

## **Draft Type A Water Licence**

**Pine Point Mining Ltd. – Exploration and Advanced Exploration**

### **Table of Contents**

[Part A: Scope](#) and [Defined Terms](#)

[Part B: General Conditions](#)

[Part C: Security](#)

[Part D: Water Use](#)

[Part E: Construction](#)

[Part F: Waste and Water Management](#)

[Part H: Spill Contingency Planning](#)

[Part I: Closure and Reclamation](#)

### **Schedules**

[Schedule 1:](#) Annual Water Licence Report (Part B)

### **Annex A: Surveillance Network Program - Not included**

Part A: Reporting Requirements

Part B: Site Descriptions

Part C: Other Monitoring Requirements

Part D: Meteorological Monitoring Requirements

## Part A: Scope and Defined Terms

Changes to standard conditions are highlighted in green.

### Scope:

|    |   | Condition Title                      | Rationale   |
|----|---|--------------------------------------|---|
| 1. | <p>This Licence entitles the Licensee to use Water and deposit Waste for the purpose of mineral exploration in the Pine Point Project, Northwest Territories.</p> <p>The scope of this Licence includes the following:</p> <ul style="list-style-type: none"> <li>a) Withdrawal of Water from surface waterbodies for diamond drilling, camp use and dust control;</li> <li>b) Withdrawal of groundwater for aquifer testing;</li> <li>c) Drawdown of existing open pits and moving water between pits;</li> <li>d) Deposit of Waste;</li> <li>e) Discharge of groundwater and surface water;</li> <li>f) Construction, operation, and maintenance of trails, access roads and haul roads;</li> <li>g) Construction, operation and maintenance of temporary watercourse crossings;</li> <li>h) Excavating test pits;</li> <li>i) Construction and operation of open pits for bulk sampling;</li> <li>j) Deposit of waste;</li> <li>k) Construction, operation and maintenance of Wastewater Treatment Plant</li> <li>l) Progressive Reclamation and associated Closure and Reclamation activities.</li> </ul> | <b>SCOPE</b>                         | <p>The purpose of this condition is to describe the scope of the Project, which includes the activities that have been subject to Part 5 of the MVRMA and that the Licensee is entitled to conduct.</p> <p>The scope of all licences will include (a) and (k); however, (b) through (j) will only be included as appropriate. Project-specific details will be filled in throughout this condition.</p> |
| 2. | <p>The scope of this Licence is as described in the Preliminary Screening for MV2020LXXXX dated [enter full date of most recent preliminary screening for the project].</p>   | <b>SCOPE – PRELIMINARY SCREENING</b> | <p>The intent of this condition is to reference the scope as described in the Preliminary Screening by the Land and Water Board, or the Report of Environmental Assessment developed by MVEIRB.</p>   |
| 3. | <p>This Licence is issued subject to the conditions contained herein with respect to the use of Water and the deposit of Waste in any Waters or in any place under any conditions where such Waste or any other Waste that results from the deposits of such Waste may enter any Waters. Any change made to the <i>Waters Act</i>] and/or the Waters Regulations that affects licence conditions and defined terms will be deemed to have amended this Licence.</p>   | <b>LEGISLATION SUBJECT TO CHANGE</b> | <p>The intent of this condition is to ensure the Licensee complies with all applicable legislation for the life of the Licence.</p>   |

|    |   | Condition Title               | Rationale  |
|----|---|-------------------------------|--|
| 4. | Compliance with this Licence does not relieve the Licensee from responsibility for compliance with the requirements of any applicable federal, territorial, or municipal legislation. | <b>LEGISLATIVE COMPLIANCE</b> | The intent of this condition is to ensure the Licensee complies with all applicable legislation for the life of the authorization. |

## **Defined Terms<sup>1</sup>**

|  |
|--|
| <b>Action Level</b> – a predetermined qualitative or quantitative trigger which, if exceeded, requires the Licensee to take appropriate actions.   |
| <b>Aquifer testing</b> – activities undertaken to describe the chemical and physical characteristics and connectivity  |
| <b>Board</b> – the Mackenzie Valley Land and Water Board established under subsection 99(1) of the <i>Mackenzie Valley Resource Management Act</i> .   |
| <b>Closure Cost Estimate</b> - an estimate of the cost to close and reclaim the Project.   |
| <b>Closure Criteria</b> - standards that measure the success of selected closure activities in meeting closure objectives. Closure criteria may have a temporal component (e.g., a standard may need to be met for a pre-defined number of years). Closure criteria can be site-specific or adopted from territorial/federal or other standards and can be narrative statements or numerical values. |
| <b>Closure Objectives</b> - statements that describe what the selected closure activities are aiming to achieve; they are guided by the closure principles. Closure objectives are typically specific to project components, are measurable and achievable, and allow for the development of closure criteria.   |
| <b>Closure and Reclamation</b> – the process and activities that facilitate the return of areas affected by the Project to viable and, wherever practicable, self-sustaining ecosystems that are compatible with a healthy environment and human activities.   |
| <b>Closure and Reclamation Plan (CRP)</b> – a document, developed in accordance with this Licence, that clearly describes the Closure and Reclamation for the Project.   |
| <b>Construction</b> – any activities undertaken during any phase of the Project to construct or build any structures, facilities or components of, or associated with, the development of the Project.   |
| <b>Dewatering</b> – the complete removal of Water from an existing Watercourse, or portion thereof, by pumping or draining.  |
| <b>Discharge</b> – a direct or indirect deposit or release of any Water or Waste to the Receiving Environment.   |
| <b>Drilling Waste</b> – Waste material specifically produced from drilling activity.   |
| <b>Effluent</b> – a Wastewater Discharge.  |
| <b>Effluent Quality Criteria (EQC)</b> – numerical or narrative limits on the quality or quantity of the Waste deposited to the Receiving Environment.   |

