



**SELWYN
CHIHONG**
MINING LTD.

**Sahtu Land Use Plan
Conformance Table**

Selwyn Project – Quarry Permit

Sahtu Land Use Plan Conformance Table

Land Use Plan Requirement	Project Conformance
General Conformity Requirements	
CR #1- Land Use Zoning	<p>Continued maintenance of the HPAR and applicable quarries satisfies the requirements of legacy land use under section 2.5D.</p> <p>The HPAR was originally permitted under Class A Land Use Permit N76F375 as issued by Indian and Northern Affairs and nine separate Water Licenses as issued by the Northwest Territories Water Board. All were issued in May of 1977. Construction of the HPAR was completed under those authorizations during 1977 and 1978. These authorizations predate the establishment of the SLUP. There have been numerous other authorizations related to the HPAR since that time.</p> <p>In addition, Aboriginal Affairs and Northern Development Canada granted SCML a Licence of Occupation for the HPAR that became effective on January 1, 2012 (105I/114-2). Under that Licence, SCML became authorized to occupy a right-of-way approximately 57 kilometres long (the LOC specifically excluded the 23 kilometre portion of the HPAR within the Nahanni National Park Reserve) and sixty metres wide for "...the construction, operation, maintenance, inspection, alteration, replacing and repair of an all-weather access road." Effective April 1, 2014, the Government of the NWT assumed responsibility for the administration and control of certain portions of the lands granted to SCML in accordance with the Northwest Territories Lands and Resources Devolution Agreement. In order to facilitate this transfer of responsibility, the original Licence was amended, effective March 31, 2014, to cover only 33 kilometres of the HPAR situated in two separate areas (including HPAR lands in the Sahtu). Licence of Occupation 105I/1-14-2 predates establishment of the SLUP.</p>

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	<p>The Licence of Occupation entitles SCML to use the land for the “construction, operation, maintenance, inspection, alteration, replacing and repair of an all-weather access road”.</p> <p>Therefore, new gravel and or rock quarries will need to be established as part of the road repairs. Materials sourced from the quarries will provide materials for rehabbing and repairing the HPAR, and will require “incidental authorizations”. (subsection 1.4).</p> <p>There is a special management zone, 41B, where the proposed activities have little to no potential to impact surface and groundwater. Buffers will be installed to ensure that any runoff from potential precipitation events is directed to organics and away from any possible direct discharge into the watercourse. Additionally, SCML has included the Sediment and Erosion Plan, which was approved by the Yukon Water Board, in the Quarry Operations Plan.</p>

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<p>CR #2- Community Engagement and Traditional Knowledge</p> <p><i>1) For all land use activities, community organizations and potentially affected community members must be adequately engaged with respect to: a) The proposed activities, b) Specific locations and issues of concern, including important heritage resources, and c) Traditional knowledge that is relevant to the location, scope and nature of the proposed activities.</i></p> <p><i>2) The proposed activities must be designed and carried out with due regard for community concerns, and incorporate relevant traditional knowledge.</i></p>	<p>Community members were engaged during the environmental assessment for exploration in Tulita in October 2007. SCML updates the Tulita, Fort Norman Métis, and Norman Wells Land Corporations as the Cooperation Agreement requires.</p> <p>Permits MV2005F0028 allowed the rehabilitation, maintenance, operation, and reclamation of an existing road from Cantung Minesite to Howard's Pass, Northwest Territories. As seen on the Sahtu Land and Water Board Registry, SCML and the MacKenzie Valley Land and Water Board engaged at that time.</p> <p>During the repair of the Bridges and capping of the HPAR, the Tulita, Fort Norman Métis, and Norman Wells Land Corporations</p> <p>The Tulita District Land Corporations and communities were engaged in September 2021 to discuss the proposed exploration permit activities and renewal.</p> <p>The land Corporations raised no issues other than ensuring business and employment opportunities are given to community members. Some individuals at the open house in Tulita were concerned about the development of a mine near the Park Reserve.</p> <p>In the past, SCML has hired three (3) people from Tulita; however, due to the local work in the Tulita communities, SCML has only been able to hire two (2) people from Tulita. In addition, SCML had placed a request for Environmental Monitors, but no interest was expressed.</p> <p>A traditional knowledge study was completed in 2006. Hunting, trapping, fishing and camping were identified as traditional activities that were historically carried out in the region. These activities were identified with areas north and east of the Project, and no traditional use sites were identified specifically within the bounds of the Project. In current times, the regions of the north and east are rarely accessed for these traditional activities. The proposed exploration activities during the August 2016 engagement raised no traditional knowledge concerns.</p>

