

December 1, 2023

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File: MV2023C0022

Mark Cliffe-Phillips Mackenzie Valley Review Board 200 Scotia Centre Box 938, 5102-50th Avenue Yellowknife NT X1A 2N7

Sent by email

Dear Mark Cliffe-Phillips,

Re: Prestige Lithium Project – Notice of Preliminary Screening Determination – Application for Land Use Permit – Mineral Exploration – Lamoureux Lake, NT

The Mackenzie Valley Land and Water Board (Board) met on November 30, 2023 and considered the Application package from Prestige Lithium Inc. (Prestige) for Land Use Permit (Permit) MV2023C0022 for the Prestige Lithium Project (Project) in accordance with the *Mackenzie Valley Resource Management Act* (MVRMA).

The Board conducted a preliminary screening based on the public record for the proceeding. Based on the evidence provided, the Board is satisfied the screening has been completed according to section 125 of the MVRMA and has decided **not to refer** the Project to environmental assessment. The Board's Preliminary Screening Determination and Reasons for Decision, as required by section 121 of the MVRMA, is attached.

If the Board does not receive notice of referral to environmental assessment, it can proceed with issuance of Permit MV2023C0022 on **Tuesday, December 12, 2023.**

The Board and staff look forward to continued communications throughout the pause period. Please contact Kathy Racher via <u>email</u> or at (867) 766-7457 with any questions or concerns regarding this letter.

Yours sincerely,

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Tanya MacIntosh Chair, Mackenzie Valley Land and Water Board

- BCC'd to: Akaitcho Distribution List Dave R. Webb - Prestige Lithium Inc.
- Attached: Preliminary Screening Determination and Reasons for Decision



Preliminary Screening Determination and Reasons for Decision

Land Use Permit Application		
File Number	MV2023C0022	
Company	Prestige Lithium Inc.	
Project	Prestige Lithium Project	
Location	Lamoureux Lake, NT	
Activity	Mining Exploration	
Date of Decision	November 30, 2023	

1.0 Decision

In accordance with subsection 124(1) of the <u>Mackenzie Valley Resource Management Act</u> (MVRMA), the Mackenzie Valley Land and Water Board (MVLWB or Board) met on November 30, 2023 to make a preliminary screening determination on the Application from Prestige Lithium Inc. (Prestige or Applicant) for Land Use Permit MV2023C0022 (Permit)¹ for the Prestige Lithium Project (Project).²

The Board has decided not to refer the proposed Project to the Mackenzie Valley Environmental Impact Review Board (the Review Board) for Environmental Assessment because, based on the evidence, it is the Board's opinion that the proposed Project will not have a significant adverse impact on the environment or be a cause of public concern. The Board's determination, including reasons for its decision, are detailed in sections <u>3.0</u> and <u>4.0</u>.

¹ See MVLWB Online Registry <u>www.mvlwb.com</u> for Prestige Lithium - <u>Land Use Permit Application - Updated - Oct 23 23</u>.

² The Project is the Prestige Lithium Project, which is the proposed development, where "development" is defined in Part 5 of the <u>MVRMA</u> as:

[&]quot;any undertaking, or any part or extension of an undertaking, that is carried out on land or water and includes an acquisition of lands pursuant to the *Historic Sites and Monuments Act* and measures carried out by a department or agency of government leading to the establishment of a park subject to the *Canada National Parks Act* or the establishment of a park under a territorial law."