|   |
|---|
| <p><b>Engagement Plan</b> – a document, developed in accordance with the MVLWB <i>Engagement and Consultation Policy</i> and the <i>Engagement Guidelines for Applicants and Holders of Water Licences and Land Use Permits</i>, that clearly describes how, when, and which engagement activities will occur with an affected party during the life of the Project.</p>  |
| <p><b>Greywater</b> – all liquid Waste from showers, baths, sinks, kitchens, and domestic washing facilities, but does not include Toilet Waste.</p>  |
| <p><b>Groundwater</b> – as defined in section 1 of the Waters Regulations: all water in a zone of saturation below the land surface, regardless of its origin.</p>  |
| <p><b>Inspector</b> – an Inspector designated by the Minister under subsection 65(1) of the <i>Waters Act</i>.</p>  |
| <p><b>Licensee</b> – the holder of this Licence, Pine Point Mining Ltd.</p>   |
| <p><b>Minewater</b> – Groundwater, surface Water, or any Water that is pumped, seeps, or flows out of any underground mine working or open pit.</p>   |
| <p><b>Minister</b> – the Minister of Northern Affairs or the Minister of the Government of the Northwest Territories (GNWT) – Environment and Natural Resources, as the case may be</p>   |
| <p><b>Ordinary High-Water Mark</b> – the usual or average level to which a Watercourse rises at its highest point and remains for sufficient time so as to change the characteristics of the land. In flowing Watercourses (rivers, streams), this refers to an active channel/bank-full level, which is often the 1:2-year flood flow return level. In inland lakes, wetlands or marine environments, it refers to those parts of the Watercourse bed and banks that are frequently flooded by Water so as to leave a mark on the land and where the natural vegetation changes from predominantly aquatic vegetation to terrestrial vegetation (excepting Water tolerant species). For reservoirs, this refers to normal high operating levels (full supply level).</p> |
| <p><b>Professional Engineer</b> – a person registered with the Northwest Territories and Nunavut Association of Professional Engineers and Geoscientists to practice as a Professional Engineer in the Northwest Territories as per the territorial <i>Engineering and Geoscience Professions Act</i> and whose professional field of specialization is appropriate to address the components of the Project at hand.</p>   |
| <p><b>Progressive Reclamation</b> – Closure and Reclamation activities conducted during the operating phase of the Project.</p>   |
| <p><b>Project</b> – the undertaking described in Part A, Conditions 1 and 2.</p>  |
| <p><b>Receiving Environment</b> – the natural environment that, directly or indirectly, receives any deposit of Waste from the Project.</p>   |
| <p><b>RECLAIM</b> – the Government of the Northwest Territories’ model for estimating Closure and Reclamation costs.</p>  |
| <p><b>Remediation</b> – the removal, reduction, or neutralization of substances, Wastes, or hazardous materials from a site in order to prevent or minimize any adverse effects on the environment and public safety, now or in the future.</p>   |
| <p><b>Runoff</b> – the overland flow of Water or Wastewater that occurs when precipitation, meltwater, or other Water is not absorbed by the land.</p>  |
| <p><b>Seepage</b> – any Water or Waste that drains, passes through, or escapes from any structure designed to contain, withhold, divert, or retain Water or Waste.</p>  |
| <p><b>Sewage</b> – all Toilet Wastes and Greywater.</p>   |
| <p><b>Sewage Disposal Facilities</b> – the area(s) and structures designated to contain and treat Sewage.</p>   |

**Spill Contingency Plan (SCP)** – a document developed for the Project in accordance with INAC’s *Guidelines for Spill Contingency Planning*.

**Sump** – a human-made excavation or a natural depression designated for depositing Water and/or Waste.

**Surveillance Network Program (SNP)** – a monitoring program required by this Licence and detailed in Annex A.

**Toilet Wastes** – all human excreta and associated products, not including Greywater.

**Traditional Knowledge** – the cumulative, collective body of knowledge, experience and values built up by a group of people through generations of living in close contact with nature. It builds upon the historic experiences of a people and adapts to social, economic, environmental, spiritual, and political change.

