 or Mac Pass |
| 2 | Hand wobble or electric fuel pumps | 15 kg | Fueling helicopter, drills, generators, stoves in tents and or water pumps |
| 2 | Diamond Drill Rig | 2000 kg | Diamond drilling of targets |
| 1 | RC Drill Rig (includes air compressor) | 1500 kg | RC drilling of targets |
| 2 | Chainsaws | 5 kg | Clearing of brush for geophysics |
| 1 | Side-by-side ATV/Gator Utility Vehicle | 800 kg | Providing support at camp |
| 1 | Skid Steer | 1000kg | Providing support at camp |

The equipment list was amended (in a revised Project Description Report) during the review period to include a skid steer and Gator or side-by-side ATV. This equipment was added in response to **INAC-NWT Inspector comment (ID1)** that the Permittee re-evaluate their equipment list to ensure potential future exploration is not affected.

3.2.3 Camp

Evrin is proposing to locate a temporary and seasonal camp on previously-disturbed Federal land close to the Mile 222 Airstrip, NWT at approximately 63.2974°N, 129.8251°W; however, this location may move slightly based on the discretion of the camp operators and/or the Land Use Inspectors. This camp location has been selected because of the proximity to the Astro Project and because it minimizes new disturbance.

The camp will be constructed in a manner consistent with permit regulations. Unless otherwise approved by the appropriate land-use authority, the camp would be:

- located at least 100 meters from the high-water mark of any watercourse;
- grey water from the kitchen will be directed to a natural sump;
- fuel drums for the purpose of heating the tents would be located on stands and be associated with appropriate secondary containment;
- initially, garbage would be stored on site in animal-safe containers and removed from site as logistic support allowed;
- Sewage will be buried and reclaimed in pit toilets; and
- All waste removed from the property would be delivered to the Whitehorse disposal facility.

The camp is expected to have a footprint of one hectare and consist of up to 20 structures. All structures will be non-permanent. Crew accommodation will consist of nominally 12' by 16' to 16' by 20' soft walled tents on wooden platforms. Kitchen and dry facilities will be soft-walled, aluminium-framed or wooden structures with tents on wooden platforms. It is estimated the camp will use 2-4 cubic metres of water per day. This water will be sourced from a small creek 100-200 metres south of the camp. The camp will initially accommodate 20-30 people but could be expanded to hold 45. The camp is expected to operate from mid-May until early October. A season will consist of 2000 to 4000 man-days.

3.2.4 Fuel Storage

A fuel cache consisting of 205L drums to support camp and project activities would be located near camp, but greater than 100 metres distance from the ordinary high water mark of a water body and not located in a drainage channel unless approved by the appropriate inspector. Fuel in any cache on the property would be stored in impermeable berms with bungs facing up hill and oriented at 3-9 o'clock. The camp fuel cache and any other caches required to support exploration on the property would be registered with the Land Use Inspector.

Evrin initially estimated that at most 60 drums will be at the fuel cache at any time:

- Diesel – 29 containers
- Gasoline – 2 containers
- Aviation Fuel – 29

Based on comments received from the **INAC-NWT Inspector (ID2)** during the public review process, who recommended Evrin reconsider the quantity of fuel required for an exploration program of this size, Evrin has adjusted the maximum number of fuel containers on site at any one time to 100. Evrin noted that the whole program will use more fuel than the amount that will be stored onsite, however, they plan to resupply full and backhaul empty drums regularly from the camp.

3.3 Regulatory Requirements

3.3.1 Eligibility

According to the Mackenzie Valley Land Use Regulations, Evrin is eligible for this permit according to 18 (a) (i) where the proposed land-use operation is in the exercise of a right to search for, win or exploit minerals or natural resources, and Evrin holds the right.

3.3.2 Type of Area

The Project is located entirely in the Northwest Territories. The Astro Project claim is located on Territorial lands administered by the GNWT. The proposed camp and fuel storage is located on Federal lands. This application is thus considered a split-interest Project. Split-interest Projects for Land Use Permits only require a single application because the Mackenzie Valley Land Use Regulations remained federal legislation after devolution.

3.3.3 Fees

The permit application fee of \$150.00 was received with the application. No land use fees are required, since the Project activity will take place on Territorial lands to which land use fees do not apply, and the camp which is located on Federal land, is under 2 ha in area which is covered by the application fee.

3.3.4 Term

Evrin has requested a term of three years from May 2019 until April 2022.

3.3.5 Triggers

A Type A Land Use Permit is required for the following activity: use of a campsite outside of a territorial park for more than 400 person-days. The associated fuel storage is anticipated to be greater than 4000 L (total 20,500L). The drilling equipment weight exceeds 500 kg but is less than 2.5 t.

A Water Licence is not required for this project as the camp and drilling will use less than 100 m³/day of water to be drawn from local water sources.

4. Public Review

Of the 38 organizations to which the application was distributed, 17 are represented within the Sahtu Settlement Area. Review comments were received from:

- Environment and Climate Change Canada (**ECCC**);
- Fort Norman Metis Nation Local #60 Land Corporation (**FNMLC**);
- Government of the Northwest Territories – Environment and Natural Resources (**GNWT-ENR**);
- Government of the Northwest Territories – Lands – Sahtu Region (**GNWT-Lands**);
- Crown Indigenous Relations and Northern Affairs – NWT Inspectors (**CIRNAC – Inspector**);
- Crown Indigenous Relations and Northern Affairs – Yellowknife (**CIRNAC -YK**);
- Sahtu Renewable Resources Board (**SRRB**).

The Review Comment Summary Table and submitted letters from ECCC, GNWT-ENR, FNMLC and Evrim are attached to this report (Attachment 3).

4.1 Main Issues Raised During the Review

FNMLC (ID1) – Challenging the land use plan conformity determination with respect to CR#2 (Engagement and Traditional Knowledge) and CR#3 (Community Benefits). Discussion of this in section 5.5 below.

GNWT-ENR (ID1,2,3,4) and **INAC-NWT Inspector (ID3)** and **INAC-Yellowknife (ID1)** – Incineration and Open Burning concerns. Based on comments from INAC and ENR regarding incineration, Evrim has removed any plans to use an incinerator from the Land Use Permit documents. Only open burning of waste streams as identified in the Municipal Solid Wastes Suitable for Open Burning document located on the GNWT ENR website will occur on site. All other waste will be back hauled regularly by road for disposal in Whitehorse.

