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Reasons for Decision

Issued pursuant to paragraph 40(2)(c) of the *Mackenzie Valley Land Use Regulations* (MVLUR)

| Land Use Permit Application | |
|-----------------------------|--|
| Preliminary Screener | WLWB |
| Reference/File Number | W2015C0008 |
| Applicant | Platinum Group Metals Ltd. |
| Project | Mineral Exploration, Providence Lake (Credit Lake), NT |

Decision from Wek'èezhìi Land and Water Board Meeting of

September 22, 2015

With respect to this application, notice was given in accordance with sections 63 and 64 of the MVRMA. There was *no* public hearing held in association with this application.

1.0 Background

The Wek'èezhìi Land and Water Board issued LUP W2008C0015¹ to Arctic Star Diamond Corporation on October 3, 2008 for a mineral exploration project near Providence Lake. Permitted activities included ground geophysical surveying, soil sampling, diamond drilling, and setting up a fuel storage area and camp. On November 8, 2011, the Permit was assigned from Arctic Star Diamond Corp. to Platinum Group Metals Ltd.² The WLWB approved a two-year extension to LUP W2008C00015 on September 9, 2013³, expiring October 17, 2015.

PGM submitted an application⁴ for a Type A Land Use Permit to the Wek'èezhìi Land and Water Board (WLWB or the Board) on August 17, 2015. Along with the application, PGM also submitted Version 1.1 of their Spill Contingency Plan, as well as Version 1.0 of their Waste Management and Engagement Plan.

¹ See WLWB (www.wlwb.ca) Online Registry for [W2008C0015 – Arctic Star – Land Use Permit – Issuance Documents – Oct 3 08](#)

² See WLWB Online Registry for [W2008C0015 – PGM – Assignment – Issuance Letter – Nov 8 11](#)

³ See WLWB Online Registry for [W2008C0015 – PGM – Land Use Permit – 2 yr Extension – Approved – Sep 12 13](#)

⁴ See WLWB Online Registry for [Providence Project – Land Use Permit Application – Aug 17 15](#)

Board staff completed a conformity check of the documents submitted with the application and deemed it complete on August 25, 2015.

The application and a draft LUP were distributed for comment and review on August 25, 2015. Reviewer comments were due by September 15, 2015. Comments were submitted by Environment Canada (EC); Government of the Northwest Territories Department of Environment and Natural Resources (GNWT-ENR); Department of Lands (GNWT-Lands); the Prince of Wales Northern Heritage Centre (PWNHC); and Board staff. Proponent responses were submitted September 16, 2015.

2.0 Decision

Section 124 of the *Mackenzie Valley Resource Management Act* (MVRMA) provides for exemption from preliminary screening for applications specified by regulations made under section 143(1)(c). As per Schedule 1 (section 2), Part 1, Paragraph 2 of the *Exemption List Regulations*, an exemption from preliminary screening is applicable if:

“A development, or a part thereof, for which renewal of a permit, licence or authorization is requested that:

- a) Has not been modified; and,*
- b) Has fulfilled the requirements of the environmental assessment process established by the MVRMA, CEAA [Canadian Environmental Assessment Act] or the Environmental Assessment Review Process Guidelines Order.”*

The project was screened by the WLWB on October 3, 2008, prior to issuance of Land Use Permit W2015C0008.⁵ The scope of the project described in PGM’s renewal application includes the same activities screened on October 3, 2008; the October 3, 2008 Preliminary screening determined that:

- any potential adverse environmental effects are insignificant or mitigable with known technology; and,
- the project is not likely to be a source of public concern.

Therefore, it is the Board’s position that PGM’s LUP application is exempt from preliminary screening pursuant to Part 1(2) of Schedule 1 (section 2) of the *Exemptions List Regulations*.

After reviewing the submission of the Applicant, the written comments received by the Board and the Staff Report prepared for the Board, the Board, having due regard to the facts and circumstances, the merits of the submissions made to it, and to the purpose, scope, and intent of the MVRMA and Regulations made thereunder, has determined that;

Land Use Permit W2015C0008 be issued subject to the terms and conditions contained therein.

⁵ See WLWB Online Registry for [W2008C0015 – Arctic Star – Land Use Permit – Preliminary Screening – Oct 3 08](#)

The Board's reasons for this decision are as follows:

- The Board is satisfied that adequate consultation has been conducted and that advice has been sought and considered in accordance with sections 63 and 64 of the MVRMA.
- No significant or unmitigable public concern was made known to the Board.
- The use of land proposed by the Applicant is of a nature contemplated by the MVRMA.
- The operation will likely contribute to the socio-economic well-being and economic development of the region.
- The Board has reviewed the information contained in the Staff Report dated September 22, 2015 regarding environmental impacts and/or public concerns.
- It is the opinion of the Board that the terms and conditions attached to W2015C0008, pursuant to the MVRMA, will prevent or mitigate any potential significant environmental impacts which might result from the mineral exploration.

3.0 Discussion

The scope of PGM's mineral exploration operations, as outlined in the LUP includes: diamond drilling, rock and till sampling, ground mapping, ground and airborne geophysical surveying, use of an established campsite and petroleum fuel storage facilities, and use of equipment, vehicles and machines to support operations.