**Unauthorized Discharge** – a Discharge of any Water or Waste not authorized under this Licence

**Waste** – as defined in section 1 of the *Waters Act*:

- a) a substance that, if added to water, would degrade or alter or form part of a process of degradation or alteration of the quality of the water to an extent that is detrimental to its use by people or by an animal, fish or plant, or
- b) water that contains a substance in such a quantity or concentration, or that has been so treated, processed or changed, by heat or other means, that it would, if added to other water, degrade or alter or form part of a process of degradation or alteration of the quality of that water to the extent described in paragraph (a), and includes
- c) a substance or water that, for the purposes of the *Canada Water Act*, is deemed to be waste,
- d) a substance or class of substances prescribed by regulations made under subparagraph 63(1)(b)(i),
- e) water that contains a substance or class of substances in a quantity or concentration that is equal to or greater than a quantity or concentration prescribed in respect of that substance or class of substances by regulations made under subparagraph 63(1)(b)(ii), and
- f) water that has been subjected to a treatment, process or change prescribed by regulations made under subparagraph 63(1)(b)(iii).

**Waste Management Plan (WMP)** – a document, developed in accordance with the MVLWB *Guidelines for Developing a Waste Management Plan*, that describes the methods of Waste management for the Project from Waste generation to final disposal.

**Waste Rock** – all rock materials, except ore and Tailings which are produced as a result of mining and milling operations.

**Wastewater** – any Water that is generated by Project activities or originates on-site, and which contains Waste, and may include, but is not limited to, Runoff, Seepage, Sewage, Minewater, and Effluent.

**Water** – as defined in section 1 of the *Waters Act*: water under the administration and control of the Commissioner, whether in a liquid or frozen state, on or below the surface of land.

**Watercourse** – as defined in section 1 of the Waters Regulations: a natural watercourse, body of Water or Water supply, whether usually containing Water or not, and includes Groundwater, springs, swamps, and gulches.

**Waters Regulations** – the regulations proclaimed pursuant to section 63 of the *Waters Act*.

**Water Use** – as defined in section 1 of the *Waters Act*: a direct or indirect use of any kind, including, but not limited to,

- a) a diversion or obstruction of waters,
- b) an alteration of the flow of waters, and
- c) an alteration of the bed or banks of a river, stream, lake or other body of water, whether or not the body of water is seasonal,

but does not include a use connected with shipping activities that are governed by the *Canada Shipping Act, 2001*.

**Water Use Fee** – the fee for use of Water as per the Waters Regulations pursuant to section 63 of the *Waters Act* and the MVLWB *Water Use Fee Policy*.

## Part B: General Conditions

|     | Condition  | Condition Title   |
|-----|--|---|
| 1.  | The Licensee shall ensure a copy of this Licence is maintained on site at all times.   | <b>COPY OF LICENCE</b>  |
| 2.  | The Licensee shall take every reasonable precaution to protect the environment.  | <b>PRECAUTION TO PROTECT ENVIRONMENT</b>                            |
| 3.  | In conducting its activities under this Licence, the Licensee shall make every reasonable effort to consider and incorporate any scientific information and Traditional Knowledge that is made available to the Licensee.  | <b>INCORPORATE SCIENTIFIC INFORMATION AND TRADITIONAL KNOWLEDGE</b> |
| 4.  | In each submission required by this Licence or by any directive from the Board, the Licensee shall identify all recommendations based on Traditional Knowledge received, describe how the recommendations were incorporated into the submission, and provide justification for any recommendation not adopted.   | <b>IDENTIFY TRADITIONAL KNOWLEDGE</b>                               |
| 5.  | All references to policies, guidelines, codes of practice, statutes, regulations, or other authorities shall be read as a reference to the most recent versions, unless otherwise noted.   | <b>REFERENCES</b>   |
| 6.  | The Licensee shall ensure all submissions to the Board:<br>a) Are in accordance with the MVLWB <i>Document Submission Standards</i> ;<br>b) Include a conformity statement or table which identifies where the requirements of this Licence, or other directives from the Board, are addressed; and<br>c) Include any additional information requested by the Board.           | <b>SUBMISSION FORMAT AND CONFORMITY</b>                             |
| 7.  | The Licensee shall ensure management plans are submitted to the Board in a format consistent with the MVLWB <i>Standard Outline for Management Plans</i> , unless otherwise specified.   | <b>MANAGEMENT PLAN FORMAT</b>                                       |
| 8.  | The Licensee shall comply with all approved plans referred to this Licence, including revisions, approved pursuant to the conditions of this Licence.  | <b>COMPLY WITH SUBMISSIONS AND REVISIONS</b>                        |
| 9.  | The Licensee shall conduct an annual review of all approved plans referred to this Licence and make any revisions necessary to reflect changes in operations, contact information, or other details. No later than March 31 each year, the Licensee shall send a notification letter to the Board, listing the documents that have been reviewed and do not require revisions. | <b>ANNUAL REVIEW</b>  |
| 10. | The Licensee may propose changes at any time by submitting revised of all approved plans referred to this Licence, to the Board, for approval, a minimum of 90 days prior to the proposed implementation date for the changes. The Licensee shall not implement the changes until approved by the Board.   | <b>REVISIONS</b>  |
| 11. | The Licensee shall revise any submission and submit it as per the Board's directive.   | <b>REVISE AND SUBMIT</b>  |

