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www.mvlwb.com

October 9, 2020

File: MV2020L2-0008 & MV2018C0005

Jeff Hussey, President
Pine Point Mining Limited
1100 Avenue des Canadien-de-Montreal
Bureau 300
MONTREAL QC H3B2S2

Sent by Email

Dear Jeff Hussey,

**Re: Pine Point Mining Limited – Mineral Exploration – Pine Point, NT
Issuance Package – Water Licence MV2020L2-0008
Extension Approval – Land Use Permit MV2018C0005**

The Mackenzie Valley Land and Water Board (Board) met on October 7, 2020 and considered the Renewal Application from Pine Point Mining Limited (PPML) for Water Licence (Licence) MV2020L2-0008 in accordance with the *Waters Act*, and the Extension Request for Land Use Permit (Permit) MV2018C0005 in accordance with the Mackenzie Valley Land Use Regulations for the Pine Point Mineral Exploration Project (Project).

Land Use Permit MV2018C0005

The Board extended the term for Land Use Permit (Permit) MV2018C0005 as per your August 26, 2020 request, and in accordance with subsection 26(6) of the Mackenzie Valley Land Use Regulations.

Attached is the updated cover page and Permit, which now expires on September 19, 2022. A copy of this Permit and all related correspondence and documents has been filed on the Public Registry at the MVLWB office.¹

Water Licence MV2020L2-0008

Water Licence MV2020L2-0008 (attached) has been granted for a term of two years, effective October 9, 2020 and expiring October 8, 2022 and is supported by the Board's Reasons for Decision (attached). These documents are posted to the Board's Public Registry.²

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¹ See MVLWB Online Registry for [MV2018C0005](#).

² See MVLWB Online Registry for [MV2020L2-0008](#).

Security Deposit

A security deposit is required prior to the commencement of Project activities, as per Licence Part C, Condition 1. The security deposit is **payable to the Government of the Northwest Territories (GNWT)** and submitted to the following individual, to whom questions regarding security should also be directed:

Director, Water Resources
GNWT – Environment and Natural Resources (ENR)
Box 1320
Yellowknife, NT X1A 2L4

Water Use Fees

Water use fees are required to be paid annually on the anniversary date of the Licence, as per Licence Part B, Condition 11. The water use fee for the period of October 8, 2020 through to October 7, 2021 is \$1,091.35. Water use fees must be paid to the **Government of the Northwest Territories**.

Management Plans – Approved

The Board has approved the following Plans:

Condition Number	Title of Plan (Version)
Part G, Condition 2	Waste Management Plan (V1) ³
Part H, Condition 1	Spill Contingency Plan (V1) ⁴
Part B, Condition 10	Engagement Plan (V1) ⁵

Inspectors:

The office of the Inspectors responsible for this Permit can be contacted using the following link:
<https://www.lands.gov.nt.ca/en/services/inspections-and-enforcement>.

and

Crown-Indigenous Relations and Northern Affairs
P.O. Box 1500
4923 – 52nd Street
Yellowknife, NT X1A 2R3
Phone: 867-669-2442 or 867-669-2466
Fax: 867-669-2702

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³ See MVLWB Online Registry for MV2020L2-0008 MV2018C0005 - PPML – Waste Management Plan – Version 1 – August 28, 2020 ([hyperlink](#)).

⁴ See MVLWB Online Registry for MV2020L2-0008 MV2018C0005 - PPML - Spill Contingency Plan – Version 1 – August 26, 2020 ([hyperlink](#)).

⁵ See MVLWB Online Registry for MV2020L2-0008 MV2018C0005 - PPML – Engagement Plan – Version 1 – August 28, 2020 ([hyperlink](#)).

Inspectors referred to in this Licence can be contacted at the following office:

GNWT-ENR - South Slave Regional Office
PO Box 900
Fort Smith, NT X0E 0P0
Phone: 1-867-872-0400

Analyst:

The Analyst referred to in the Surveillance Network Program annexed to this Licence can be contacted as follows:

Street Address:

Taiga Environmental Laboratory
4601 – 52nd Ave
Yellowknife, NT
X1A 1L4

Mailing Address:

Taiga Environmental Laboratory
P.O. Box 1320
Yellowknife, NT
X1A 2L9

Phone: (867) 767-9235, ext 53151
Fax: (867) 920-8740

Full cooperation of PPML is anticipated and appreciated. Please contact Jacqueline Ho at (867) 766 7455 or email jho@mvlwb.com or Kim Murray at (867) 766 7458 or email kmurray@mvlwb.com with any questions or concerns regarding this letter.