GNWT-ENR (ID14) – Recommended cumulative effects tracking by mapping the disturbance footprint as the operation progresses according to the MVLWB's "Standards for GIS Submissions". Evrim has agreed.

GNWT-ENR (ID15-18) – Bear Dens - The Proponent should conduct pre-activity surveys in the fall within 800m of the project footprint to identify active bear dens if project activities will occur between September 30 and March 30. If any bear dens are located or suspected, an 800 m exclusion zone will be implemented. Mitigation measures can be discussed with ENR. Proponent also to avoid disturbance to beaver lodges and muskrat pushups. Evrim responded that if they are in the field past September 30th a pre-activity survey will be conducted, exclusion zones will be implemented, locations of dens kept confidential with ENR. The Wildlife Management plan was updated to include this additional information. Permit conditions are included to address protection of wildlife habitat and bear dens.

SRRB (ID5) – C&R Plan. Clarify the expected volumes of rock chips and if they will be covered with soil and revegetated for rapid naturalization. Evrim responded that a typical RC hole has a diameter

of 100 mm and typical sample recovery of 16 kg/m. Assuming an average of 100 m long holes this would generate ~ 0.8 m3 of rock chips of which ~0.7m3 would be left on site. Where applicable, the RC chips would be used to assist with re-contouring the site. Industry best practice is to scatter these chips across the RC drill pads to permit natural re-vegetation.

SRRB (ID6) – C&R Plan. Concern that the storage of the core samples on site is unacceptable and the cores should be removed so the site can return to its natural state. Evrim responded that historically it has always been traditional for industry to store drill core either on or near the property where it was drilled so that it is always available as a significantly valuable record, or physical library, of geological data for the area. The GNWT is currently considering the matter of drill core storage as part of the development of the new Mineral Resources Act (MRA) and Regulations process.

5. Board Staff Analysis of Evidence

5.1 Permission of Land Owner, Community Consultations and Traditional Knowledge

5.1.1 Permission of Land Owner

At present, the Project will not be accessing any Sahtu title lands, so no Access and Benefits Agreements (ABA) have been negotiated. In 2018, Evrim had sought an ABA with the Tulita District Land Corporation (TDLC) to conduct 1-2 days of sampling on Sahtu title lands at Mile 222. This Agreement was never completed and Evrim has not pursued access to these lands for 2019 (see section 5.5. below for more details on this process).

Section 17.3 of the SDMCLCA and Section 17.5 of the Implementation Plan include provisions for the creation of a territorial park to include the Canol Trail and Dodo Canyon, however development of the park is not a requirement under the Land Claim. The process to transfer these lands to the GNWT was initiated prior to devolution with the first three steps outlined in Section 17.3.1 of process followed. As a Waste (Contaminated) Site the Canol Trail was excluded from transfer to the GNWT during the Devolution Process and under the Devolution Agreement clear land transfer protocols have been established with additional oversight on project details provided by the Waste Sites Working Group.

5.1.2 Community Consultation

Board staff have completed a conformity check of the Engagement Plan and Record against the Board’s *Engagement and Consultation Policy* (the Policy) and the *Engagement Guidelines for Applicants and Holders of Water Licences and Land Use Permits* (the Guidelines). As a result of this conformity check (Table 1), Board staff have recommended that the Plan meets the criteria of the policy.

Table 1: Conformity Table, Assessment of Engagement Plan (The Policy, Appendix B)

| Engagement Criteria | Board Assessment |
|---------------------|---|
| Who was engaged? | All relevant organizations were engaged: Tulita District Land Corporation (TDLC); Tulita Land Corporation (TLC); Fort Norman Metis Land Corporation (FNMLC); Tulita Renewable Resources Council (TRRC); Norman Wells Land Corporation (NWLC); Norman Wells Renewable Resources Council (NWRRC). Evrim has also engaged GNWT |

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| | (Inspectors), INAC (Inspectors) and SLWB throughout the process. |
| Timing of engagement | Engagement began in April of 2018 and continued throughout 2019 until submission of the LUP application |
| Achieved results | Evrim has been committed to open communication and sharing of information with rights holders and interested parties. |

In addition to the Policy assessment tool, the Engagement Guidelines outlines six (6) components that an Engagement Plan must satisfy in order to be considered complete. Board staff has conducted a conformity check to ensure the Plan satisfies these requirements (Table 2). As a result of this conformity check (Table 2), Board staff have recommended that the Plan meets the criteria of the policy.

Table 2: Conformity Table, Engagement Guidelines Requirements

| Engagement Plan Must Have's: | How Evrim's Engagement Plan satisfies these requirements: |
|---|--|
| 1. Describe the goals and methods of engagement; | <p>Evrim's goal is to be as transparent as possible in providing firsthand information, engagement and involvement.</p> <ul style="list-style-type: none"> • <u>In-person meetings</u> will allow for direct discussion of specific issues, initiatives and the addressing of any concerns. • <u>Email</u> will allow Evrim to communicate with affected parties and obtain their input in order to address Project-related issues. • Availability for <u>phone calls and conference calls</u> will allow for greater clarity of communications. • <u>Fact sheets</u> will provide clarity of information in plain language to reduce public concerns. • <u>Community 'open-house' meetings</u> would be established to allow the public to hear relevant project information and provide the opportunity to ask questions and make comments. • <u>Traditional Knowledge Study</u> will allow Evrim to collect important information about the lands that can be used to modify their Project. |
| 2. Outline a frequency of engagement that allows for relevant and timely information sharing; | <ul style="list-style-type: none"> • Evrim has outlined four triggers for engagement through the life of the Project: 1. Pre-application; 2. Submission of Application; 3. Annual Project Updates; 4. Change in Scope. |
| 3. Establish a process that allows the affected party to raise concerns on issues; | <ul style="list-style-type: none"> • Evrim has travelled to the communities of Tulita and Norman Wells on several occasions (May 2018, November 2018, January 2019) for in-person meetings with affected parties to allow open discussion of issues and concerns. • Evrim circulated their draft application package to all affected parties for their review and input prior to submission to SLWB. |
| 4. Allow opportunities for, when | <ul style="list-style-type: none"> • Evrim has held in-person meetings with Land Corporations |

