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July 28, 2020

File: W2019C0002

Robert MacDonald, VP Exploration
Equity Metals Corporation
1100-1199 West Hastings St.
Vancouver, BC V6E 3T5

Sent by email

Dear Robert MacDonald,

Re: Equity Metals Corporation's Type A Land Use Permit Amendment

The Wek'èezhìi Land and Water Board (the Board) met on July 28, 2020 and considered Equity Metals Corporation's (Equity Metals) Request to amend Land Use Permit (Permit) W2019C0002 to reduce the security deposit.

The Board has approved the Request to reduce the amount of security deposit from \$128,538.75 to \$93,945.00 for Land Use Permit W2019C0002. A copy of this amended Permit is available on the WLWB Online Registry.¹

The Board has also approved Version 3.0 of Equity Metals Engagement Plan. Please review the Board's attached Reasons for Decision for further details.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Joe Mackenzie".

Joe Mackenzie
Wek'èezhìi Land and Water Board, Chair

Copied to: Wek'èezhìi East Distribution List

Attached: Land Use Permit Amendment Reasons for Decision [W2019C0002]

¹ See WLWB (www.wlwb.ca) Online Registry for [Equity Metals Corporation – Land Use Permit – Jul 28, 20](#)



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Reasons for Decision

Preliminary Screener	WLWB
Reference/File Number:	W2019C0002 (Type "A" Land Use Permit)
Applicant:	Equity Metals Corporation (Equity Metals)
Subject:	Land Use Permit Amendment Request

Decision from the Wek'èezhìi Land and Water Board Meeting of July 28, 2020

1.0 Decision

On July 28 2020, the Wek'èezhìi Land and Water Board (the Board) met and considered an Amendment Request for Equity Metals Corporation's (Equity Metals) Land Use Permit (W2019C0002) to reduce the amount of security deposit from \$128,538.75 to \$93,945.00.

The Board has decided the following:

1. The Request submitted by Equity Metals Corporation is exempt from preliminary screening in accordance with the *Exemption List Regulations*;
2. To approve the Amendment Request to Type A Land Use Permit W2019C0002; and
3. To approve Version 3.0 of Equity Metal's Engagement Plan.

2.0 Background

The WLWB issued Land Use Permit W2011C0004 to New Nadina Explorations Limited (New Nadina) on September 5, 2012, for a period of five years, expiring September 4, 2017. This Permit was for mineral exploration including use of a camp; diamond drilling including large diameter reverse circulation (RC) drilling; winter road construction and maintenance; fuel storage; and the use of equipment for trenching in the Lac de Gras area, NT. On August 17, 2017, the Board approved a two-year extension to this Permit, extending the Permit to September 4, 2019.

On July 17, 2019, New Nadina submitted a Type A Land Use Permit Application (W2019C0002) to continue mineral exploration activities in the Lac de Gras area, NT. The Application included two additional mineral claims (M10195, M10196) not included in their previous Permit; thus, New Nadina's Type A Land Use Permit Application was subject to Preliminary Screening and it was determined that there is no reasonable likelihood that the proposed application might have a significant adverse impact on the environment and the proposed application is not a cause of public concern.¹ The WLWB issued Land Use Permit W2019C0002 on September 2, 2019, for a period of five years, expiring September 1, 2024.² This Permit is for the following activities;

- mineral exploration including use of a camp;
- diamond drilling including large diameter RC drilling;
- winter road construction and maintenance;
- use of explosives;
- establishment of a petroleum fuel storage facility;
- use of vehicles and machines; and
- the use of equipment for trenching in the Lac de Gras area, NT (see Attachment 1 for Map).

