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September 24, 2021

File: MV2020L2-0002

David Webb
President
New Discovery Mines Ltd.
1909 108 West Cordova St.,
Vancouver BC V6B 0G5

Sent via email

Dear David Webb:

Re: New Discovery Mines Ltd. – Mon Gold Project – Waste Rock Management and Geochemical Characterization Plan – Version 1.4 – Denial

The Mackenzie Valley Land and Water Board (MVLWB or the Board) met on September 23, 2021 and reviewed the New Discovery Mines Ltd. (NDM) Waste Rock Management and Geochemical Characterization Plan (dated July 2021) (Plan), which was submitted to fulfill Part F, Condition 4 of Type B Water Licence MV2020L2-0002 and in response to reviewer comments and recommendations on the Online Review System on July 29, 2021.

Based on the public review and remaining concerns, the Board is unable to approve this Plan. The Board requires that NDM revise and resubmit the Plan as detailed in Table 1 (attached) by **December 9, 2021** for public review.

If you have any questions or concerns, please contact Shannon Allerston at (867) 766-7465 or email sallerston@mvlwb.com.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Mavis Cli-Michaud".

Mavis Cli-Michaud
Chair, Mackenzie Valley Land and Water Board

BCC'ed to: Distribution List

Attached: Table 1: MV2020L2-0002 - Board Directive on the Waste Rock Management and Geochemical Characterization Plan – Version 1.4

Table 1: MV2020L2-0002 - Board Directive on the Waste Rock Management and Geochemical Characterization Plan – Version 1.4

Item	Requirements	Review Comment Reference
1.	If NDM are applying safety factors in addition to MEND recommendations, that should be more clearly stated. Be clear and consistent throughout the Plan and include full references to all sources used by the Plan, including page numbers.	Board Staff -1, GNWT-ENR-2
2.	Provide an analysis of water samples from the existing waste rock pile that demonstrate erosion is not an issue and explain why the same results are expected to be true of the new waste rock pile.	Board Staff -3
3.	Proactively commit to implementing sediment and erosion control measures anywhere erosion issues could directly impact surface waters during construction.	Board Staff-3
4.	Include additional information on proposed ABA testing, including site-specific values for sulphur.	GNWT-ENR-6
5.	Provide additional information on the proposed barrel testing.	GNWT-ENR-7
6.	Provide details on the proposed methods, timing, and monitoring of lime treatment.	GNWT-ENR-7
7.	Provide more information on how testing and timing of results would beneficially inform the management of waste rock.	GNWT-ENR -8
8.	Provide detailed information on the potential location(s) of waste rock piles including the number of sampling sites that may be needed to meet the requirements of SNP-09 should multiple waste rock piles be required to manage PAG/AG rock.	GNWT-ENR -8
9.	Provide clear in-text references to Appendices that support statements made in the Plan text. Appendices should also be numbered and included in the Table of Contents for ease of reference.	GNWT-ENR-10
10.	Address errors in the description and proposed frequency of monitoring for new SNP stations 21 and 22, as identified in the Groundwater and Water Management Plan.	ECCC-1