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| appropriate, community meetings to take place to be inclusive of perspectives from all sectors of the community, including women, youth, and Elders; | and Renewable Resource Councils <ul style="list-style-type: none"> • Evrim has hosted community open house meetings where all sectors of the community may attend • Evrim has engaged TRRC to complete a Traditional Knowledge Study to ensure perspectives of elders are captured. |
| 5. Ensure the proponent has procedures in place to understand and respond to issues as they arise; and | <ul style="list-style-type: none"> • Evrim has an Engagement Process that allows issues to be identified and discussed early in the process, during the project activity and for any modifications during the project. • Any material change in the accepted plan of activities would be communicated directly to the affected parties and recommendations sought on how to engage related groups with ongoing communications. This will allow Evrim to maintain good two-way communications with affected parties, establish constructive dialogue and ultimately provide benefit to Evrim and all affected stakeholders. |
| 6. Provide the opportunity for relationships to be built proactively, not just when issues occur | <ul style="list-style-type: none"> • Engagement of affected parties and the public in general will help build cooperative working relationships and support for on-going work at the property. It will also serve to bring forward important issues, minimize delays due to opposition, and allow Evrim to become better informed on issues affecting indigenous peoples of the region and the sensitivity of land use operations. |

5.1.3 Traditional Knowledge

The TRRC has made it clear to Evrim that their TK Study is considered **CONFIDENTIAL** and is for the Evrim’s use only; it is not to be shared or made public. Evrim has discussed the confidentiality issue with the TRRC and with the SLWB. It has been agreed that Evrim will submit the TK study to the SLWB when it is received and the SLWB will only use the document for internal review purposes; the document will remain confidential and out of the public domain.

During the public review process the **SRRB (ID7)** commented that the proponent showed good engagement with Tulita and Norman Wells starting in April 2018. A confidential traditional knowledge study was to be conducted by the Tulita RRC for Evrim’s use.

5.2 Management Plans

5.2.1 Waste Management Plan

Board staff reviewed the Waste Management Plan (Version 1.0) with consideration of the basic requirements of MVLWB *Guidelines for Developing a Waste Management Plan* (2011) and have the opinion the Plan conforms with the intent of the Guidelines.

Project waste will comprise combustible waste, non-combustible waste and recyclable materials, which will be removed on a weekly basis by fixed-wing plane, and will be sent to recycle/disposal facilities off-site (Whitehorse, YT). All items removed to Whitehorse will be handled by an accredited agency, using best practices for the waste stream. Ash (from combustible waste suitable for open burning) will either be transported to disposal facility in Whitehorse or may be buried on

site. Human waste will be deposited in privy pits on site, at least 100m away from waterbodies; privy pits will be back-filled and reclaimed.

Hazardous waste generation is expected with the following materials and disposal methods:

- Used batteries (recycling off-site);
- Fuel, oil and lubricants (disposal off-site);
- Used air, oil and fuel filters and absorbent pads (disposal off-site);
- Chemical waste (disposal off-site);
- Empty fuel drums (recycling off-site).

Mineral waste generation is expected with the following materials and disposal methods:

- Drill cuttings will be stored in a sump, consisting of a natural depression, more than 100 metres from the Ordinary High-Water Mark of any waterbody unless approved by the appropriate regulatory authority. Sumps will be allowed to drain then backfilled, recontoured and reseeded if an appropriate seed mix is available.

Non-mineral waste generation is expected with the following materials and disposal methods:

- Paper/cardboard (for approved burning on-site and disposal on/off-site);
- Food waste (disposal off-site);
- Scrap metal, retired drill equipment, plastic and rubber, construction waste (recycling off-site).

Sewage blackwater and greywater waste will be generated with the following disposal method:

- Sewage waste collected in pit privy at least 100 m away from water-bodies. Pits will be backfilled, recontoured and reclaimed by allowing natural revegetation, at the end of the project.

During the public review process the following comments were received on the WMP:

GNWT-ENR (ID1,2,3,4) and **INAC-NWT Inspector (ID3)** and **INAC-Yellowknife (ID1)** – Incineration and Open Burning concerns (see section 4 above).

GNWT-ENR (ID 19-23) - ENR provided recommendations for minimizing wildlife attractants and waste management protocols.

SRRB (ID8) – Requested clarification on the long-term plan for drill cutting sumps. Evrim responded that sumps will be allowed to drain then backfilled, recontoured and reseeded if an area appropriate seed mix is available.

Evrim agreed with all recommendations and submitted a revised Waste Management Plan (v. 2.0) on March 15. Board staff have reviewed the plan and confirm that the recommended revisions have been made. Board staff also confirm that two non-standard conditions were developed as per ENR recommendation. Other standard Permit conditions are applicable to the comments received.

5.2.2 Spill Contingency Plan

Board staff reviewed the Spill Contingency Plan (Version 1.0) with consideration of the basic requirements of Aboriginal Affairs and Northern Development Canada's *Guidelines for Spill*

Contingency Planning (April 2007) and have the opinion the Plan conforms with the intent of the Guidelines.

All fuel transfer will be carried out using a small electric pump with automatic fuel shut-off nozzles or a hand operated 'wobble' pump designed for transferring fuel from 205 litre barrels. All fuel storage will be in drums so transferring fuel will be from drum to drum or drum to machinery. Fuel drums will be stored in an impermeable fuel berm. Spill kits will be located at all fuel caches and preventative measures will be taken to avoid any spillage i.e. spigots and hoses for heating oil drums will be wrapped with absorbent material; absorbent padding will be used to catch drips and small spills during refueling.

During the public review process the following comments were received on the SCP:

ECCC (ID2) - remove the Environment Canada (Yellowknife) phone number and fax number from the Spill Contingency Plan.

GNWT-ENR (ID6-12) – Provided recommendations for best practices to follow for fuel storage and spill containment during project activities. Evrim has agreed and updated their SCP to ensure all best practices are included.

INAC-NWT Inspector (ID5) – Update SCP with CIRNAC telephone numbers.

INAC-Yellowknife (ID3,4) - Recommend including the drill crew and their role in spill response in section 4 of the SCP. Also to remove redundancy and/or contradiction for the Initial Response in section 3 and section 5.1 which are different.

SRRB (ID9) – SCP was reviewed with no issues or concerns.

Evrim agreed with all recommendations and submitted a revised Spill Contingency Plan (v. 2.0) on March 15. Board staff have reviewed the plan and confirm that these revisions have been made. Board staff also confirm that Standard Land Use Permit conditions cover the best practices for fuel storage and spill containment.

5.2.3 Closure and Reclamation Plan

Board staff reviewed the Closure and Reclamation Plan (Version 1.0) with consideration of the basic requirements of Mackenzie Valley Land and Water Board (MVLWB) and Aboriginal Affairs and Northern Development Canada (AANDC) *Guidelines for the Closure and Reclamation of Advanced Mineral Exploration and Mine Sites in the Northwest Territories* (2013). The development of a Closure and Reclamation Plan (CRP) is an ongoing and iterative process that progresses in level of detail over the life of a project. Evrim has confirmed that there is little in the way of actual industrial development in the project area other than the already established outfitter camps.