2.0 List of Defined Terms and Acronyms

Applicant	Prestige Lithium Inc.		
Application	The complete application package submitted by the Applicant for Land Use Permit		
	MV2023C0022.		
Board	Mackenzie Valley Land and Water Board		
GNWT	Government of the Northwest Territories		
GNWT-ECC	Government of the Northwest Territories – Environment and Climate Change		
MVLWB	Mackenzie Valley Land and Water Board		
MVRMA	Mackenzie Valley Resource Management Act		
Minister	Minister of the Government of the Northwest Territories – Environment and Climate		
winister	Change		
ORS	Online Review System (<u>www.new.onlinereviewsystem.ca</u>)		
Darty	As per the LWB Rules of Procedure, an applicant, a person, or an organization		
Party	participating in the regulatory proceeding for the Application.		
Droject	Prestige Lithium Project, which is the proposed development (as defined in Part 5 of the		
Project	MVRMA).		
Review Board	Mackenzie Valley Environmental Impact Review Board		
Standard Permit	IWP Standard Land Lice Permit Conditions Template		
Conditions LWB <u>Standard Land Use Permit Conditions Template</u>			

3.0 Background and Scope of Screening

In accordance with paragraph 125(1)(a) of the <u>MVRMA</u>, the Board must conduct a preliminary screening of the proposed Project to determine and report to the Review Board whether, in its opinion, the proposed Project might have a significant adverse impact on the environment, or might be a cause of public concern. The details of the Board's analysis are set out in section <u>4.0</u> below.

3.1 Scope of Screening:

New Areas and Activities:

Prestige has submitted a complete Application for a type A land use permit. The purpose of this Application is to investigate the potential lithium and other minerals within the mineral claim areas, known as the Prestige Lithium Project (Project). The Project will include surface geological mapping and a small drill program. It is anticipated that drilling will occur in up to eight locations, using one drill. Drilling is anticipated to require two to six weeks to complete, starting after authorizations are issued.

The drill will be transported to the drill sites by helicopter and clearing of vegetation may be required on drill pads. Water for drilling will be drawn from local water sources at a volume less than 99m3 per day. During drilling, the Project staff will include up to six people, working days and returning to a temporary tent camp. Activities may occur year-round, with seasonal shutdowns during freeze up and break-up.

Any waste generated by the Program will be managed in accordance with the Waste Management Plan. In the unlikely event of a spill incident, the spill will be responded to and cleaned up in accordance with the Spill Contingency Plan. As all equipment and materials will be removed, collars will be capped, anchors cut-off at ground level, and sumps backfilled, no further restoration is anticipated to be required.

3.2 Public Record and Regulatory Proceeding

To assist the Board in its preliminary screening determination for the Project, the Board distributed the initial Application and a draft Permit for public review on August 11, 2023, inviting reviewers to provide comments and recommendations on the Application and the preliminary screening (e.g., on impacts and mitigation measures) using the Online Review System (ORS). Comments were due by September 22, 2023, with responses from the Applicant due by September 29, 2023. The Board received comments and recommendations from the Tłįchǫ Government, Government of the Northwest Territories (GNWT)-Inspector, GNWT-ECE-Prince of Wales Northern Heritage Centre, and a no comment letter from GNWT-Environment and Climate Change (attached).³ Board staff also submitted comments and questions for the purposes of clarification.

On review of Prestige's responses to the comments and recommendations, Board staff determined that there was a change in the scope that was initially applied for, and additional evidence was required to determine the potential impacts and proposed mitigations. In an effort to ensure the necessary evidence was on the record, Board staff sent Prestige an Information Request on October 18, 2023.

The Board distributed the updated Application and an updated draft Permit for public review on October 24, 2023, using the ORS. Comments were due by November 10, 2023, with responses from the Applicant due by November 15, 2023. The Board received comments and recommendations from the GNWT-Inspector (attached).⁴ GNWT-Environment and Climate Change submitted a no comment letter. A late no comment was received from Environment and Climate Change Canada on November 15, 2023.

Since there were no requests to extend the reviewer comment deadline, the Board is satisfied that a reasonable period of notice was given to affected communities and First Nations, as required by subsection 63(2) of the <u>MVRMA</u>.

Pursuant to Schedule 4.1 of <u>Northwest Territory Métis Nation (NWTMN) Interim Measures Agreement</u>,⁵ the Board determined that written notice was given to the NWTMN and that a reasonable period of time was allowed for NWTMN to make representations with respect to the Application.