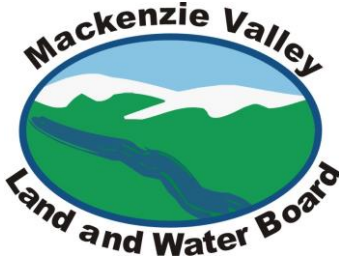
Yours sincerely,



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

Copied to: Distribution List
 Jeff Hussey, Pine Point Mining Limited
 Andrew Williams, Pine Point Mining Limited
 Robert Walker – Inspector, GNWT-Lands
 Wendy Bidwell – Inspector, GNWT-ENR
 Tim Morton – Inspector, CIRNAC

Attached: Land Use Permit MV2018C0005
 Water Licence MV2020L2-0008
 Reasons for Decision



**Land Use Permit
Extension**

Permit Class	Permit No	Amendment No
A	MV2018C0005	-

Subject to the Mackenzie Valley Land Use Regulations and the terms and conditions in this Permit, authority is hereby granted to:

Pine Point Mining Limited

Permittee

to proceed with the land use operation described in the Application of:

Signature Jeff Hussey	Date March 26 th , 2018
Type of Land Use Operation Mineral Exploration	
Location Pine Point District	

This Permit may be assigned, extended, discontinued, suspended, or cancelled pursuant to the Mackenzie Valley Land Use Regulations.

Dated at Yellowknife this 9 day of October, 2020

Signature Chair

Mavis Cli-Michaud

Signature Witness

Amanda Gauthier

Effective Date

June 20, 2018

Expiry Date

September 19, 2022

ATTENTION

It is a condition of this Permit that the Permittee comply with the provisions of the *Mackenzie Valley Resource Management Act* and Regulations and the terms and conditions set out herein. A failure to comply may result in suspension or cancellation of this Permit.

Conditions Annexed to and Forming Part of Land Use Permit # MV2018C0005

Part A: Scope of Permit

1. This Permit entitles the Permittee to conduct the following land-use operation:
 - a) Mineral exploration, including diamond drilling;
 - b) Use of heavy machinery and vehicles;
 - c) Use and storage of fuel; and
 - d) Construction and maintenance of trails and access roads.
2. This Permit is issued subject to the conditions contained herein with respect to the use of land for the activities and area identified in Part A, item 1 of this Permit.
3. Compliance with the terms and conditions of this Permit does not excuse the Permittee from its obligation to comply with the requirements of any applicable Federal, Territorial, Tłıchǫ, or Municipal laws.

Part B: Definitions (defined terms are capitalized throughout the Permit)

Act - the *Mackenzie Valley Resource Management Act*.

Archaeological Overview - as defined by the Prince of Wales Northern Heritage Centre – *Guidelines for Developers for the Protection of Archaeological Sites in the Northwest Territories*.

Archaeological Impact Assessment - as defined by the Prince of Wales Northern Heritage Centre – *Guidelines for Developers for the Protection of Archaeological Sites in the Northwest Territories*.

Board - the Mackenzie Valley Land and Water Board established under Part 4 of the Act.

Borehole - a hole that is made in the surface of the ground by drilling or boring.

Dogleg - the clearing of a line, trail, or right-of-way that is curved sufficiently so that no part of the clearing beyond the curve is visible when approached from either direction.

Drilling Waste - all materials or chemicals, solid or liquid, associated with drilling, including drill cuttings and Drilling Fluids.

Engagement Plan - a document, developed in accordance with the Board's *Engagement and Consultation Policy* and the *Engagement Guidelines for Applicants and Holders of Water Licences and Land Use Permits*, that clearly describes how, when, and which engagement activities will occur with an affected party during the life of the project.

Flowing Artesian Well - a well in which water:

- a) Naturally rises above the ground surface or the top of any casing; and
- b) Flows naturally, either intermittently or continuously.