Upon completion of the exploration program all equipment, debris, structures, and garbage will be removed from the site. All disturbed natural landscapes will be returned to their original state as much as is possible by mean of leaving the ground surface in a condition that will promote natural re-vegetation. Each drill site will be inspected for any remaining material. Progressive reclamation will be carried out on the site at locations no longer required for the mineral exploration program. Short and long-term objectives for closure and reclamation are provided.

During the public review process the following comments were received on the C&R Plan:

SRRB (ID3,4) – Recommended revising C&R Plan guiding principles and objectives.

SRRB (ID 5,6) – Requested more information on the expected volumes of rock chips and how they would be disposed of and expressed concerns about the long-term storage of cores on site (see section 4 above).

INAC-Yellowknife (ID2) - The closure plan indicates that that core storage location would be approved by the GNWT Inspector. The plan for core storage is on federal land. Recommend changing to federal inspector.

Evrin agreed with all recommendations and submitted a revised Closure and Reclamation Plan (v. 2.0) on March 15. Board staff have reviewed the plan and confirm that these revisions have been made and have the opinion the revised Plan conforms with the intent of the Guidelines.

There were two responses to reviewer comments where the information provided was not included in the revised management plan. The first comment was from the **SRRB (ID8)** recommending that the long-term plan for the drill cuttings be specified. Evrin responded that the sumps will be allowed to drain then backfilled, recontoured and reseeded if an appropriate seed mix is available. This comment was made with respect to the Waste Management Plan; however, Board staff regard the long-term plan for the drill sumps to be a component of a Closure and Reclamation Plan.

The second comment from the **SRRB (ID5)** requested detail on the expected volumes of rock chips to be generated from the drilling and if they will be covered with soil and revegetated for rapid naturalization. Evrin responded that a typical RC hole has a diameter of 100 mm and typical sample recovery of 16 kg/m. Assuming an average of 100 m long holes this would generate ~ 0.8 m³ of rock chips of which ~0.7m³ would be left on site. Where applicable, the RC chips would be used to assist with re-contouring the site. Industry best practice is to scatter these chips across the RC drill pads to permit natural re-vegetation. Re-seeding would be carried out if an area appropriate seed mix is available.

Board staff recommend that the Closure and Reclamation Plan be revised to include these two additional details about the long-term plan for reclamation of drill sumps and volumes and disposal methods for rock chips.

5.2.4 Wildlife, Archaeological and Environmental Awareness Plan

This Plan was prepared to provide all Project personnel with best practices to follow to ensure protection of wildlife, archaeological resources and the environment (land and water) throughout Project activities. The Plan include guidelines to follow in the event of any archaeological discovery. The appendices of the Plan include monitoring forms to be completed on a regular basis for wildlife sightings, wildlife incidents and wildlife surveillance.

During the public review process the following comments were received on the WAEA Plan:

ECCC (ID1) -included a table with additional Species-at-Risk that may occur at the Project site.

GNWT-ENR (ID15-18) – included recommendations regarding wildlife habitat, bear den surveys and exclusion zones (see section 4 above).

Evrin agreed with all recommendations and submitted a revised Wildlife, Archaeological and Environmental Awareness Plan (v. 2.0) on March 15. Board staff have reviewed the plan and confirm that these revisions have been made. Permit conditions (standard and non-standard) are included to address protection of wildlife habitat and bear dens. Board staff recommend approval of this revised plan.

5.3 Potential for Environmental Impacts and Mitigation Measures

The following sections of the Preliminary Environmental Screening Report form provide specific and important information that may be of interest to the Board:

Physical/Chemical Effects

Ground Water: - Water Quality Changes; Infiltration Changes

Surface Water: - Water Quality Changes

Noise: – Noise increase; Noise in/near water

Land: – Geologic structure changes; soil contamination; ground disturbance; permafrost regime alteration; Other (ice patches).

Non-renewable Natural Resources: – resource depletion

Air/Climate/Atmosphere: – Greenhouse Gases

Biological Environment

Vegetation: - Species introduction; species composition; toxin accumulation; damage to ground vegetation and permafrost.

Wildlife and fish: - Effects on rare, threatened or endangered species; breeding disturbances; health changes (due to spill); behavioral changes; habitat changes/effects; toxin/heavy metals.

Interacting Environment

Habitat and communities: - Wildlife habitat/ecosystem composition changes; reduction/removal of keystone/endangered species.

Social and Economic: - Human Health Hazard; affects other land use operations; Other (benefit-employment).

Cultural and Heritage: - Changes to or loss of archeological resources; effects to aboriginal lifestyle

All relevant environmental impacts and mitigation measures are addressed in the Preliminary Environmental Screening (Attachment 4).

5.4 Preliminary Environmental Screening

Under the Preliminary Screening Requirements of section 124(1) of the *Mackenzie Valley Resource Management Act* (MVRMA), the Board must conduct a preliminary screening of any proposed development prior to the issuance of a Licence, Permit, or Authorization, unless it is exempt from Part 5 of the MVRMA.

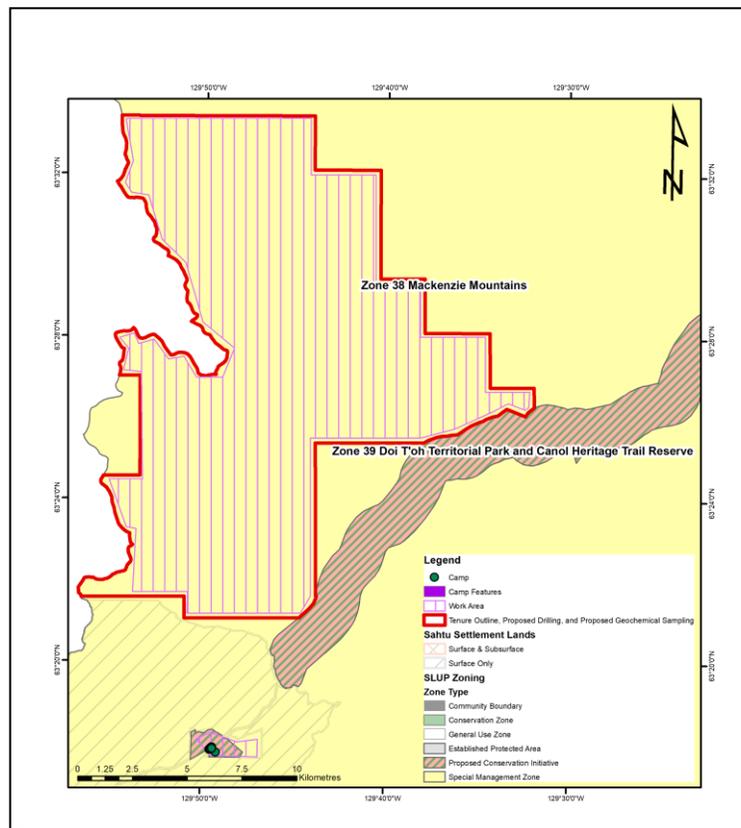
All relevant environmental impacts and mitigation measures discussed above, are addressed in the draft Preliminary Environmental Screening (Attachment 4) which contains information from the Application and public review regarding environmental and socio-economic concerns, along with mitigations, and is for the Board’s consideration.