Pursuant to subsection 1.6, paragraphs (a) and (b) of the <u>Akaitcho Territory Dene First Nations (ATDFN)</u> <u>Interim Measures Agreement</u>,⁶ the Board determined that written notice was given to the ATDFN and that a reasonable period of time was allowed for ATDFN to make representations with respect to the Application.

³ See MVLWB Online Registry for Prestige Lithium Project New Land Use Permit – Review Summary Table – Sept 29 23.

⁴ See MVLWB Online Registry for Prestige Lithium Project New Land Use Permit – Review Summary Table – Nov 15 23.

⁵ See MVLWB Land Claims, IMAs, and Land Use Plans webpage to access the <u>Northwest Territory Métis Nation Interim Measures</u> <u>Agreement</u>.

⁶ See MVLWB Land Claims, IMAs, and Land Use Plans webpage to access the <u>Akaitcho Territory Dene First Nations Interim</u> <u>Measures Agreement</u>.

4.0 Potential Impacts and Proposed Mitigations

Table 1 below summarizes:

- the potential impacts of the proposed Project;
- the concerns that were identified during the regulatory proceeding and how the Applicant addressed those concerns;
- the proposed and potential mitigations for the potential impacts; and
- the Board's analysis of the potential impacts and proposed mitigations.

Table 1: Potential Impacts and Proposed Mitigations for the Proposed Project

Potential Impact	Activity	Proposed Mitigations Description of measures to reduce potential impacts, including consideration of cumulative impacts and climate change.	Board Analysis and Determination
Soil compaction, settling, and erosion	Drilling activities, use of equipment, camp establishment, and pioneering/installation of snowmobile trails	 The Applicant proposed the following mitigations: Drilling rig will be helicopter portable with vegetation clearing being limited to the drill site. Camps will be off the ground on plywood platforms to limit vegetation disturbance. There is no heavy mobile equipment and snowmobiles will not be operated once the frost is gone from the ground, minimizing soil compaction. Overland operations during frost free periods with machinery will not be permitted. At the end of operations, sumps will be backfilled. Drill casings will be removed or cut off and sealed at ground level. The approved Erosion Management Plan will be adhered to. The Board has standard permit conditions that are typically used to mitigate the identified potential impacts. These standard conditions include:⁷ CAMP SETBACK USE APPROVED EQUIPMENT MINERAL EXPLORATION DRILL CASINGS PERMAFROST PROTECTION PROGRESSIVE EROSION CONTROL EROSION MANAGEMENT PLAN MINIMIZE AREA CLEARED FINAL CLEANUP AND RESTORATION PROGRESSIVE RECLAMATION TRAILS RESTORATION 	Based on the described mitigations, it is the Board's opinion that the proposed activities will not have a significant adverse impact on the environment and will not be a cause of public concern. The proposed work involves drilling on a mineral lease and several mineral claims. A small, temporary camp may be constructed to accommodate Project personnel and to support drill operations. The Board's opinion is based on the relatively small size of each drilling site likely to be affected by the impacts and the small disturbance associated with the camps and winter roads. The use of existing technology, the reversibility of the impacts, and the reliability of the proposed mitigations and conditions were also considered by the Board for this opinion.

⁷ See the MVLWB Policies and Resources webpage to access the LWB <u>Standard Land Use Permit Conditions Template</u>.