Fuel Storage Container - a container for the storage of petroleum or allied petroleum products with a capacity of less than 230 litres.

Fuel Storage Tank - a closed container for the storage of petroleum or allied petroleum products with a capacity of more than 230 litres.

Greywater - all liquid wastes from showers, baths, sinks, kitchens, and domestic washing facilities but not including toilet wastes.

Habitat - the area or type of site where a species or an individual of a species of wildlife naturally occurs or on which it depends, directly or indirectly, to carry out its life processes.

Inspector - an Inspector designated by the Minister under the Act.

Minister - the Minister of Indian Affairs and Northern Development Canada or the Minister of the Government of the Northwest Territories – Department of Lands, as the case may be.

Ordinary High Water Mark - the usual or average level to which a body of water rises at its highest point and remains for sufficient time so as to change the characteristics of the land. In flowing waters (rivers, streams) this refers to the “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 predominately aquatic vegetation to terrestrial vegetation (excepting water tolerant species). For reservoirs, this refers to normal high operating levels (full supply level).

Permittee - the holder of this permit.

Permafrost - ground (soil or rock) that remains at or below 0°C for at least two consecutive years.

Preliminary Field Reconnaissance - a method of archaeological field survey used to verify and/or determine areas of archaeological potential that a proponent would either need to avoid or conduct further work at in the form of an Archaeological Impact Assessment.

Secondary Containment - containment that prevents liquids that leak from Fuel Storage Tanks or containers from reaching outside the containment area and includes double-walled Tanks, piping, liners, and impermeable barriers.

Sewage - all toilet wastes and Greywater.

Sewage Disposal Facilities - Sump(s) and/or Sewage collection tank(s) and/or storage containers designed to hold Sewage.

Spill Contingency Plan - a document, developed in accordance with Aboriginal Affairs and Northern Development Canada's *Guidelines for Spill Contingency Planning* (April 2007), that describes the set of procedures to be implemented to minimize the effects of a spill.

Sump - a man-made pit or natural depression in the earth's surface used for the purpose of depositing Waste that does not contain Toxic Material, such as non-toxic Drilling Waste or Sewage, therein.

Toxic Material - any substance that enters or may enter the environment in a quantity or concentration or under conditions such that it:

- a) Has or may have an immediate or long-term harmful effect on the environment or its biological diversity;
- b) Constitutes or may constitute a danger to the environment on which life depends; or
- c) Constitutes or may constitute a danger in Canada to human life or health.

Waste - any garbage, debris, chemical, or Toxic Material to be used, stored, disposed of, or handled on land, and also as defined in section 51 of the Act.

Waste Management Plan - a document, developed in accordance with the Board's *Guidelines for Developing a Waste Management Plan*, that describes the methods of Waste management from Waste generation to final disposal.

Watercourse - a natural body of flowing or standing water or an area occupied by water during part of the year, and includes streams, springs, swamps and gulches but does not include groundwater.

Part C: Conditions Applying to All Activities (headings correspond to subsection 26(1) of the Mackenzie Valley Land Use Regulations)

26(1)(a) Location and Area	CATAGORY
1. The Permittee shall not conduct any part of the land-use operation within 300 metres of any privately owned or leased land or structure, unless otherwise authorized in writing by the Board.	PRIVATE PROPERTY
2. The Permittee shall not conduct any part of the land-use operation within 300 metres of a cabin used for traditional activities, including trapping, hunting, or fishing, unless otherwise authorized in writing by the Board.	AVOID CABINS
3. Prior to the commencement of drilling, the Permittee shall submit the drill target locations on a 1:50,000-scale map with coordinates and map datum to the Board and an Inspector.	DRILL LOCATIONS
4. The Permittee shall not construct parallel lines or roads, unless an existing line or road cannot be used.	PARALLEL ROADS
5. The Permittee shall locate all lines, trails, and right-of-ways to be constructed parallel to any Watercourse a minimum of 100 metres from the Ordinary High Water Mark, except at crossings.	PARALLEL WATERCOURSE
6. The Permittee shall not conduct this land-use operation on any lands not designated in the complete application.	LOCATION OF ACTIVITIES
7. The Permittee shall confine the width of the right of way to a maximum of ten (10) metres, unless otherwise authorized in writing by a Land Use Inspector. The Permittee shall not clear a right-of-way that is wider than 12 metres.	WIDTH RIGHT-OF-WAY
8. The Permittee shall post signs and notices to avoid conflict with recreational users.	POST SIGNS
26(1)(b) Time	
9. At least 48 hours prior to the commencement of the land-use operation, the Permittee's Field Supervisor shall contact an Inspector: a) for all activities west of the Buffalo River at (867) 874-6995 ext 21; and b) for all activities east of the Buffalo River at (867) 872-2558 ext 24.	CONTACT INSPECTOR (TERRITORIAL)
10. At least 48 hours prior to the commencement of the land-use operation and prior to any land use activities within or near the rail bed, the Permittee's Field Supervisor shall contact an Inspector at (867) 669-2442 or (867) 669-2468.	CONTACT INSPECTOR (FERDERAL)
11. At least 48 hours prior to commencement of the land-use operation, the Permittee shall provide the following information, in writing, to the Board and an Inspector: a) the name(s) of the person(s) in charge of the field operation; b) alternates; and c) all methods for contacting the above person(s).	IDENTIFY AGENT