The report concludes that the environmental impact of the proposed project can be mitigated with known technologies and no significant public concerns have been raised. The Draft Preliminary Environmental Screening Report and a Draft Staff Report was forwarded to the MVEIRB on March 21, 2019 and the final version will be forwarded to the MVEIRB once it has received approval from the Board.

5.5 Conformity with Land Use Plan

The SLUP was adopted by the Sahtu Land Use Planning Board (SLUPB) in April 2013 and received approval and came into effect on August 8, 2013. The location of the drilling program falls within zone 38 – Mackenzie Mountains [Special Management Zone]. The proposed camp is located within zone 39 – Do Et’Q (DoiT’oh) Territorial Park and Canol Heritage Trail Reserve [Proposed Conservation Initiative]- see Figure 1.

Figure 1: Location of Astro Project and Camp in relation to Sahtu Land Use Plan Zones.



As per Part 3, Secti or renew a licence or permit or authoriza under Part 2. Board

staff have required the Proponent demonstrate how the project meets the appropriate SLUP conformity requirements.

Table 3 outlines how these requirements are being addressed as presented by Evrim with review by Board staff. During the public review period a letter was received from the Fort Norman Metis Land Corporation challenging Evrim's interpretation of Conformity Requirements #2 and #3. Specifically, for CR #2, that a Traditional Knowledge Study was not submitted with the application and provided for review. For CR #3, that Evrim has not hired Sahtu Helicopters for the Project and has not signed an Access and Benefits Agreement with the three Land Corporations (Attachment 3). Evrim provided a letter in response (Attachment 3).

Board staff confirm that a Traditional Knowledge Study was submitted with the application and has been considered in the design of the Project activities. The study was requested to be kept confidential, so has not been uploaded to the public registry or distributed to any review organizations. The TK study was sent to the Board members for their consideration on March 15, 2019. Board staff also note that Traditional Knowledge information was also collected by Evrim during their face-to-face meetings in Tulita and Norman Wells. Board staff are of the opinion that CR #2 has been met.

For CR #3, Evrim has presented additional information that confirms their use of both Canadian Helicopters and Sahtu Helicopters in previous years. Both of these helicopter companies are affiliated with Sahtu Land Claim organizations. Only Sahtu Helicopters is affiliated with Tulita. Evrim has also trained and hired local people for some of their project sampling work and plan to hire locally for the 2019 project activities.

The Engagement Record documents efforts made by Evrim beginning in May of 2018 to consider the need for an Access and Benefits Agreement (ABA):

- **May 30, 2018** – in person meeting with TDLC in which Evrim discussed the possibility of undertaking work on Sahtu surface right 'title' land at Mile 222- were told they would require an Access Agreement;
- **June 11, 2018** – Evrim provided TDLC with a work program summary for one-two day sampling at Mile 222;
- **July 11, 2018** – TDLC provided Evrim with a draft Temporary Access Agreement signed by the President, Clarence Campbell to be reviewed by Evrim;
- **August 27, 2018** – Evrim confirmed their interest in working on the Sahtu lands at Mile 222 as per the draft Access Agreement – requested negotiation on the fee of \$10,000 suggesting \$5,000;
- **August 28, 2018** – Evrim shared a copy of the draft Access Agreement with FNMLC;
- **September 10, 2018** – TDLC agreed to reduce the cost of the Access Agreement to \$5,000;
- **September 14, 2018** – Evrim requests TDLC to change the date of the Access Agreement to June 15 – September 15, 2019 since the 2018 field season has ended;
- **October 3, 2018** – TDLC amended the date and the fee on the Access Agreement letter;
- **October 5, 2018** – Evrim requested a copy of the revised Access Agreement;
- **December 5, 2018** – TDLC sent Evrim an email asking if they received the first 2018 Access Agreement with signatures since they have not received any payment;

- **December 5/6, 2018** – Evrim responded that they did not receive the signed Access Agreement amended to 2019 and that this could be finalized when they meet on January 14-18, 2019;
- **January 10, 2019** – at an in-person meeting in Tulita, Rick Hardy (FNMLC) asked if Evrim was going to access Sahtu lands. Evrim responded that an agreement had been worked on but was never finalized and time ran out. Evrim has not pursued exploration on the Sahtu lands;
- **January 14, 2019** – At an in-person meeting with NWLC/NWRRC, a question was asked about when an Access and Benefits Agreement would be negotiated? Evrim responded that as the scale of the drill program proceeds to a stage that would involve drilling out or defining a mineral source (i.e. Discovery), may be a fair time to start that process;
- **January 16, 2019** – At an in-person meeting in Tulita (with TLC) Evrim confirmed that they would begin to negotiate ABA at the appropriate time.

Board staff have reviewed the interpretation points from the SLUP (p. 37) for application of the conformity requirement for Community Benefits which are not limited solely to financial benefits. The following benefits apply to Evrim’s application:

- Economic benefits (e.g. Access Agreements for access to Sahtu Settlement Lands; privately negotiated Access and Benefits Agreements, and impact Benefits Agreements negotiated between mining applicants and affected communities for **major projects** as a best practice);
- Training and capacity building;
- Early and continuous community involvement in project design, operations and decisions (the more collaborative the better);
- Carrying out TK studies and documenting Elders knowledge for archival purposes;
- Community involvement in monitoring and inspections.

Evrim noted in their response letter to FNMLC that the first bullet point describes that these types of agreements are negotiated between mining companies and affected communities for major projects. The Astro Project is still an early stage exploration which Evrim does not consider “major”.