Potential Impact	Activity	Proposed Mitigations Description of measures to reduce potential impacts, including consideration of cumulative impacts and climate change.	Board Analysis and Determination
Contamination of soil, groundwater, and waterbodies	Drilling activities and use of equipment	 The Applicant proposed the following mitigations: The approved Spill Contingency Plan will be adhered to. Fuel caches will be located on flat stable terrain or in natural depressions away from slopes to water bodies. Fuel caches will be clearly marked, and drums will be stored on their side with the closed bung and vent holes at 3 and 9 o'clock. All fuels and hazardous materials will have adequate secondary containment and stored at least 100 m from the Ordinary Highwater Mark of any water body. All fuel storage and transfer will take place a minimum of 100 m from any waters. Spill kits will be kept near fuel storage. Personnel will be trained in proper spill procedures. Vehicle inspections will occur daily and any drips fixed immediately. Any vehicles or equipment working near water will be cleaned and serviced to prevent deposition of contaminants. Drip trays will be placed under equipment when not in use. The approved Waste Management Plan will be adhered to, and proper waste management practices will be abided by. Non-toxic drill waste can be deposited into a sump or natural depression at least 100 metres from the Ordinary High-Water Mark of any Watercourse. 	Based on the described mitigations, it is the Board's opinion that the proposed activities will not have a significant adverse impact on the environment and will not be a cause of public concern. The proposed work involves drilling on a mineral lease and several mineral claims. A small, temporary camp may be constructed to accommodate Project personnel and to support drill operations. The Board's opinion is based on the relatively small size of each drilling site likely to be affected by the impacts and the small disturbance associated with the camps and winter roads. The use of existing technology, the reversibility of the impacts, and the reliability of the proposed mitigations and conditions were also considered by the Board for this opinion.
		 SUMP SETBACK STORAGE ON ICE FLOWING ARTESIAN WELL DRILLING NEAR WATER OR ON ICE DRILLING WASTE 	

Potential Impact	Activity	Proposed Mitigations Description of measures to reduce potential impacts, including consideration of cumulative impacts and climate change.	Board Analysis and Determination
		o DRILLING WASTE DISPOSAL	
		O DRILLING WASTE CONTAINMENT	
		 RECLAIM NON-OIL AND GAS SUMPS 	
		O WASTE CHEMICAL DISPOSAL	
		 WASTE PETROLEUM DISPOSAL 	
		O WASTE MANAGEMENT PLAN	
		O FUEL STORAGE SETBACK	
		 FUEL CACHE SECONDARY CONTAINMENT 	
		 SECONDARY CONTAINMENT – REFUELING 	
		O FUEL CONTAINMENT	
		O FUEL ON LAND	
		 MARK CONTAINERS AND TANKS 	
		O MARK FUEL LOCATION	
		O MAXIMUM FUEL ON SITE	
		O SEAL OUTLET	
		O SPILL CONTINGENCY PLAN	
		O SPILL RESPONSE	
		O DRIP TRAYS	
		O CLEAN UP SPILLS	
		O REPORT SPILLS	

Potential Impact	Activity	Proposed Mitigations Description of measures to reduce potential impacts, including consideration of cumulative impacts and climate change.	Board Analysis and Determination
Impacts to wildlife and fish habitat	Drilling activities, camp construction, and fuel storage	 The Applicant proposed the following mitigations: Interaction with wildlife is not permitted. Minimize potential for wildlife attraction through appropriate waste management practices. The approved Waste Management Plan will be adhered to, and proper waste management practices will be abided by. Non-toxic drill waste can be deposited into a sump or natural depression at least 100 metres from the Ordinary High-Water Mark of any Watercourse. Domestic waste will be stored in animal-proof containers and disposed of weekly. Water use is minimal and not expected to alter the water table. The Board has standard permit conditions that are typically used to mitigate the identified potential impacts. These standard conditions include: HABITAT DAMAGE MIGRATORY BIRD NEST DISTURBANCE 	Based on the described mitigations, it is the Board's opinion that the proposed activities will not have a significant adverse impact on the environment and will not be a cause of public concern. The Board's opinion is based on the relatively small size of each drilling site likely to be affected by the impacts, and the small disturbances associated with the camps. The size of the fuel storage infrastructure was also considered. The Board's final opinion is based on the limited duration and magnitude of the impacts, and the reliability of the proposed mitigations and conditions.
Damage to vegetation	Drilling activities, including use of equipment, and camp establishment	 The Applicant proposed the following mitigations: Drilling rig will be helicopter portable with vegetation clearing being limited to the drill site. Camps will be off the ground on plywood platforms to limit vegetation disturbance. The Board has standard permit conditions that are typically used to mitigate the identified potential impacts. These standard conditions include: CAMP SETBACK USE APPROVED EQUIPMENT PERMAFROST PROTECTION MINIMIZE AREA CLEARED FINAL CLEANUP AND RESTORATION 	Based on the described mitigations, it is the Board's opinion that the proposed activities will not have a significant adverse impact on the environment and will not be a cause of public concern. The Board's opinion is based on the relatively small size of each drilling site likely to be affected by the impacts and the small disturbance associated with the camps and winter roads. The use of existing technology, the reversibility of the impacts, and the reliability of the

