

## Reviewer Comments and Proponent Responses

**Project: Cantung Mining and Milling**

**Board: Mackenzie Valley Land and Water Board**

**Organization: North American Tungsten (NATCL) - Cantung**

No.	Topic	Reviewer Comment	Reviewer Recommendation	Proponent Response
Fisheries and Oceans Canada (DFO) - Ms. Anna-Maija LaFlamme				
1	Type A Water Licence MV2015L2-0003 North American Tungsten Corporation Ltd. - Cantung Mine. Review page 10, Part D: Conditions Applying to Water Use.	DFO's guidelines for water withdrawal from riverine environments within the Restricted Activity Period require Proponents to demonstrate that either a) Location of water withdrawal is not fish bearing; or b) Water withdrawal rate is <10% of actual (instantaneous) flow and do not result in flows <30% of mean annual discharge (MAD). Source: Framework for Assessing the Ecological Flow Requirements to Support Fisheries In Canada, accessed at <a href="https://waves-vagues.dfo-mpo.gc.ca/Library/348881.pdf">https://waves-vagues.dfo-mpo.gc.ca/Library/348881.pdf</a> .	On the account of the Flat River being fish-bearing, water withdrawal may occur during the Restricted Activity Period. DFO recommends the following condition be added to the document: At any time, the Licensee shall not withdraw greater than 10% of the available Instantaneous Flow of the Flat River. The water withdrawal shall not result in flows that are lower than 30% of the mean annual discharge.	NATC is applying to use <1% of the Flat River, on average, as indicated in its application form. NATC believes that this information, along with licenced water withdrawal limits is adequate to satisfy DFO's Guidelines; however, if the Board feels that an additional condition as proposed by DFO is necessary, NATC does not oppose addition of this condition.
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CIRNAC (Yellowknife) - Megan Larose				
1	Part C: Conditions applying to security requirements (Board Staff Comment KM2)	Board staff have requested input regarding the security requirements outlined in Schedule 2, Item 1 of the draft licence. CIRNAC - Resource and Land Management recommend that Schedule 2, Item 1 of the licence be retained as written with the understanding that NATCL will not post the security.  In Section 3.1.5 of the December 29, 2015 Reasons for Decision on the	CIRNAC - Resource and Land Management recommend that Schedule 2, Item 1 of the licence be retained as written with the understanding that NATCL will not post the security.	NATC agrees with CIRNAC, that the current language in the licence be retained with the understanding that NATCL will not post the security given the Government of Canada funding for the Cantung Site discussed in CIRNAC's February 15, 2023 letter to the Board.

		<p>Cantung Water Licence MV2015L2-0003, the complex nature of the financial responsibility of NATCL at the time was described. This included reference to NATCL's creditor protection under the Companies' Creditors Arrangement Act initiated June 9, 2015 (Court Order S-154746), the requirement of Aboriginal Affairs and Northern Development Canada (AANDC) [now referred to as CIRNAC] to fund NATCL's care and maintenance costs as directed by the Court Order, and the understanding of the Board that AANDC would take control of the site and be responsible for future activities, whether they be a continuance of the care and maintenance status of the site, or closure. The Board ruled the financial capacity of NATCL was adequate, although acknowledged the unique circumstances. In many respects, the situation around financial responsibility has not significantly changed. The original Court Order and has been extended on a number of occasions, most recently it was extended to April 30, 2024. The Court Order continues to direct CIRNAC to fund NATCL's expenditures related to care and maintenance for the period of March 19, 2023 to April 30, 2024, and CIRNAC, as the primary funder, continues to provide advise to the Court Appointed Monitor with respect to funding of both care and maintenance and closure planning.</p>		
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		Given that the renewal of MV2015L2-0003 is intended to be temporary (e.g., two years) while the regulatory proceeding for Permit MV2023D0010 and Licence MV2023L2-0001 is ongoing, and the current financial situation is similar to that which was considered adequate in 2015, CIRNAC-RLM see no need to change Schedule 2, Item 1 for the purposes of this renewal application.		
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GNWT - Environment and Climate Change - Environmental Regulatory Analyst				
1	GNWT-ECC No Comment Cover Letter	Please see attached.	N/A	-
No.	Topic	Reviewer Comment	Reviewer Recommendation	Proponent Response
MVLWB - Kimberley Murray				
1	Annex A: Surveillance Network Program	Board staff note that Part A, Condition 2. e) of the draft Licence requires monthly SNP Reports to include an updated map identifying the locations of all the SNP stations. Board staff note that the map included in SNP Reports recently submitted to the Board under Licence MV2015L2-0003 appears to have been created in 2015, and does not include all active SNP stations.	Board staff recommend that an updated map be submitted with SNP Reports under Licence MV2023L2-0006 (if issued).	NATC agrees to update the mapping it provides with its SNP Reports under MV2023L2-0006.
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Liard First Nation (Yukon) - Travis Stewart				
1	General Comment - Support for Draft Licence Terms and	LFN has reviewed the proposed updates and changes to the current MV2015L2-0003 water licence. LFN does not oppose the Board's approach to updating various conditions to reflect reports that have		NATC appreciates LFN's review and comments, and looks forward to its continued participation in the licencing and closure planning processes.