The other benefits listed have been provided to the affected communities by Evrim to the best of their ability and in accordance with the scale of their Project activities and budget. Evrim noted that communities want and expect companies working in their traditional lands to be engaged with them and provide benefits and opportunities. This is highlighted in the minutes from the many in-person meetings Evrim held with affected parties where anticipated community benefits and opportunities were a topic of discussion. For example:

- Evrim and other companies working in the district should hire local workers and contractors (TDLC).
- How many local hires will you have and what fixed-wing and helicopter companies are you using? (TLC)
- Evrim should hire local youth and local contractors and businesses to work on the project. Benefits for local communities from exploration are a priority (NWRRC).
- What benefits will Evrim be proposing in the LUP application that show they are in compliance with the Sahtu Land Use Plan (SLUP). We would like to see, in the LUP application, a list of goods and services that you will require – e.g. fixed wing planes, helicopter services, equipment rentals, number and types of drills, pumps, foodstuffs, drilling specifications, etc. (FNMLC)

- During the public review period the **SRRB (ID2)** requested that Evrim provide a plan for hiring local field support, bear monitors, camp help and other support staff. Evrim responded that to the best of its ability, they will hire local assistants for fieldwork activities and camp support with preference given to those candidates with bear monitor training.

Evrim identified several action items for follow-up from these discussions:

- Companies need to be aware of the competition between businesses owned/operated by land claim organizations, such as MacKay Range, and those that are privately owned/operated by land claim beneficiaries and manage tendering processes to also manage expectations;
- Companies with small early stage projects need to identify specific training opportunities related to actual jobs on their projects in the foreseeable future;
- Evrim will evaluate if and how Environmental and Wildlife Monitors might fit within the 2019 project scope of work. With small early stage projects, hiring additional field staff can strain the operational budget. Each position must be a full-time job that adds real value to the project;
- Evrim will circulate a list of goods, services, contracts, purchases, rentals, etc. that it will need for the 2019 exploration program. Evrim will include Summit Air in list of service supply companies to contact.

Evrim has documented all interactions and issues of concern with potentially affected parties and has documented and presented all information relevant to the provision of community benefits for work completed and upcoming project activities. Under evaluation by the SLWB staff, it appears the project conforms to the SLUP CR#3. During the public review period the **SRRB (ID10)** noted that they reviewed the Land Use Plan Conformity with no issues or concerns.

It is the decision of the Board to determine if CR #2 and #3 have or have not been met based on the evidence provided and whether the application will be referred to the SLUPB for a conformity determination as set out in Section 47 of the MVRMA.

Table 3: Evrim Exploration Canada Corp. – SLUP Conformity Requirements

| Conformity Requirement | Application Section(s) | Supporting Evidence | Board Staff Review |
|---------------------------------------|------------------------|-------------------------------|--|
| General Conformity Requirement | | | |
| CR#1 – Land Use Zoning | Project Description | Maps. List of mineral Tenure. | <ul style="list-style-type: none"> • The camp is located within zone 39 – Do Et’Q (DoiT’oh) Territorial Park and Canol Heritage Trail Reserve [Proposed Conservation Initiative] • The mineral exploration activity is located within zone 38 – Mackenzie Mountains [Special Management Zone] • Proposed land use activities in these zones is allowed. |

| | | | |
|---|-----------------|--|--|
| CR#2 – Community Engagement and Traditional Knowledge | Engagement Plan | Engagement Log. Meeting minutes from 3 trips to Sahtu region. TK study in process with Tulita Renewable Resources Corp. | <ul style="list-style-type: none"> • SLWB received Confidential TK Study for this application completed by the TRRC. • Engagement Record and Plan conform to MLWB Policy and Guidelines |
| CR#3 – Community Benefits | Engagement Plan | <p>Evrin employed 2 Sahtu hires in 2018 and made contributions to various businesses with connections to Sahtu land corporations in 2017 and 2018. Engagement Log. Meeting minutes from 3 trips to Sahtu region. Traditional Knowledge study in process with Tulita Renewable Resources Council.</p> <p>Evrin used Sahtu Helicopters for pre-fieldwork operations in 2017 and 2018 but awarded the principal contract to Canadian Helicopters based on competitive bid process and required BARS certification.</p> <p>Sahtu Helicopters will be invited to submit a proposal for the 2019 work.</p> | <ul style="list-style-type: none"> • Concern that Evrim will not be using Sahtu Helicopters for helicopter work. Evrim will use both Sahtu Helicopters (affiliated with FNMLC) and Canadian Helicopters (Affiliated with NWLC). • Evrim's past two years of expenditures demonstrate support for local hires and contractors (38 person-days of direct employment); training in specialized sampling techniques; contracting of fixed wing (North Wright Air - \$54,600) and helicopter companies (Canadian - \$421,000 and Sahtu - \$96,600) that are affiliated with Sahtu Land Claim organizations. • Evrim will circulate to the LC's and RRC's a list of goods and services the project will require. • At the appropriate time, (e.g. Discovery, when the project could be considered major as set out in CR#3) Evrim will look to negotiate a Cooperation Agreement or an Access and Benefits Agreement. • No Benefits Agreement signed with three Tulita District Land Corporations – Fort Norman Metis LC; Tulita LC; Norman Wells LC. Only required if work is done on the Sahtu title lands at Mile 222. Evrim attempted to get agreement in place for 2018 season and as time ran out amended to 2019 season. No final agreement was ever provided to Evrim for signature. |