12.	The Permittee shall submit a progress report to Inspectors every 7 days during drilling operations.	REPORT PROGRESS
13.	At least ten days prior to the completion of the land-use operation, the Permittee shall advise an Inspector of: a) the plan for removal or storage of equipment and materials; and b) when final cleanup and reclamation of the land used will be completed.	REPORTS BEFORE REMOVAL
26(1)(c) Type and Size of Equipment		
14.	The Permittee shall not use any equipment except of a similar type, size, and number to that listed in the complete application.	ONLY APPROVED EQUIPMENT
26(1)(d) Methods and Techniques		
15.	The Permittee shall Dogleg lines, trails and right-of-ways that approach Watercourses or public roads.	DOGLEG APPROACHES
16.	Prior to the movement of any vehicle that exerts pressure on the ground in excess of 35 kPa, the Permittee shall scout proposed lines and routes to select the best location for crossing streams and avoiding terrain obstacles.	DETOURS AND CROSSINGS
17.	Immediately upon completion of operations at each Borehole, the Permittee shall remove or cut off and seal each drill casing at ground level.	MINERAL EXPLORATION DRILL CASINGS
18.	The Permittee shall construct and maintain the overland portion of winter roads with a minimum of 10 cm of packed snow and/or ice at all times during this land-use operation.	WINTER ROADS
19.	The Permittee shall not erect camps or store material, other than that required for immediate use, on the ice surface of a Watercourse.	STORAGE ON ICE
20.	Prior to the expiry date of this Permit, the Permittee shall replace all excavated material, unless otherwise authorized in writing by an Inspector.	EXCAVATED MATERIAL
21.	The Permittee shall leave a buffer strip of undisturbed vegetation at least 30 metres in width between cleared areas and public roads	TREE SCREEN
26(1)(e) Type, Location, Capacity, and Operation of All Facilities		
22.	The Permittee shall ensure that the land use area is kept clean at all times.	CLEAN WORK AREA
23.	The Permittee shall not locate any Sump within 100 metres of the Ordinary High Water Mark of any Watercourse, unless otherwise authorized in writing by an Inspector.	SUMPS FROM WATER

26(1)(f) Control or Prevention of Ponding of Water, Flooding, Erosion, Slides, and Subsidence of Land