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<p>CR #3- Community Benefits <i>All applications for land use must demonstrate how residents and communities will benefit from the proposed land use. In the absence of any definable benefits to residents or communities, benefits to the broader public interest will be considered.</i></p>	<p>Positions will be available for heavy equipment operators and labourers. SCML works with the Tulita District Land Corporations, following the protocols in the Cooperation Agreement.</p> <p>In general, the Cooperation Agreements require SCML to undertake a number of initiatives to maximize the community benefits related to this work. These initiatives include:</p> <ul style="list-style-type: none"> • Set employment target objectives for Sahtu members in cooperation with the Land Corporations; • Provide training and training opportunities where applicable; • Hire qualified Sahtu members on a priority basis; • Use tendering preferential practices targeted to businesses listed in the Business Registry provided by the Land Corporations. Including: <ul style="list-style-type: none"> - Sole sourcing, - Negotiated contracts, - Closed bidding, <p>The Cooperation Agreements also require SCML to undertake all preferential tendering initiatives before issuing a public tender for goods and services.</p> <p>These quarry locations will help repair and resurface areas of the road, thus allowing safe access to the project site.</p>

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<p>CR #4- Archaeological Sites and Burial Sites</p> <p><i>1) Land use activities must not be located within 500m of known or suspected burial sites, or within 150m of known or suspected archaeological sites, unless measures are developed in cooperation with the Prince of Wales Northern Heritage Centre, affected communities, or in the case of burial sites, with affected families where possible, to fully mitigate all impacts to the site.</i></p> <p><i>2) In areas where there is a high risk of impact to known or suspected archaeological sites, as determined by the PWNHC, an archaeological impact assessment must be conducted prior to commencement of the land use activity.</i></p>	<p>In 2008, archaeology staff from the Prince of Wales Northern Heritage Centre reported no known archaeological sites within the areas (J. deDios, Pers.Comm., 17 March 2008). No known burial sites were identified in the 2006 Sahtu traditional knowledge interviews.</p> <p>Archaeological impact assessments have been completed on the project site in the Yukon and along Howard's Pass Access Road. Some archaeological surface and subsurface lithic scatter sites have been found on eskers and near waterways, likely from people hunting as they moved along the valleys (Kalo Stantec, 2016).</p> <p>SCML has a Chance Find Procedure (CFP) whereby anyone on site who encounters archaeological signs or artifacts must stop disturbance of the area, notify management and the appropriate government departments and Indigenous groups are notified for determining required actions.</p>
<p>CR #5- Watershed Management</p> <p><i>For water licenses and land use permits, the Land and Water Boards will ensure that, subject to Chapter 20 of the Sahtu Dene and Metis Comprehensive Land Claim Agreement 24</i></p> <p><i>a) does not substantially alter quality, quantity, or rate of flow for waters that flow on, through, or are adjacent to Sahtu Lands, and, the proposed land use activity:</i></p> <p><i>b) is subject to mitigation measures to minimize potential impacts on surface and groundwater that flow into CZs, SMZs, or PCI.</i></p>	<p>The proposed quarries should not alter the quality, quantity, or flow rate for waters that flow on, through, or adjacent to Sahtu Lands. The only water present will be from precipitation events or the wetting down of piles for dust suppression.</p>

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<p>CR #6- Drinking Water</p> <p><i>1) Any land use activity that would result in the contamination of surface or groundwater within community catchments is prohibited.</i></p> <p><i>2) Where there is reasonable potential for any land use activity to affect a downstream drinkingwater source: a) the affected community must beinformed and engaged with respect to potential impacts, the design of mitigation measures and monitoring programs; b) baseline water quality data must be collected from the drinking water source prior to the start of any activity; and c) regular water quality testing of the source watershed must be conducted to monitor potential impacts.</i></p>	<p>There are no downstream drinking water sourcesfrom the quarry areas.</p>

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<p>CR #7- Fish and Wildlife</p> <p><i>1) Land use activities must be designed using the most current information for identified species of interest and species at risk as obtained from ENR, CWS, DFO, PCA, the SRRB and the local Renewable Resource Councils. 2) Impacts to wildlife, their habitat and migration patterns, and important community harvesting areas must be prevented or mitigated to the extent possible. a) In particular, all reasonable steps should be taken to follow the horizontal setbacks and minimum flight altitudes identified in Table 4 when near habitat sites during sensitive periods described in that table, unless human safety is of concern, and measures are developed with the appropriate organizations and the RRC to mitigate impacts to these species and their habitat. b) In addition, DFO has established in-water construction timing windows for the protection of fish and fish habitat. These are updated from time to time and are available at http://www.dfo-mpo.gc.ca/regions/central/habitat/os-eo/provinceterritories-territoires/nt/os-eo21-eng.htm. During these periods, no in-water or shoreline work is allowed except under site- or project-specific review and with the implementation of protective measures. c) Barren-ground caribou and woodland caribou are especially important to communities and have been shown to be sensitive to disturbance. Map 3 shows important rutting and wintering habitat for barren-ground caribou (Oct 8 - Mar 31), boreal and mountain woodland caribou range, and the summer habitat of the South Nahanni Herd of Mountain Woodland Caribou. All land use activities occurring in these areas during the specified times are required to address impacts to caribou and their habitat.</i></p>	<p>The proposed exploration is located in alpine areas. There are no fish in the creeks in this area, and no discharges are proposed that would harm waters containing fish.</p> <p>A number of wildlife species have been documented during baseline studies. In the alpine area where exploration is proposed, important species include woodland caribou, grizzly, wolverine, and marmot.</p> <p>Staff on site follow wildlife protection procedures in line with permit conditions, including no feeding or harassment, garbage management, and following flight guidelines to prevent wildlife disturbance. In addition, work is stopped when caribou are in the immediate area until they move away.</p> <p>There will be no significant impact on wildlife, habitat, migration patterns and important community harvesting areas.</p>