| | | | |
|---|-----------------------------|---|--|
| CR#4 – Archaeological Sites and Burial Sites | Archaeological Plan | Confirmation from Prince of Wales Northern Heritage Centre of no know archaeological sites within 150 m of the Astro project. TK study in process with Tulita Renewable Resources Council. | <ul style="list-style-type: none"> • Confirmed. |
| CR#5 – Watershed Management | Spill Contingency Doc | Spill contingency planning. Waste Management planning, including water usage volume. Minimum setbacks from watercourses. | <ul style="list-style-type: none"> • Confirmed. There is low potential for alteration of surface or ground water in relation to Sahtu lands from Project activities. |
| CR#6 – Drinking Water | Spill Contingency Doc | Spill contingency planning. Waste Management planning, including water usage volume. Minimum setbacks from watercourses. | <ul style="list-style-type: none"> • Confirmed. There are no nearby community catchments for drinking water |
| CR#7 – Fish and Wildlife | Wildlife Plan | Communication with ENR. TK Study. RRC engagement. Spill contingency planning. Waste Management planning, including water usage volume. No in-water construction. Minimum setbacks from watercourses. Vertical and horizontal separations from wildlife by helicopters, avoid sensitive time periods such as calving and kidding. Critical wildlife polygons received from ENR. | <ul style="list-style-type: none"> • Confirmed. TRRC noted that most of the caribou activity is located south of Doi T’oi and Mile 222. • Grizzly Bears are abundant in the area and all safety precautions must be taken. • TRRC members hunt caribou in the area from September 15-25. • Project activity will not take place during Mountain Caribou rutting and wintering habitat period October 8 – March 31. |
| CR#8 – Species Introductions | Wildlife Plan | Communication with ENR. TK Study. RRC engagement. Properly cleaned equipment. No non-native seed mixes used for reclamation activities. | <ul style="list-style-type: none"> • Confirmed. |
| CR#9 – Sensitive Species and Features | Wildlife Plan | Communication with ENR. TK Study. RRC engagement. Accessed current data sources from ENR. No activity within 100m of a known mineral lick. | <ul style="list-style-type: none"> • Clarify no activity within 1000 m of a known mineral lick. • Potential for impact to maybe- at-risk plants should be confirmed with a plant survey conducted prior to any land disturbance |

| | | | |
|---|------------------------------|--|---|
| | | No activity within 500 m of hot or warm springs, or glacial refugia; identification of any warm or hot spring or refugia. | activity. This can be required as a condition of authorization. <ul style="list-style-type: none"> • The Project is situated within an area of Ice Patches identified on Map 4 of the SLUP. PWNHC to be contacted to confirm specific locations and if any, to be avoided by 150 m. |
| CR#10 – Permafrost | Application Form | Permafrost mitigation strategy. | <ul style="list-style-type: none"> • Confirmed. Potential impacts to permafrost and mitigation measures have been identified. |
| CR#11 – Project-Specific Monitoring | Environmental Plan | Monitoring plan and supporting documentation. Engagement record Monitoring of camp activities, regular inspections of drill sites for potential impacts to waters Archaeological chance finds procedures | <ul style="list-style-type: none"> • Confirmed. Proposed monitoring programs will document how values are being protected (archaeological, wildlife, traditional uses) |
| CR#12 – Financial Security | Closure and Reclamation Plan | Closure and reclamation plan. Waste Management plan | <ul style="list-style-type: none"> • Financial security estimates for Federal lands and Territorial lands have been prepared and reviewed. |
| CR#13 – Closure and Remediation | Closure and Reclamation Plan | Closure and reclamation plan. Waste Management plan Engagement record | <ul style="list-style-type: none"> • Confirmed. |
| Special Management Conformity Requirements | | | |
| CR#14 – Protection of Special Values | Environmental Plan | TK Study. Environmental plan. Project Description. In special management zone #38. Not in conservation zone or proposed conservation initiative. | <ul style="list-style-type: none"> • Confirmed. • Camp is located in zone #39 which is a proposed conservation initiative. • Proposed monitoring programs will document how values are being protected (archaeological, wildlife, traditional uses) |

5.6 Draft Permit

A draft Land Use Permit with Terms and Conditions was prepared and posted for review with the Application. (Attachment 5). Reviewer comments and recommendations were received from

GNWT-Lands-Sahtu Region (ID 1-6) and **INAC-NWT Inspector (ID 6-11)** for changes / additions/ deletions to some of the Permit conditions which Evrim agreed with and staff have considered and made appropriate changes as recommended. Both reviewers noted that conditions 38 and 39 are the GNWT Department of Environment and Natural Resources jurisdiction. The Department of Lands and CIRNAC do not enforce the legislation governing the Wildlife Act. They both suggested the Board consider removing these two conditions.

A draft Permit cover page is also attached (Attachment 6).

5.7 Security Deposit

Draft security estimates were prepared for this application and circulated for review. Since the Project activities will occur on both Territorial land (the mineral exploration activities) and Federal land (the camp and fuel storage), two estimates were required in order to split the security appropriately between the federal and non-federal areas.

The GNWT-Lands (ID6) provided a security estimate of \$27,415.00 based on their review of the application documents. Evrim’s draft security estimate was \$25,715.00. Board staff reviewed the two estimates and updated information provided during the review process and present the following Table 4 for comparison of estimates:

- **C1** - Evrim included costs associated with the generation of waste during Project activities outside of the camp in addition to inside the camp. As all waste generated during the Project will be transported back to the camp prior to disposal, Board staff agree with GNWT that no costs be recorded here.
- **R1** - Evrim reported that there would be no heavy equipment used for Project activities; GNWT noted 2 pieces, and Board staff note that the application includes three pieces of drilling equipment which will be used on Territorial land for Project activities.
- **L1** – Evrim estimated 1.0 ha of land to be disturbed; GNWT estimated 0.5 ha; Board staff accept Evrim’s estimate. Evrim indicated that no off-road activity would be likely; GNWT and Board staff note that all Project activity on the Astro Project site is off-road.
- **E1** – Evrim noted 0 pieces of heavy equipment, 2 drills and one pump or generator; GNWT noted 1 piece of heavy equipment, 2 drills and 2 generators; Board staff confirm 3 drills and 1 pump or generator.

Table 4: Comparison of Draft Security Estimates for Territorial Lands prepared by Evrim, GNWT-Lands and Board Staff

| | Evrим | | GNWT-Lands | | Board Staff | |
|---|-------|-------|------------|------|-------------|------|
| | # | cost | # | cost | # | cost |
| Camp (C1) | | | | | | |
| Temporary Structures # | 1 | 200 | 1 | 200 | 1 | 200 |
| Solid Waste | | | | | | |
| • Non-burnable material (insert # person days/season) | 1500 | 1,500 | 0 | 0 | 0 | 0 |
| • burnable material (insert # person days/season) | 1500 | 750 | 0 | 0 | 0 | 0 |