|     | <b>Condition</b>   | <b>Condition Title</b>                               |
|-----|--|--|
| 12. | If any date for any submission falls on a weekend or holiday, the Licensee may submit the item on the following business day.  | <b>SUBMISSION DATE</b>                               |
| 13. | The Licensee shall comply with the <b>Schedules</b> , which are annexed to and form part of this Licence, and any updates to the Schedules as may be made by the Board.  | <b>COMPLY WITH SCHEDULE(S)</b>                       |
| 14. | The Schedules, the Surveillance Network Program, and any compliance dates specified in this Licence may be updated at the discretion of the Board.   | <b>UPDATES TO COMPLIANCE DATE(S)</b>                 |
| 15. | The Licensee shall comply with all directives issued by the Board in respect of the implementation of the conditions of this Licence.  | <b>COMPLY WITH BOARD DIRECTIVES</b>                  |
| 16. | The Licensee shall install, operate, and maintain meters, devices, or other such methods for measuring the volumes of Water used and Waste discharged to the satisfaction of an Inspector.   | <b>MEASURE WATER USE AND WASTE DISCHARGED</b>        |
| 17. | Beginning March 31, 2021, and no later than every March 31 thereafter, the Licensee shall submit an <b>Annual Water Licence Report</b> to the Board and an Inspector. The Report shall be in accordance with the requirements of <b>Schedule 1, Condition 1</b> .  | <b>ANNUAL WATER LICENCE REPORT</b>                   |
| 18. | The Licensee shall comply with the <b>Engagement Plan</b> , once approved.   | <b>ENGAGEMENT PLAN</b>                               |
| 19. | A minimum of ten days prior to the initial commencement of Project activities, the Licensee shall provide written notification to the Board and an Inspector. Notification shall include the commencement date, and the name and contact information for the individual responsible for overseeing the Project. Written notification shall be provided to the Board and an Inspector if any changes occur.                               | <b>NOTIFICATION – COMMENCEMENT</b>                   |
| 20. | A minimum of ten days prior to re-commencement of Project activities following a temporary shut-down period, the Licensee shall provide written notification to the Board and an Inspector. Notification shall include the commencement date, and the name and contact information for the individual responsible for overseeing the Project. Written notification shall be provided to the Board and an Inspector if any changes occur. | <b>NOTIFICATION – RE-COMMENCEMENT</b>                |
| 21. | The Licensee shall immediately provide written notification to the Board and an Inspector of any non-compliance with the conditions of this Licence.   | <b>NOTIFICATION – NON-COMPLIANCE WITH CONDITIONS</b> |
| 22. | The Licensee shall immediately provide written notification to the Board of any non-compliance with a Board directive issued in respect of the implementation of the conditions of this Licence.   | <b>NOTIFICATION – NON-COMPLIANCE WITH DIRECTIVES</b> |
| 23. | The Licensee shall ensure that a copy of any written authorization issued to the Licensee by an Inspector is provided to the Board.  | <b>COPY – WRITTEN AUTHORIZATION</b>                  |
| 24. | The Licensee shall submit a current Project schedule to the Board and an Inspector upon request.   | <b>SUBMIT CURRENT PROJECT SCHEDULE</b>               |



## Part C: Security

|    | Condition   | Condition Title               |
|----|---|-------------------------------|
| 1. | The Licensee shall post and maintain a security deposit with the Minister in accordance with <b>Schedule X</b> . The Licensee shall not commence Project activities until the security deposit has been accepted by the Minister.   | POST SECURITY DEPOSIT         |
| 2. | Upon request of the Board, the Licensee shall submit an updated Closure Cost Estimate using the current version of RECLAIM or another method acceptable to the Board.   | UPDATE CLOSURE COST ESTIMATE  |
| 3. | The amount of the security deposit required by Part C, Condition 1 may be adjusted by the Board:<br>a) Based on an updated Closure Cost Estimate as per Part C, Condition 2; or<br>b) Based on such other information as may become available to the Board.   | ADJUSTED SECURITY AMOUNT      |
| 4. | If the amount of the security deposit is adjusted by the Board as per Part C, Condition 3, the Licensee shall post the adjusted amount with the Minister within the timeframe set by the Board. The Licensee shall not commence any new activities associated with a security adjustment until the additional security deposit has been accepted by the Minister. | POST ADJUSTED SECURITY AMOUNT |
| 5. | Unless otherwise approved by the Board, the Licensee may not submit security adjustment requests except with any of the following submissions:<br>a) Closure and Reclamation Plans;<br>b) Closure and Reclamation Completion Reports; or<br>c) Performance Assessment Reports.  | SECURITY ADJUSTMENT REQUESTS  |