24.	The Permittee shall insulate the ground surface beneath all structures associated with this land-use operation to prevent: a) any vegetation present from being removed; b) the melting of Permafrost; and c) the ground settling and/or eroding.	PERMAFROST PROTECTION
25.	The land-use operation shall not cause obstruction to any natural drainage.	NATURAL DRAINAGE
26.	The Permittee shall minimize erosion by installing erosion control structures as the land-use operation progresses.	PROGRESSIVE EROSION CONTROL
27.	The Permittee shall, where flowing water from a Borehole is encountered: a) plug the Borehole in such a manner as to permanently prevent any further outflow of water; and b) immediately report the occurrence to the Board and an Inspector.	FLOWING ARTESIAN WELL
28.	The Permittee shall prepare the site in such a manner as to prevent rutting of the ground surface.	PREVENTION OF RUTTING
29.	The Permittee shall suspend overland travel of equipment or vehicles at the first sign of rutting.	SUSPEND OVERLAND TRAVEL
30.	The Permittee shall not move any equipment or vehicles unless the ground surface is in a state capable of fully supporting the equipment or vehicles without rutting or gouging.	VEHICLE MOVEMENT FREEZE-UP
31.	The Permittee shall not cut any stream bank, unless otherwise authorized in writing by an Inspector.	STREAM BANKS
32.	The Permittee shall minimize approach grades on all Watercourse crossings.	MINIMIZE APPROACH
33.	The Permittee shall not ford wet streams.	NO FORDING OF STREAMS
34.	The Permittee shall slope the sides of Waste material piles, excavations, and embankments — except in solid rock — to a minimum ratio of 2:1 vertical, unless otherwise authorized in writing by an Inspector.	EXCAVATION AND EMBANKMENTS
35.	The Permittee shall not remove vegetation or operate heavy equipment within 100 metres of the Ordinary High Water Mark of any Watercourse.	WATERCOURSE BUFFER

36.	The Permittee shall not excavate land within 100 metres of the Ordinary High Water Mark of any Watercourse, unless otherwise authorized in writing by an Inspector.	EXCAVATE NEAR WATERCOURSE
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26(1)(g) Use, Storage, Handling, and Ultimate Disposal of Any Chemical or Toxic Material

37.	At least seven days prior to the use of any chemicals that were not identified in the complete application, the MSDS sheets must be provided to the Board and an Inspector.	CHEMICALS
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38.	When drilling within 100 metres of the Ordinary High Water Mark of any Watercourse, and when drilling on ice, the Permittee shall contain all drill water and Drilling Waste in a closed circuit system for reuse, off-site disposal, or deposit into a land-based Sump or natural depression.	DRILLING NEAR WATER OR ON ICE
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39.	The Permittee may deposit Drilling Waste that does not contain Toxic Material in a Sump or natural depression. Any Sumps or natural depressions used to deposit Drilling Waste must be located at least 100 metres from the Ordinary High Water Mark of any Watercourse, unless otherwise authorized in writing by an Inspector.	DRILLING WASTE
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40.	The Permittee shall remove all Drilling Waste containing Toxic Material to an approved disposal facility.	DRILLING WASTE DISPOSAL
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41.	The Permittee shall not allow any Drilling Waste to spread to the surrounding lands or Watercourses.	DRILLING WASTE CONTAINMENT
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42.	Prior to the expiry date of this Permit or the end of the land-use operation whichever comes first, the Permittee shall backfill and restore all Sumps, unless otherwise authorized in writing by an Inspector.	BACKFILL SUMPS
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43.	The Permittee shall maintain a record of all spills. For all reportable spills, in accordance with the GNWT <i>Spill Contingency Planning and Reporting Regulations</i> , the Permittee shall: <ul style="list-style-type: none"> a) immediately report each spill to the 24-hour Spill Report Line (867) 920-8130; b) report each spill to an Inspector within 24 hours; and c) submit, to the Board and an Inspector, a detailed report on each spill within 30 days. 	REPORT SPILLS
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44.	The Permittee shall dispose of all Toxic Material as described in the approved Waste Management Plan.	WASTE CHEMICAL DISPOSAL
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45.	The Permittee shall dispose of all combustible Waste petroleum products by removal to an approved disposal facility.	WASTE PETROLEUM DISPOSAL
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26(1)(h) Wildlife and Fish Habitat

46.	The Permittee shall take all reasonable measures to prevent damage to wildlife and fish Habitat during this land-use operation.	HABITAT DAMAGE
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26(1)(i) Storage, Handling, and Disposal of Refuse or Sewage

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| 47. | The Permittee shall adhere to the Waste Management Plan , once approved, and shall annually review the plan and make any necessary revisions to reflect changes in operations, technology, chemicals, or fuels, or as directed by the Board. Revisions to the plan shall be submitted to the Board for approval. | WASTE
MANAGEMENT |
| 48. | The Permittee shall keep all garbage and debris in a secure container until disposal. | GARBAGE
CONTAINER |
| 49. | The Permittee shall dispose of all garbage, Waste, and debris as described in the approved Waste Management Plan, unless otherwise authorized in writing by an Inspector. | REMOVE
GARBAGE |
| 50. | The Permittee shall dispose of all Sewage and Greywater as described in the approved Waste Management Plan. | SEWAGE
DISPOSAL – PLAN |