| | | | | | | |
|---|-----|------------------|-----|------------------|-----|------------------|
| Total C1 | | 2450 | | 200 | | 200 |
| Regulated Hazardous Materials (R1) | | | | | | |
| Drilling Muds (# containers) | 0.5 | 500 | 0.5 | 500 | 0.5 | 500 |
| Used oil, lube (enter # pieces heavy equipment) | 0 | 0 | 4 | 2,000 | 3 | 1,500 |
| Total R1 | | 500 | | 2,500 | | 2,000 |
| Hydrocarbon Storage and Transfer (H1) | | | | | | |
| Gasoline and Diesel Volume Bermed (Y) | 820 | 410 -102.50 | 820 | 410 -102.50 | 820 | 410 -102.50 |
| Total H1 | | 307.50 | | 307.50 | | 307.50 |
| Land Disturbance (L1) | | | | | | |
| Disturbed Surface Area (ha) | 1.0 | 1,000 | 0.5 | 500 | 1.0 | 1,000 |
| Off-road activities | No | 0 | Yes | 500 | Yes | 500 |
| Sump Factor | 650 | 6,500 | 650 | 6,500 | 650 | 6,500 |
| Total L1 | | 7,500 | | 7,500 | | 8,000 |
| Equipment (E1) | | | | | | |
| # pieces heavy equipment | 0 | 0 | 1 | 1,000 | 0 | 0 |
| # drills | 2 | 2,000 | 2 | 2,000 | 3 | 3,000 |
| # generators or pumps | 1 | 100 | 2 | 200 | 1 | 100 |
| Total E1 | | 2,100 | | 3,200 | | 3,100 |
| Total C1 + R1 + H1 + L1 + E1 (A) | | 12,857.50 | | 13,707.50 | | 13,607.50 |
| Multipliers | | | | | | |
| Site Access (B) | 2 | | 2 | | 2 | |
| Performance (C) | 1 | | 1 | | 1 | |
| Environmental Risk Factor (D) | 1 | | 1 | | 1 | |
| | | | | | | |
| Calculated Security (A) x B, C, D | | 25,715.50 | | 27,415.00 | | 27,215.00 |

The differences in the security estimates are less than \$1,700.00. The Board will determine the final security required for Project activities on Territorial lands.

The **INAC-NWT Inspector (ID4,6)** noted that the Federal security estimate would require revision based on the increased amount of fuel storage at the camp (increased from 40 to 100 drums). Evrim's initial security estimate was \$10,115.63.

Board staff have revised the security estimate for Federal lands to account for the additional fuel and equipment. Board staff and Evrim agree with the amounts calculated for C1 and R1 and L1. With the increase in fuel the estimate for H1 will increase from 4,612.50 to 7,533.75 (+2,921.25). For E1 Board staff added 1 piece of heavy equipment (Skid steer) for an additional 1,000. For E1 Board staff confirmed 4 light vehicles will be used (2 pickups, 1 flatbed, 1 ATV) which increases this cost by 750.00 (Evrims estimated 1 light vehicle). The total estimated security calculation based on these changes is **\$13,619.06**, an increase of \$3,503.43 from Evrim's draft estimate. The Board will determine the final security required for Project activities on Federal lands.

6. Conclusion

The Preliminary Environmental Screening Report did not identify any Significant Adverse Environmental Impacts or Public Concerns with the proposed project. All potential environmental impacts identified by review agencies can be mitigated with known technology and have been addressed in the Term and Conditions of the Land Use Permit.

The Land Use Plan Conformity determination was challenged for demonstrating conformity with CR#2 (Community Engagement and Traditional Knowledge) and CR#3 (Community Benefits). If the Board finds that the Land Use Plan Conformity Determination does not meet the intent of the Sahtu Land Use Plan for CR#2 and/or CR#3, the application will be referred to the Sahtu Land Use Planning Board for a Conformity Determination.

The draft Permit conditions are based upon the standard condition list, public review, and Board staff recommendations. Board staff conclude that the conditions contained within this draft Permit should mitigate any potential environmental impacts this development may have on the land and water.

Board staff conclude that the Engagement Plan, as submitted is in conformity with the Board's guidelines and the requirements of Permit S19C-003 and may be approved at the Board's discretion.

Board staff conclude that the revised Waste Management Plan v.2.0 and Spill Contingency Plan v.2.0, are in conformity with the Board's guidelines, have addressed all reviewer recommendations for revisions and meet the requirements of Permit S19C-003 and may be approved at the Board's discretion.

Board staff conclude that the revised Wildlife, Archaeological and Environmental Awareness Plan v.2.0 has addressed all reviewer recommendations for revisions and meet the requirements of Permit S19C-003 and may be approved at the Board's discretion.

Board staff conclude that the revised Closure and Reclamation Plan v. 2.0 has addressed most of the reviewer recommendations for revisions and meets the requirements of Permit S19C-003. Board staff recommend that the Plan be approved with the requirement to resubmit within 15 days of issuance to include the two additional details about the long-term plan for reclamation of drill sumps and volumes and disposal methods for rock chips.

A draft Reasons for Decision and Decision Letter is attached (Attachments 7 and 8).

7. Recommendation

Board staff recommend that the Board:

OPTION A: Proceed with the regulatory process by:

- 1) Approve the draft **Preliminary Screening**;
- 2) Approve the **draft LUP**, with a term of **three** years and associated Reasons for Decision;
- 3) Approve the **Engagement Plan**;
- 4) Approve the **Conformity with the Sahtu Land Use Plan**;
- 5) Approve the security estimate of **\$13,619.06** for Federal lands;

- 6) Approve the security estimate of **\$27,215.00** for Territorial lands;
- 7) Approve the **Spill Contingency Plan v. 2.0** and **Waste Management Plan v. 2.0**;
- 8) Approve the **Wildlife, Archaeological and Environmental Awareness Plan v.2.0**; and
- 9) Approve the **Closure and Reclamation Plan v. 2.0** with the requirement to resubmit within 15 days of issuance of the Permit to include additional details about the long-term plan for reclamation of drill sumps and volumes and disposal methods for rock chips that were provided in Evrim’s responses to reviewer comments; and

OPTION B: Determine that the activity as described in the complete application does not conform with the Sahtu Land Use Plan as the community benefits and traditional knowledge study are considered incomplete under section 22 (2) (d) of the MVLUR and refer the application to the Sahtu Land Use Planning Board for a conformity determination pursuant to section 47 (1) (a) of the MVRMA and the SLUP.

8. Reference Material Attached

- 8.1. Land Use Permit Application ([hyperlink only](#))
- 8.2 Location Map
- 8.3 Review Comment Summary Table and Attachments
- 8.4 Draft Preliminary Environmental Screening Report
- 8.5 Draft Land Use Permit Term and Conditions
- 8.6 Draft Permit Cover Page
- 8.7 Draft Reasons for Decision
- 8.8 Draft Decision Letter from the Board

Respectfully submitted,



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Aswathy Mary Varghese
Regulatory Specialist

Executive Director Comments:



Paul Dixon
Executive Director