## Part D: Water Use

|    | Condition   | Condition Title                           |
|----|---|---|
| 1. | The Licensee shall comply with the <b>Water Withdrawal Plan</b> once approved.  | <b>WATER WITHDRAWAL PLAN</b>              |
| 2. | The Licence shall only obtain <b>fresh Water for the Project from the sources identified in the approved Water Withdrawal Plan.</b>                               | WATER SOURCE AND MAXIMUM VOLUME           |
| 3. | In any single ice-covered season, the Licensee shall not withdraw greater than the <b>quantities identified in the Water Withdrawal Plan.</b>                     | MAXIMUM UNDER-ICE WATER WITHDRAWAL VOLUME |
| 4. | The Licensee shall construct and maintain the Water intake(s) with a screen designed to prevent impingement or entrapment of fish.                                | WATER INTAKE SCREEN                       |
| 5. | Prior to locating a Water intake in a fish-bearing Watercourse, the Licensee shall obtain written authorization for the location from an Inspector.               | WATER INTAKE LOCATION – AUTHORIZATION     |
| 6. | Each year, prior to March 31 and in advance of any Water use, the Licensee shall pay the Water Use Fee in accordance with the MVLWB <i>Water Use Fee Policy</i> . | WATER USE FEE                             |



## Part E: Construction

|    | Condition                                  | Condition Title |
|----|--|-----------------|
| 1. | No conditions are included in this section |                 |

## Part F: Waste and Water Management

|    | Condition   | Condition Title                               |
|----|---|---|
| 1. | The Licensee shall manage Waste and Water with the objective of minimizing the impacts of the Project on the quantity and quality of Water in the Receiving Environment through the use of appropriate mitigation measures, monitoring, and follow-up actions.    | <b>OBJECTIVE – WASTE AND WATER MANAGEMENT</b> |
| 2. | The Licensee shall minimize erosion by implementing suitable erosion control measures that shall be located and maintained to the satisfaction of an Inspector.   | <b>EROSION CONTROL</b>                        |
|    | <b>Management and Monitoring Plans</b>  |   |
| 3. | The Licensee shall comply with <b>the Waste Management Plan</b> once approved.  | <b>WASTE MANAGEMENT PLAN</b>                  |
| 4. | The Licensee shall comply with <b>a Groundwater Management Plan developed in accordance with Schedule 2</b> once approved.  | <b>GROUNDWATER MANAGEMENT PLAN</b>            |
| 5. | The Licensee shall comply with <b>the Bedrock Sampling Management Plan</b> developed in accordance with <b>Schedule 3</b> , once approved.  | <b>BEDROCK SAMPLING MANAGEMENT PLAN</b>       |
| 6. | A minimum of 90 days prior to commencement of groundwater testing, the Licensee shall submit to the Board, for approval, a revised <b>Waste Management Plan</b> . The Licensee shall not commence groundwater sampling prior to Board approval of the Plan.       | <b>WASTE MANAGEMENT PLAN - REVISED</b>        |
| 7. | A minimum of 90 days prior to commencement of groundwater testing, the Licensee shall submit to the Board, for approval, a revised <b>Groundwater Management Plan</b> . The Licensee shall not commence groundwater sampling prior to Board approval of the Plan. | <b>GROUNDWATER MANAGEMENT PLAN – REVISED</b>  |
| 8. | A minimum of 90 days prior to commencement of bedrock sampling, the Licensee shall submit to the Board, for approval, a revised <b>Bedrock Sampling Management Plan</b> . The Licensee shall not commence bedrock sampling prior to Board approval of the Plan.   | <b>BEDROCK SAMPLING MANAGEMENT PLAN,</b>      |

|     | <b>Condition</b>   | <b>Condition Title</b>                                  |
|-----|--|---|
|     | <b>Operation of Structures and Facilities</b>  |   |
|     | <b>Inspection of Structures and Facilities</b>   |   |
|     | <b>Discharge and Disposal Locations and Rates</b>  |   |
| 9.  | The Licensee shall deposit all Waste as described in the approved <b>Waste Management Plan</b> .   | <b>WASTE DISPOSAL</b>                                   |
| 10. | The Licensee shall direct all Effluent from the <b>Waste Water Treatment Plant</b> to a <b>sump</b> as described in the <b>Waste Management Plan</b> .   | <b>EFFLUENT DISCHARGE – WASTE WATER MANAGEMENT PLAN</b> |
| 11. | A minimum of ten days prior to depositing any Waste into a licenced municipal facility, the Licensee shall provide written notification to the Board and an Inspector.   | <b>NOTIFICATION – WASTE DEPOSIT</b>                     |
| 12. | The Licensee shall not discharge Waste, including Wastewater, to any Watercourse, or to the ground surface within 100 metres of the Ordinary High-Water Mark of any Watercourse.   | <b>DISCHARGE LOCATION – ORDINARY HIGH-WATER MARK</b>    |
|     | <b>Effluent Quality Criteria</b>   |   |
| 13. | The Licensee shall ensure that Effluent from a Waste Water Treatment Plant at a Surveillance Network Program station, to be determined prior to operation of a Waste Water Treatment Plant, has a pH value between [x and y] and meets the following Effluent Quality Criteria (EQC):<br>- To be determined prior to installation of the Waste Water Treatment Plant | <b>TESTING BEFORE DISCHARGE – GROUNDWATER</b>           |