On December 12, 2019, the WLWB received a letter notifying the Board that New Nadina Explorations Limited changed its name to Equity Metals Corporation. On December 19, 2019, the WLWB acknowledged the name change and made the necessary changes to the Land Use Permit.^{3, 4}

On June 15, 2020, Equity Metals submitted a complete Request to amend its Type A Land Use Permit (W2019C0002).^{5,6} Equity Metal's Request is to reduce the amount of their security deposit and thus amend Condition 39. The Request indicates that Equity Metals has removed 521 fuel containers and three megabags of contaminated soil from their Monument Property. Equity Metals stated in its cover letter that at present, three drums of diesel and one cylinder of propane are located at the Monument Property. As specified in Equity Metal's Request, the amendment would not require revisions to the wording of any Permit condition but the security amount included in Condition 39 would be reduced from \$128,538.75 to \$93,945.00.

The Amendment Request was distributed for public review on June 17, 2020. No draft Permit was circulated for review because the Amendment Request did not include any proposed wording changes to Permit conditions other than the change in the amount of security included in Condition 39. In its cover letter, Equity Metals requested that the Board consider this amendment "be exempt from Preliminary Screening as per Part 5 of the [*Mackenzie Valley Resource Management Act (MVRMA)*] on the grounds that the scope of work and equipment list included in this application is unchanged from the active permit

¹ See WLWB Online Registry for [New Nadina – Land Use Permit Application – Notification of Preliminary Screening Determination – Aug 22 19](#)

² See WLWB Online Registry for [New Nadina – Land Use Permit – Sep 2 19](#)

³ See WLWB Online Registry for [Equity Metals Corporation – Land Use Permit – Dec 19 19](#)

⁴ See WLWB Online Registry for [Equity Metals Corporation – Land Use Permit – Request for Name Change – Board Letter – Dec 19 19](#)

⁵ See WLWB Online Registry for [Equity Metals Corporation – Land Use Permit Amendment Request – Jun 15 20](#)

⁶ See WLWB Online Registry for [Equity Metals Corporation – Land Use Permit Amendment Request – Security Worksheet – Jun 15 20](#)

W2019C0002 and liability has been significantly decreased.” In the Item for Review, WLWB staff indicated they agreed the Request may be exempt from preliminary screening in accordance with the Preliminary Screening *Exemption List Regulations*. Reviewers were encouraged to provide comments and recommendations on the possible exemption along with associated rationale. Reviewer comments were due July 8, 2020; the Government of the Northwest Territories Environment and Natural Resources – Environmental Assessment and Monitoring Department (GNWT-ENR-EAM), the Tlicho Government (TG), and the Wek’èzhìi Renewable Resources Board (WRRB) indicated they had no recommendations at this time. The GNWT-Department of Lands (Lands)-Inspector indicated support for the proposed amendment. Proponent responses were due July 15, 2020. Reviewer comments and recommendations, as well as the proponent responses are available on the WLWB Online Registry.⁷

3.0 Reasons for Decision

3.1 Exemption from Preliminary Screening

In accordance with section 124(1) of the MVRMA, the Board must conduct a preliminary screening of the Request. A preliminary screening of Land Use Permit W2019C0002 was completed on August 22, 2019.⁸ It was determined that there was no likelihood that the proposed development might have a significant adverse impact on the environment or might be a cause of public concern.

Schedule 1 (section 2), Part 1, paragraph 2(b) of the MVRMA *Exemption List Regulations* states that an application/request can be exempt from preliminary screening if:

A development, or a part thereof, for which renewal of a permit, licence or authorizations is requested that (a) has not been modified; and (b) has fulfilled the requirements of the environmental assessment process established by the *Mackenzie Valley Resources Management Act*, the *Canadian Environmental Assessment Act* or the Environmental Assessment Review Process Guidelines Order.

Following a review of the previous preliminary screening and associated application, the Board has confirmed that the activities and the area previously screened remain the same and thus agree that this Request should be exempt from preliminary screening. No reviewers provided comments with respect to the preliminary screening as part of the public review.