26(1)(j) Protection of Historical, Archaeological, and Burial Sites

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| 51. | The Permittee shall not operate any vehicle or equipment within 30 metres of a known or suspected historical or archaeological site or burial ground. | ARCHAEOLOGICAL
BUFFER |
| 52. | The Permittee shall not knowingly remove, disturb, or displace any archaeological specimen or site. | SITE
DISTURBANCE |
| 53. | The Permittee shall, where a suspected archaeological or historical site, or burial ground is discovered:
a) immediately suspend operations on the site; and
b) notify the Board at (867) 669 0506 or an Inspector at (867) 872-2558, and the Prince of Wales Northern Heritage Centre at 767-9347 ext. 71250 or ext. 71251. | SITE DISCOVERY
AND
NOTIFICATION |
| 54. | At least 30 days prior to any new land disturbance, including new drill sites, the Permittee shall conduct an Archaeological Overview to identify areas of high and low potential for archaeological and burial sites and shall submit a summary report to the Board and the Prince of Wales Northern Heritage Centre. | ARCHAEOLOGICAL
OVERVIEW |
| 55. | Prior to disturbance in areas of high potential for archaeological or burial sites identified in the Archaeological Overview, the Permittee shall conduct further study (i.e. Preliminary Field Reconnaissance or Archaeological Impact Assessment) of the sites where disturbance is planned and shall submit a summary report to the Board and the Prince of Wales Northern Heritage Centre. | AIA – HIGH
POTENTIAL |

26(1)(k) Objects and Places of Recreational, Scenic, and Ecological Value

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| 56. | The Permittee shall not conduct any activity within 500 metres of the Buffalo River, and 1000 metres of Great Slave Lake. | BUFFER / NO
ACTIVITY |
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26(1)(l) Security Deposit

57. Prior to the commencement of the land-use operation, the Permittee shall deposit with the Minister a security deposit in the amount of \$267,851.00. **SECURITY DEPOSIT**

58. All costs to remediate the area under this Permit are the responsibility of the Permittee. **RESPONSIBILITY FOR REMEDIATION COSTS**

26(1)(m) Fuel Storage

59. The Permittee shall: **CHECK FOR LEAKS**
a) examine all Fuel Storage Containers and Tank for leaks a minimum once per day; and
b) repair all leaks immediately.

60. The Permittee shall not place any Fuel Storage Containers or Tanks within 100 metres of the Ordinary High Water Mark of any Watercourse, unless otherwise authorized in writing by an Inspector. **FUEL NEAR WATER**

61. The Permittee shall ensure that all fuel caches have adequate Secondary Containment. **FUEL CACHE SECONDARY CONTAINMENT**

62. The Permittee shall set up all refueling points with Secondary Containment. **SECONDARY CONTAINMENT – REFUELING**

63. The Permittee shall only use stands approved by an Inspector for supporting Fuel Storage Containers that are in use. **FUEL CONTAINER STANDS**

64. The Permittee shall locate mobile fuel facilities on land when the facilities are stationary for more than 12 hours. **FUEL ON LAND**

65. The Permittee shall mark all Fuel Storage Containers and Tanks with the Permittee's name. **MARK CONTAINERS AND TANKS**

66. The Permittee shall mark all stationary fuel caches and fuel storage facilities with flags, posts, or similar devices so that they are at all times plainly visible to local vehicle travel. **MARK FUEL LOCATION**

67. The Permittee shall have a maximum of 16,830 litres of fuel stored on the land use site at any time, unless otherwise authorized in writing by the Board. **MAXIMUM FUEL ON SITE**

68. Within ten days of the establishment of any fuel cache, the Permittee shall report the location and quantity of the cache in writing to the Board and an Inspector. **REPORT FUEL LOCATION**