## Part H: Spill Contingency Planning

|    | Condition   | Condition Title                                    |
|----|---|--|
| 1. | The Licensee shall ensure that Unauthorized Discharges associated with the Project do not enter any Waters.   | <b>OBJECTIVE – PREVENT WASTE INTO WATER</b>        |
| 2. | The Licensee shall comply with the <b>Spill Contingency Plan</b> , once approved.   | <b>SPILL CONTINGENCY PLAN</b>                      |
| 3. | <p>If a spill or an Unauthorized Discharge occurs or is foreseeable, the Licensee shall:</p> <p>a) Implement the approved Spill Contingency Plan referred to in Part H, Condition 1;</p> <p>b) Report it immediately using the NU-NT Spill Report Form by one of the following methods:</p> <ul style="list-style-type: none"> <li>• Telephone: (867) 920-8130</li> <li>• Fax: (867) 873-6924</li> <li>• E-mail: spills@gov.nt.ca</li> <li>• Online: Spill Reporting and Tracking Database</li> </ul> <p>c) Notify the Board and an Inspector immediately; and</p> <p>d) Within 30 days of initially reporting the incident, or within a timeframe authorized by an Inspector, submit a detailed report to the Board and an Inspector, including descriptions of causes, response actions, and any changes to procedures to prevent similar occurrences in the future. Written notification shall be provided to the Board and an Inspector if any changes occur.</p> | <b>REPORT SPILLS</b>                               |
| 4. | The Licensee shall ensure that spill prevention infrastructure and spill response equipment is in place prior to commencement of the Project.   | <b>SPILL PREVENTION AND RESPONSE EQUIPMENT</b>     |
| 5. | The Licensee shall restore all areas affected by spills and Unauthorized Discharges to the satisfaction of an Inspector.  | <b>CLEAN UP SPILLS</b>                             |
| 6. | The Licensee shall not establish any fuel storage facilities or refueling stations, or store chemicals or Wastes within 100 metres of the Ordinary High-Water Mark of any Watercourse.  | <b>MATERIAL STORAGE – ORDINARY HIGH-WATER MARK</b> |

## Part I: Closure and Reclamation

|    | Condition  | Condition Title                            |
|----|--|--|
|    | <p>Information on developing Closure and Reclamation Plans, Annual Closure and Reclamation Progress Reports, Closure and Reclamation Completion Reports, and Performance Assessment Reports is available in the MVLWB/AANDC <a href="#">Guidelines for the Closure and Reclamation of Advanced Mineral Exploration and Mine Sites in the Northwest Territories</a>. While these Guidelines were developed for mineral exploration and mining, the information is applicable to other types of projects.</p> <p>Municipalities will not be required to submit an overall Closure and Reclamation Plan but will be required to submit Component-Specific Closure and Reclamation Plans as set out in the conditions below. Closure and Reclamation planning information for municipalities is available in Environment and Climate Change Canada's <a href="#">Solid Waste Management for Northern and Remote Communities: Planning and Technical Guidance Document</a>.</p> <p>A Closure and Reclamation Plan will be required for remediation projects. The Plan will be separate from a Remediation Action Plan (RAP) and must describe Closure and Reclamation for any processes, structures, facilities, and/or Wastes that are introduced by a remediation project. A Remediation Action Plan may be submitted with a licence application as a project description, but it will not be considered equivalent to a CRP and will not be included in licence conditions</p> |  |
| 1. | <p>Within 24 months following the effective date of this Licence, the Licensee shall submit to the Board, for approval, a <b>Closure and Reclamation Plan</b>. The Plan shall be in accordance with the requirements of <b>Schedule 4, Condition 1</b>.</p>  | <p><b>CLOSURE AND RECLAMATION PLAN</b></p> |
| 2. | <p>The Licensee shall endeavor to carry out approved Progressive Reclamation as soon as is reasonably practicable.</p>   | <p><b>PROGRESSIVE RECLAMATION</b></p>      |