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<p>CR #8- Species Introductions <i>Land use activities must not result in the intentional introduction of non - native plant and animal species, or of domestic animal species or subspecies, except by special approval by the appropriate authority. All reasonable precautions must be taken to prevent the introduction of non - native species or sub – species.</i></p>	<p>The project is committed to avoiding the introduction of invasive species. Only approved native seed mixes and local plant cuttings will be used for reclamation.</p>
<p>CR #9- Sensitive Species and Features <i>1) Any land use activity requiring a land use permit or water licence must be designed using the most current available information on the location of rare or may-be-at-risk plants, hot and warm springs, mineral licks, karst topography, amphibian sightings, and ice patches and carried out in a manner that minimizes impacts to these features. 2) Specifically, land use activities: a) must not take place within 1000 m of any known mineral lick, unless the activity cannot feasibly meet this requirement, and it can be demonstrated that alternative mitigation measures will protect the lick. b) that are situated within the boundary of glacial refugia or within 500 m of known hot or warm spring(s), and have the potential to impact rare or may - be at risk plants shall require a plantsurvey. Any rare or may-be-at-risk plants found in the survey shall be monitored for impacts from the activity. c) situated within the area of ice patches identified in Map 4 must contact the PWNHC (archaeology@gov.nt.ca) to determine if any ice patches are in the vicinity of the activity. Activities must not take place within 150 m of the edge of ice patches unless authorized by the PWNHC. 3) The location of any hot or warm spring or mineral lick discovered while carrying out an authorized activity must be reported to nwt_pas@gov.nt.ca , and any amphibian sightings to nwtsoer@gov.nt.ca.</i></p>	<p>There are no known sensitive plant species, hot springs, mineral licks, karst topography, amphibians, or ice patches in the proposed quarry areas.</p>

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<p>CR #10- Permafrost <i>Any land use activity requiring a land use permit or water licence must be designed and carried out in a manner that prevents and/or mitigates adverse environmental impacts resulting from the degradation or aggradation of permafrost.</i></p>	<p>The quarries lie in discontinuous permafrost areas. If permafrost is identified, work will cease, and vegetative cover will be replaced. Measures to protect permafrost include minimizing disturbance of vegetative cover and replacing vegetative mats on disturbed areas.</p>
<p>CR #11- Project-Specific Monitoring <i>Any land use activity requiring a land use permit or water licence must include site - specific monitoring, that is sufficient to monitor the effectiveness of the activity's proposed mitigation measures and any impacts to the values in the surrounding area, as defined in the Plan's Background Report, zone descriptions and in discussions with communities.</i></p>	<p>Environmental monitors are on-site during project activities to check that permit conditions are being met, to help with reclamation, and to complete any other conformity with the Sahut Land and Water Board land use permit requirements. Corrective actions are identified, carried out, and followed up to minimize impacts.</p>
<p>CR #12- Financial Security <i>When Required by a land use permit or water licence issued by the Land and Water Board, financial security must be posted and maintained with the Minister of Aboriginal Affairs and Northern Development. The Land and Water Board will ensure that closure and reclamation plans are in accordance with legislation and regulation.</i></p>	<p>SCML will post a financial security for the agreed amount.</p>
<p>CR #13- Closure and Reclamation <i>All applications for land use must include consideration of closure and reclamation and where appropriate, plans shall be developed in consultation with community organisations.</i></p>	<p>Reclamation of borrow sites will include sloping, contouring, and replacing vegetative mats, scarifying where needed, and, if required, adding an approved native seed mix to help with vegetation growth.</p>

Land Use Plan Requirement	Project Conformance
Special Management Conformity Requirements	
<p>CR #14- Protection of Special Values <i>Any land use activity proposed within a Special Management Zone, Conservation Zone or Proposed Conservation Initiative must be designed and carried out in a manner that protects, respects or takes into account the values of the zone as directed in the Plan's Zone Descriptions.</i></p>	<p>Special Zone 41 values found in the proposed borrow areas include mountain woodland caribou, South Nahanni Herd calving areas, and bears.</p> <p>Mitigation measures are in place to minimize disturbance to caribou and bears. Wildlife protection procedures in line with permit conditions are followed by staff on site, including no feeding or harassment, garbage management, following no-fly zones and flight height guidelines to prevent wildlife disturbance. In addition, specifically, work is stopped when caribou are in the immediate area until they move away from the area.</p>
CR #15- The Great Bear Lake Watershed	Not applicable
CR #16- Fish Farming and Aquaculture	Not applicable
CR #17- Disturbance of Lakebed	Not applicable
CR #18- Uses of Du K'ets'Edi Conservation Zone (Sentinel Islands)	Not applicable
CR #19- Water Withdrawal	Not applicable