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| 69. | The Permittee shall seal all outlets of Fuel Storage Containers and store the containers on their sides with the outlets located at 3 and 9 o'clock, except for containers currently in use. | SEAL OUTLET |
| 70. | The Permittee shall adhere to the Spill Contingency Plan , once approved, and shall annually review the plan and make any necessary revisions to reflect changes in operations, technology, chemicals, or fuels, or as directed by the Board. Revisions to the plan shall be submitted to the Board for approval. | SPILL
CONTINGENCY
PLAN |
| 71. | Prior to commencement of the land-use operation the Permittee shall ensure that spill-response equipment is in place to respond to any potential spills. | SPILL RESPONSE |
| 72. | All equipment that may be parked for two hours or more, shall have a haz-mat/drip tray under it or be sufficiently diapered. Leaky equipment shall be repaired immediately. | DRIP TRAYS |
| 73. | The Permittee shall immediately clean up all leaks, spills, and contaminated material. | CLEAN UP SPILLS |

26(1)(n) Methods and Techniques for Debris and Brush Disposal

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| 74. | Prior to the expiry date of this Permit, the Permittee shall progressively dispose of all brush and trees and shall complete all brush disposal; all disposal shall be completed. | BRUSH DISPOSAL/
TIME |
| 75. | The Permittee shall not clear areas larger than identified in the complete application. | MINIMIZE AREA
CLEARED |

26(1)(o) Restoration of the Lands

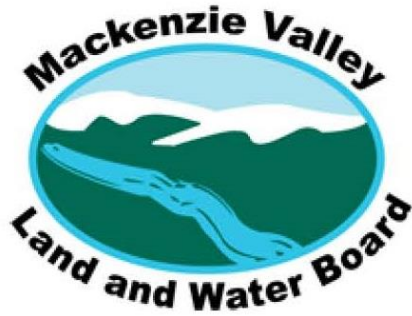
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| 76. | All areas affected by construction or removal activities shall be stabilized and landscaped to their pre-construction profiles, unless otherwise authorized in writing by an Inspector. | PRE-
CONSTRUCTION
PROFILES |
| 77. | The Permittee shall dispose of all overburden as instructed by an Inspector. | DISPOSAL OF
OVERBURDEN |
| 78. | Prior to the expiry date of this Permit, the Permittee shall complete all cleanup and restoration of the lands used. | FINAL CLEANUP
AND
RESTORATION |
| 79. | Prior to the expiry date of this Permit, the Permittee shall prepare the site in such a manner as to facilitate natural revegetation. | NATURAL
VEGETATION |
| 80. | The Permittee shall carry out progressive reclamation of disturbed areas as soon as it is practical to do so. | PROGRESSIVE
RECLAMATION |
| 81. | The Permittee shall restore any trails impacted by the land-use operation by removing fallen trees and any other obstructions from the trails. | TRAILS
RESTORATION |

26(1)(p) Display of Permits and Permit Numbers

- | | | |
|-----|---|-----------------------|
| 82. | The Permittee shall keep a copy of this Permit on hand at all times during this land-use operation. | COPY OF PERMIT |
|-----|---|-----------------------|

26(1)(q) Biological and Physical Protection of the Land

- | | | |
|-----|---|-------------------------------|
| 83. | If any plan is not approved by the Board, the Permittee shall revise the plan according to the Board's direction and re-submit it to the Board for approval. | RESUBMIT PLAN |
| 84. | The Permittee shall adhere to the Engagement Plan , once approved, and shall annually review the plan and make any necessary revisions to reflect changes in operations or as directed by the Board. Revisions to the plan shall be submitted to the Board for approval. | ENGAGEMENT
PLAN |
| 85. | All revised plans submitted to the Board shall include a brief summary of the changes made to the plan. | SUMMARY OF
CHANGES |



7th Floor - 4922 48th Street,
P.O. Box 2130, Yellowknife NT X1A 2P6

Tel: 867-669-0506 Fax: 867-873-6610
www.mvlwb.com

Reasons for Decision

Issued pursuant to section 72.25 of the *Mackenzie Valley Resource Management Act* and
Section 54 of the *Waters Act*
Subsection 26(6) of the Mackenzie Valley Land Use Regulations

Water Licence Renewal Application and Land Use Permit Extension Request	
Preliminary Screener	MVLWB
Reference/File Number	MV2020L2-0008 and MV2018C0005
Company	Pine Point Mining Limited
Project	Pine Point, NT
Date of Decision	October 8, 2020

These Reasons for Decision set out the Mackenzie Valley Land and Water Board's (the Board or MVLWB) decision on Renewal Application for Water Licence (Licence) MV2020L2-0008 and Extension Request for Land Use Permit (Permit) MV2018C0005 made by Pine Point Mining Limited (PPML) to the Board on August 26, 2020.