3.1 Conditions

The MVLWB Standard LUP Conditions Template was used to develop LUP W2015C0008. Conditions for mineral exploration and required management plans have been included to reflect MVLWB standards for the development of Waste, Engagement, and Spill Contingency. A draft LUP was included with the LUP for review. The GNWT-Lands Inspector reviewed the draft LUP and included recommendations to the Board. Recommendations not adopted are discussed below. GNWT-Lands identified no concerns in reviewed the application and recommended the issuance of LUP W2015C0008.

3.2 Security

Arctic Star Ltd. posted \$26,740 in security on April 2, 2009 to LUP W2008C0015,⁶ which was subsequently transferred to Platinum Group Metals Ltd. on November 3, 2011.⁷ It is the Board's standard practice to use the Standard Land Use Permit Security Template,⁸ to determine security for all Land Use Permit applications. Pursuant to Section 32 of the *Mackenzie Valley Land Use Regulations*, the Board has determined that a security fee of \$30,270 shall be posted for Land Use Permit W2015C0008 (Condition #37) for the Providence Lake Project.

⁶ See WLWB Online Registry for [W2008C0015 - Arctic Star - Land Use Permit - Security Deposit - Apr 2 09.pdf](#)

⁷ See WLWB Online Registry for [W2008C0015 - Arctic Star - Security Deposit - Assignment to Platinum Group Metals Ltd - Nov 3 11.pdf](#)

⁸ See WLWB (www.wlwb.ca) 'Apply for Permit/Licence' for [Land Use Permit Security Template](#)

3.3 Management Plans

Since the previous permit was issued in 2008, the Mackenzie Valley Land and Water Board (MVLWB) have developed standards for the development of Waste Management and Engagements Plans. This is the first time PGM is required to prepare these plans and submit them to the Board for approval. PGM submitted an Engagement, a Waste Management, and an updated Spill Contingency Plan with its renewal application.

Engagement Plan - Version 1.0

Engagement Plans are to be developed in accordance with the MVLWB's *Engagement Guidelines for Applicants and Holders of Water Licences and Land Use Permits*. Board staff requested clarification of PGM's conflict resolution process and triggers for engagement during the public review process (see comments WLWB #1, and #2). The Board has determined PGM's responses address Board staff's concerns, but recommends PGM develop a triggers table to incorporate the triggers of engagement provided in response to WLWB comment #2. The Board also directs PGM to include its conflict resolution process in the next version of its Engagement Plan. PGM committed to updating its Engagement Plan prior to field work within the next year.

Waste Management Plan – Version 1.0

Waste management Plans are to be developed in accordance with MVLWB's *Guidelines for Developing a Waste Management Plan*, 2011. Several comments and concerns on the Waste Management Plan were submitted by affected parties during the public review process (see comments EC #4, and #7; GNWT-ENR #1-3, and #5; and WLWB #5). The Board has determined the information provided in PGM's responses addresses reviewer concerns and satisfies the MVLWB's Waste Management Guidelines.

Spill Contingency Plan – Version 1.1

PGM submitted Version 1.1 of its Spill Contingency Plan along with its renewal application. Spill Contingency Plans are to be developed in accordance with Indian and Northern Affairs Canada's *Guidelines for Spill Contingency Planning* (2007). Version 1.1 of the Spill Contingency Plan received several comments from reviewers during the public review process (See comments EC #2, #3 and #5; GNWT-ENR #6-12; and GNWT-Lands Joseph Heron #2). The Board has determined the information provided by PGM addresses reviewers concerns and satisfies the Spill Contingency Guidelines.

The Board has determined Versions 1.0 of both PGM's Engagement and Waste Management Plans, and Version 1.1 of PGM's Spill Contingency Plan, in combination with responses provided during the review process, satisfy the respective management plan guidelines. The Board supports PGM's commitments to update its Waste Management, Spill Contingency, and Engagement Plans to reflect commitments made during the review process. PGM is to revise these plans and submit them to the Board, for approval when it completes its next annual review.

3.4 Additional Reviewer Recommendations and Commitments made by the Proponent

Environment Canada submitted several standard conditions during the review period notifying PGM of its responsibility under the *Fisheries Act*, the *Migratory Birds Convention Act*, the *Migratory Bird*

Regulations, and the *Species at Risk Act* (See comment EC #1, #6-14). GNWT-ENR voiced concerns regarding operating activities at certain times of the year within 10 kilometers (km) of known caribou water crossings (See comment GNWT-ENR #4). PGM acknowledged Environment Canada's and GNWT-ENR's recommendations and committed to complying with the cited acts and regulations, communicating with ENR on wildlife sightings, and avoiding operational activities within 10 km of known water crossing during particular times of the year.

The Prince of Wales Northern Heritage Centre (PWNHC) noted that there are several archaeological sites in the proponent's exploration area and that these sites are to be avoided. PGM acknowledged the location of the archaeological sites and committed to avoiding these areas and contacting PWNHC if further sites are discovered. Conditions #32-36 in Land Use Permit W2015C0008 contain provisions to prevent disturbance to archaeological sites.

4.0 Conclusion

Land Use Permit W2015C0008 contains provisions the Board believes necessary to ensure and monitor compliance with the MVRMA and the Regulations made thereunder and to provide appropriate safeguards in respect of the Applicant's use of the land affected by the Permit. The Board will provide additional referenced material or documents if requested in writing to do so.

SIGNATURE

Wek'èezhìi Land and Water Board



Chair

September 24, 2015

Date