## Schedule 1: Annual Water Licence Report

|    | Condition   |
|----|---|
| 1. | The <b>Annual Water Licence Report</b> referred to in <b>Part B, Condition 18</b> of this Licence shall include, but not be limited to, the following information about activities conducted during the previous calendar year:   |
|    | a) A brief summary of Project activities;   |
|    | b) An updated Project schedule;   |
|    | c) The monthly and annual quantities in cubic metres of fresh Water obtained from all sources, as required in by <b>the approved Water Withdrawal Plan;</b>   |
|    | d) A summary of the calibration and status of the meters and devices referred to in <b>Part B, Condition 16</b> of this Licence;  |
|    | e) A summary of engagement activities conducted in accordance with the approved <b>Engagement Plan</b> , referred to in <b>Part B, Condition 18</b> of this Licence;  |
|    | f) A summary of how Traditional Knowledge was incorporated into decision making;  |
|    | g) A summary of Construction activities conducted in accordance with Part E of this Licence;  |
|    | h) A summary of major maintenance activities conducted in accordance with this Licence;   |
|    | i) A summary of activities conducted in accordance with the approved <b>Waste Management Plan</b> referred to in <b>Part F, Condition 3</b> of this Licence, including: <ul style="list-style-type: none"> <li>i. A summary of approved updates or changes to the process or facilities required for the management of Water and Waste.</li> <li>ii. Monthly and annual quantities/volumes by location of <b>Water and Waste</b> managed under the plan;</li> <li>iii. A summary and interpretation of any monitoring results;</li> </ul>   |
|    | j) The monthly and annual quantities, in cubic metres, of each and all Waste Discharges, and deposits to Waste Disposal Facilities, identified by location;   |
|    | k) A summary of activities conducted in accordance with the approved <b>Bedrock Sampling Management Plan</b> , referred to in <b>Part F, Condition 3</b> of this Licence, including: <ul style="list-style-type: none"> <li>i. <b>Details of waste rock returned to bedrock sampling pits;</b></li> <li>ii. <b>Number and location of the Metallurgical sampling locations;</b></li> <li>iii. <b>Details of explosives used at each sampling location.</b></li> </ul>   |
|    | l) A summary of activities conducted in accordance with the approved <b>Groundwater Management Plan</b> , referred to in <b>Part F, Condition 3</b> of this Licence, including: <ul style="list-style-type: none"> <li>i. A summary of the dewatering tests, once completed;</li> <li>ii. Total quantities, in cubic metres, of all groundwater extracted;</li> <li>iii. Total quantities, in cubic metres, of all groundwater stored in an open pit or other structure;</li> <li>iv. Total quantities, in cubic metres, of all groundwater reinjected;</li> <li>v. Results of water quality testing to meet discharge criteria.</li> </ul> |
|    | m) A description of any erosion susceptible areas encountered and a summary of activities to prevent or mitigate erosion;<br><br>A report of the performance of erosion mitigations applied in previous years;  |

|  | Condition   |
|--|---|
|  | n) A summary of the results and any actions taken as a result of the following inspections: <ul style="list-style-type: none"> <li>i. Inspections conducted to fulfill <b>Part F</b> of this Licence;</li> <li>ii. Inspections conducted under the <b>Bedrock Sampling Management Plan</b> required under <b>Part F</b> of this Licence; and</li> </ul>   |
|  | o) A summary of activities conducted in accordance with the approved <b>Spill Contingency Plan</b> , referred to in <b>Part H, Condition 2</b> of this Licence, including: <ul style="list-style-type: none"> <li>i. A list and description for all Unauthorized Discharges, including the date, NWT spill number, volume, location, summary of the circumstances and follow-up actions taken, and status (i.e. open or closed), in accordance with the reporting requirements in <b>Part H, Condition 3</b> of this Licence; and</li> <li>ii. An outline of any spill training carried out.</li> </ul> |
|  | p) A summary of any Closure and Reclamation work completed.   |
|  | q) A list of any non-compliance(s) with the conditions of this Licence or any directive from the Board pursuant to the conditions of this Licence;  |
|  | r) A summary of actions taken to address concerns, non-conformances, or deficiencies in any reports filed by an Inspector;  |
|  | s) Any other details requested by the Board by <b>31 October</b> of the year being reported.  |

## Schedule 2: Conditions Applying to Groundwater Management Plan

|    | Condition   |
|----|---|
| 1. | The <b>Groundwater Management Plan</b> referred to in <b>Part F, Condition 4</b> of this Licence shall include, but not be limited to the following information:  |
|    | <p>a) Information regarding Groundwater conditions:</p> <ul style="list-style-type: none"> <li>i. A description of the underlying and surrounding hydrogeology, including appropriate maps and flow diagrams [that depict seasonal variations and/or interactions between Groundwater and surface Water]</li> <li>ii. A summary of baseline data including baseline data collected to date, identification of baseline data gaps and a description of methods for filling in baseline data gaps or methods for approximating baseline conditions if necessary.</li> </ul>   |
|    | <p>b) Information regarding monitoring;</p> <ul style="list-style-type: none"> <li>i. Identification, with rationale, of parameters of concern that should be used as indicators of potential impacts from Project-related activities on the aquatic Receiving Environment;</li> <li>ii. A description, including detailed rationale, of the site-specific Groundwater testing activities required;</li> <li>iii. The location and purpose, with rationale, of all existing and proposed Groundwater testing stations, including a map;</li> <li>iv. A description of monitoring protocols, methodologies, parameters, and frequencies specific to each type of monitoring identified in item (b)(i) above; and</li> <li>v. A description of the quality assurance and quality control measures followed for each monitoring type;</li> <li>vi. Linkages to other monitoring programs required under this Licence; and</li> <li>vii. Any other information about the monitoring that will be performed to meet the objectives in Part F, Condition 1</li> </ul> |
|    | <p>c) Information regarding responses to monitoring results:</p> <ul style="list-style-type: none"> <li>i. A description of how the results of Groundwater monitoring will be used to update predictions as required;</li> </ul>  |