	Conditions	already been submitted and the shift in activities from mining to closure and maintenance activities with the following caveats 1. LFN reserves the right to comment or call for revisions to reports where they have not specifically addressed affects on exercises of Kaska Aboriginal Rights and Title. 2. That the terms and conditions of this license are without prejudice to the longer term license that will be designed to, among other things, ensure exercises of Kaska Rights and Title are restored through an approved remediation and closure plan designed to that effect.		
2	Schedule 2, Part C - Security Requirements	LFN has considerable experience with mines that go broke and cannot fulfill the obligations of their authorizations, and proponents whose policies and priorities change over time. After considering the information provided and having referred this matter to legal counsel for internal review, we conclude that it is necessary for LFN to wait until it has an up to date response from the Government of Canada before responding. LFN is grateful to the MVLWB for raising this matter again given the seriousness of the topic. Please ensure there is adequate time for LFN to formulate a thoughtful response to a legal issue of this complexity.		As mentioned in response to CIRNAC - 1, NATC believes that retaining the current language in the licence adequately addresses the current security arrangement, and supports regulatory process efficiency.
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North American Tungsten (NATCL) - Cantung - Sharleen Hamm NATCL				
1	Conditions E8, G6, 7, 8, 9	NATC appreciates that the amended wording proposed for Conditions E8 and	NATC proposes the following revised wording for Conditions E8 and G6, 7, 8, 9:	

	Documents already submitted	G6, 7, 8, 9 is intended to reflect prior document submission and is generally in support of this revision. However, the aspects of reports mentioned are more for prior information gathering (i.e. gap analysis report) as opposed to operational compliance and so NATC suggests that the use of the term 'comply' should be qualified in these instances. Accordingly, NATC proposes revised draft condition wording for E8 and G6, 7, 8, 9.	The Licensee shall comply with the [Tailings Containment Area Cover Design Study/Geochemical Risk Assessment Report/Geochemical Load Balance Model/Information Gap Analysis Report/Integrated Geochemical Load Balance and Risk Assessment Report] as applicable.....	
2	Condition D3 Water Use Volume	In its application, NATC applied for reduced water use volume. This is not reflected in the draft licence.	NATC proposes the following revised wording for Condition D3: The daily quantity of Water withdrawn using the Water Supply Facility shall not exceed 299 m3.	



November 8, 2023

Angela Love  
Regulatory Specialist  
Mackenzie Valley Land and Water Board  
P.O. Box 2130  
4922 - 48th STREET 7th FLOOR  
YELLOWKNIFE, NT X1A 2P6

Dear Angela Love,

**RE: Cantung Type A Renewal Licence Application- Draft Licence Condit. (MV2023L2-0006)**

The Department of Environment and Climate Change, Government of the Northwest Territories, Water Regulatory group has reviewed the draft licence conditions and based on the scope of the review, GNWT-ECC has no comments or recommendations for consideration of the Mackenzie Land and Water Board at this time.

Please contact [GNWT\\_EA@gov.nt.ca](mailto:GNWT_EA@gov.nt.ca) with any questions or concerns.

Sincerely,

Shakita Jensen  
Regulatory Analyst  
Department of Environment and Climate Change