- ***Decision #1: The Board has determined that the Request submitted by Equity Metals Corporation is exempt from preliminary screening in accordance with the Exemption List Regulations.***

3.2 Eligibility

As per section 18 of the *Mackenzie Valley Land Use Regulations* (MVLUR), eligibility must be determined before the Board can issue a permit. The proposed activities are to take place in the Lac de Gras area. In an email from Board staff dated July 10, 2020, the Government of the Northwest Territories Department

⁷ See WLWB Online Registry for [Equity Metals Corporation - LUP Amendment Request - Review Summary and Attachments - Jul 15 20](#)

⁸ See WLWB Online Registry for [New Nadina – Land Use Permit Application – Notification of Preliminary Screening Determination – Aug 22 19](#)

of Lands (GNWT-Lands; the landowner) was asked to indicate in writing whether they believe the eligibility requirements as set out in Section 18 of the MVLUR have been satisfied. The GNWT Lands Inspector responded that eligibility is still present for the remaining mineral leases and the requirements of Section 15 & 16 of the Land Use Regulations. The GNWT Lands Inspector also stated that the Department of Lands had no concerns.⁹ The Board thus confirms that eligibility has been satisfied.

3.3 Land Use Permit Amendment Request

As mentioned above, no draft Permit was circulated for review because the Amendment Request did not include any proposed wording changes to Permit conditions other than the change in the amount of security included in Condition 39.

As indicated in its Request, Equity Metals would like to amend the security deposit from \$128,538.75 to \$93,945.00. Equity Metals submitted a security worksheet with its Amendment Request.¹⁰ The total amount of fuel in section 13 of the Amendment Application (i.e., PDF page 6 of the Application)¹¹ was calculated and compared to the amount presented in Equity Metals' security worksheet template. The Board confirms the updated security calculation submitted by Equity Metals is correct as submitted. No concerns were noted by reviewers with regards to the request to reduce the amount of security deposit. The Board believes that there are no concerns that would prohibit the Board from reducing the amount of the security deposit to \$93,945.00.

During the public review, the GNWT-Department of Lands Inspector commented that the amendment application and supporting documentation had been reviewed and that the Inspectors support the proposed amendment to Condition 39 of the Land Use Permit (GNWT-Lands Inspector comment 1).

After reviewing the Request, as well as all reviewer comments and proponent responses submitted during the public review, the Board approves the Amendment Request to Land Use Permit W2019C0002.

- ***Decision #2: The Board approves the Amendment Request to Type A Land Use Permit W2019C0002.***

3.4 Engagement Plan

Along with the Amendment Request, Equity Metals submitted Version 3.0 of its Engagement Plan.¹² Version 3.0 included updates to the engagement log to support engagement pertaining to Permit Amendment; changes to the name of the company from New Nadina Explorations Limited to Equity Metals Corporation throughout the Plan; and an update to the engagement contact list.

There were no concerns or recommendations from reviewers with regards to Version 3.0 of the Engagement Plan. The Board reviewed the Engagement Plan and confirmed that the changes to Version 3.0 were made to reflect the company name change; the consultation conducted in 2020 pertaining to

⁹ See WLWB Online Registry for [Equity Metals Corporation - Land Use Permit Amendment Request - GNWT Lands Inspector Confirms Eligibility - Jul 10 20](#)

¹⁰ See WLWB Online Registry for [Equity Metals Corporation – Land Use Permit Amendment Request – Security Worksheet – Jun 15 20](#)

¹¹ See WLWB Online Registry for [Equity Metals Corporation – Land Use Permit Amendment Request – Jun 15 20](#)

¹² See WLWB Online Registry for [Equity Metals Corporation – Engagement Plan – Version 3 – Jun 15 20](#)

this Amendment Request; and updates to the Engagement Contact List (i.e., Table 4.1) to reflect updates to the people and organizations to be engaged with. The Board is satisfied that the submitted Plan is in accordance with the MVLWB (2019) *Engagement Guidelines for Applicants and Holders of Water Licences and Land Use Permits*.

➤ **Decision #3: The Board approves Version 3.0 of Equity Metal's Engagement Plan.**

Signed the 28th Day of July, 2020, on behalf of the Wek'èezhii Land and Water Board



Witness



Joe Mackenzie
Chair, Wek'èezhii Land and Water Board