## Schedule 3: Conditions Applying to Bedrock Sampling Management Plan

|    | Condition   |
|----|---|
| 2. | The <b>Bedrock Sampling Management Plan</b> referred to in <b>Part F, Condition 5</b> of this Licence shall include, but not be limited to, the following:  |
|    | <p>a) Information regarding Bedrock sampling, including:</p> <ul style="list-style-type: none"> <li>i. A description of the purpose and scope of bedrock sampling including a description of the management and storage of Bedrock, ore, overburden, and till, appropriate maps or diagrams and descriptions of the methods that will be used to limit generation of acidic drainage and/or Metal Leaching.</li> <li>ii. An annual schedule for till storage, ore stockpiling, and production, over the term of this Licence, including the sources, tonnage, volume and destination of each rock type;</li> <li>iii. A description of geochemical characterization, including a characterization of rock types (mineralogy and geology of typical rock units), assessment of potential for Acid/Alkaline Drainage and Metal Leaching and a description of the sampling program and analytical methods that will be used to support the operational classification and management of all rock types.</li> </ul> |



|  | Condition   |
|--|---|
|  | <p>b) Information regarding explosives management, including:</p> <ul style="list-style-type: none"> <li>i. A description of the mitigation approaches to be employed with respect to storage, handling, blasting, disposal, and spills;</li> <li>ii. The predicted ammonium nitrate dissolution rate;</li> <li>iii. Any other information required to describe how explosives will be managed such that the objectives listed in <b>Part F, Condition 1</b> will be met.</li> </ul> <p>c) Information regarding monitoring, including:</p> <ul style="list-style-type: none"> <li>i. Details of the monitoring, including rationale, that will be undertaken to evaluate whether the mitigation approaches for storage, handling, and blasting procedures are effective, including;</li> <li>ii. Linkages to other monitoring programs required under this Licence; and</li> <li>iii. Any other information about monitoring that will be performed to meet the objectives in <b>Part F, Condition 1</b>.</li> </ul> |

#### Schedule 4: Conditions Applying to Closure and Reclamation

|    | Condition  |
|----|--|
| 2. | The <b>Closure and Reclamation Plan</b> referred to in <b>Part I, Condition 1</b> of this Licence shall include, but not be limited to the following information:  |
|    | c) A plain language summary of the Plan;   |
|    | d) A description of the overall goals for Closure and Reclamation of the Project, including expected future land use;  |
|    | e) A description of the Closure and Reclamation planning team;   |
|    | f) A description of engagement related to Closure and Reclamation planning, including a summary of completed and planned engagement, and links to the <b>Engagement Plan</b> referred to in <b>Part B, Condition 18</b> for the Project;   |
|    | g) A list of any other regulatory authorizations required for Closure and Reclamation of the Project;  |
|    | h) A description of the pre-existing and current Project environment, including, but not limited to: <ul style="list-style-type: none"> <li>i. climatic conditions;</li> <li>ii. physical conditions;</li> <li>iii. chemical conditions;</li> <li>iv. biological conditions;</li> </ul>  |
|    | i) A description of the Project, including, but not limited to: <ul style="list-style-type: none"> <li>i. site history;</li> <li>ii. Project development;</li> <li>iii. current status of the Project;</li> <li>iv. maps delineating all disturbed areas, borrow material locations, site facilities, hydrological features, and elevation contours; and</li> <li>v. photographs.</li> </ul> |

|  | <b>Condition</b>   |
|--|--|
|  | <p>j) A description of each Project component, including, but not limited to:</p> <ul style="list-style-type: none"> <li>i. Drilling;</li> <li>ii. Metallurgical testing;</li> <li>iii. Groundwater testing;</li> <li>iv. Bedrock sampling;</li> <li>v. Accommodations and other camp facilities;</li> <li>vi. areas affected by spills or Unauthorized Discharges; and</li> <li>vii. other areas affected by Project activities.</li> </ul>   |
|  | <p>k) For the Project site, a description of Closure and Reclamation plans, including, but not limited to:</p> <ul style="list-style-type: none"> <li>i. Closure Objectives and Criteria;</li> <li>ii. preferred Closure and Reclamation option and method for each Project component identified in condition (h) above;</li> <li>iii. Water management and restoration of natural drainage;</li> <li>iv. predicted environmental effects during and after Closure and Reclamation activities;</li> <li>v. post-closure monitoring, maintenance, and reporting;</li> <li>vi. uncertainties and contingencies;</li> <li>vii. climate change considerations; and</li> <li>viii. Closure and Reclamation Research plans.</li> </ul> |
|  | <p>l) An implementation schedule that includes Progressive Reclamation and final Closure and Reclamation activities; and</p>   |
|  | <p>m) A Closure Cost Estimate.</p>   |