1.0 Background

PPML currently holds three authorizations including Permit MV2017C0024, Permit MV2018C0005, and Licence MV2018L2-0003 to conduct mineral exploration at Pine Point, NT, which is located approximately 65 km east of Hay River and west of Fort Resolution respectively. Associated activities proposed include geological mapping, sampling, diamond drilling, use of water for drilling and deposit of drilling waste, use of heavy machinery and vehicles, use and storage of fuel, clearing vegetation from existing roads and cut lines, and site restoration.

Permit MV2018C0024 and Licence MV2018L2-0003 authorizes PPML to conduct confirmation drilling within a subset of Permit MV2017C0024. PPML's authorized activities under these Permits and Licence are shown in Table 1.

Table 1 Authorized activities under Permit MV2017C0024, Permit MV2018C0005, and Licence MV2018L2-0003

	Permit MV2017C0024	Permit MV2018C0005 and Licence MV2018L2-0003
Goals	Exploration program on greenfield	Confirmation drilling program to verify historic data
Mineral Leases/ Claims	40 leases and 102 claims + three partial claims	19 leases and four claims (a subset of Permit MV2017C0024)
# of drills	3	9
Water Source	Any local source	Only water from existing mine pits and drainage ditches
Water Use	PPML committed to <299 m ³ /day for the entire Project	
Drill holes	1500	2500

On August 26, 2020, PPML submitted a request for Permit Extension Request and Licence Renewal Application to continue conducting confirmatory drilling at Pine Point. The Permit and Licence both expire on September 19, 2020, and PPML is requesting to extend the Permit for two years and renew the Licence for two years as well. PPML has not proposed any changes to the Permit and Licence. PPML noted in its cover letter that it is planning on submitting Type A applications for new activities as well as amalgamating all its existing authorizations. Since there have been delays to submitting the new Type A applications, PPML has applied to extend the Permit and renew the Licence in order to continue exploring on site.

2.0 Public Review

By September 18, 2020, comments and recommendations on the Permit Extension Request and Licence Renewal Application were received from the Government of the Northwest Territories (GNWT) and Board staff. The Applicant responded on September 25, 2020.

The Board met on October 8, 2020 to decide on the Extension Request and Renewal Application.

3.0 Decision

After reviewing the submission of PPML, the written comments received by the Board and the Staff Report prepared for the Board, the Board, having due regard to the facts, circumstances, the merits of the submissions made to it, and to the purpose, scope, and intent of the Mackenzie Valley Land Use Regulations, *Mackenzie Valley Resource Management Act* and *Waters Act* and Regulations made thereunder, has determined the following:

- a) There were no concerns identified during the review. Therefore, the term of Land Use Permit MV2018C0005 can be approved for an extension of an additional two years;
- b) There are no changes proposed to the Water Licence and no concerns were identified during the review. Therefore, the Type B Water Licence MV2020L2-0008 can be approved for a term of two years;
- c) There are no changes proposed to the Licence, reviewers did not indicate that a preliminary screening is required, and comments were not receiving during the review for impacts and mitigation measures. Therefore, the Application of Licence MV2020L2-0008 can be exempt from preliminary screening as per the Exemption List Regulations;
- d) The Waste Management Plan, Spill Contingency Plan, and Engagement Plan adequately fulfill the requirements of the Licence. The Board has approved these Plans.

4.0 Conclusion

Water Licence MV2020L2-0008 contains provisions that the Board deems necessary to ensure and monitor compliance with the *Mackenzie Valley Resource Management Act* and the Regulations made thereunder, and to provide appropriate safeguards in respect of Pine Point Mining Limited’s use of the waters and/or deposit of waste. The Board will provide additional referenced material or documents if requested in writing to do so.

SIGNATURE

Mackenzie Valley Land and Water Board



Mavis Cli-Michaud, Chair

October 8, 2020

Date