Potential Impact	Activity	Proposed Mitigations Description of measures to reduce potential impacts, including consideration of cumulative impacts and climate change.	Board Analysis and Determination
		 NATURAL VEGETATION PROGRESSIVE RECLAMATION 	proposed mitigations and conditions were also considered by the Board for this opinion.
Disturbances to archaeological sites	Drilling activities and camp establishment	 The Applicant proposed the following mitigations: Any suspected archaeological site encountered will be reported to affected parties. Prestige confirmed that any archaeological overview carried out under the land use permit would include engagement with Tłįchǫ Government, and with other applicable Indigenous Governments/Organizations, so that Traditional Knowledge can inform the identification of areas with high-potential for cultural heritage resources or artifacts. The Board has standard permit conditions that are typically used to mitigate the identified potential impacts. These standard conditions include: ARCHAEOLOGICAL BUFFER SITE DISCOVERY AND NOTIFICATION ARCHAEOLOGICAL OVERVIEW AIA – HIGH POTENTIAL 	Based on the described mitigations, it is the Board's opinion that the proposed activities will not have a significant adverse impact on the environment and will not be a cause of public concern. The Board's opinion is based on the relatively small size of each drilling site likely to be affected by the impact and the small disturbance associated with the camps and winter roads. In forming the Board's opinion, the Board considered EREX's willingness to inform parties of planned archaeological investigations and to provide opportunities for participation to occur. The reliability of the proposed mitigations and conditions were also
Emissions	Drilling activities, including use of equipment, and camp establishment	 ENGAGEMENT PLAN Increases in greenhouse gases from the burning of fuels are expected as a result of project activities. Efficient loading of equipment and coordinated logistics will help minimize greenhouse gas production related to exploration activities. 	considered by the Board for this opinion. Based on the described mitigations, it is the Board's opinion that the proposed activities will not have a significant adverse impact on the environment and will not be a cause of public concern. The Board's opinion is based on the magnitude of the impact.

4.1 Consideration of Potential Impacts

Based on the potential impacts and proposed mitigations identified above in Table 1, the Board considered whether the Project might have a significant adverse impact on the environment. In general, impacts of the Project on the environment can be mitigated through the use of standard permit conditions and/or project-specific conditions established by the Board as per the LWB <u>Standard Process for Creating New</u> <u>Conditions</u>. These conditions may include requirements for management and monitoring plans that provide detailed information regarding the implementation of mitigation measures and the evaluation of their effectiveness.

A draft Permit was circulated for review during the regulatory proceeding, and all Parties were given the opportunity to provide comments and recommendations on the draft conditions. In finalizing the conditions, the Board will consider all of the evidence provided through the regulatory proceeding.

4.2 Consideration of Public Concern

In addition to considering the potential impacts of the Project, the Board considered whether the Project might be a cause of public concern.

Based on the evidence provided during the regulatory proceeding, the Board did not identify any comments or issues that indicate that the Project is a cause of public concern.

5.0 <u>Conclusion</u>

The Board has reviewed all the evidence received during the regulatory process with respect to the Preliminary Screening of the proposed Project. Based on the evidence, it is the Board's opinion that the proposed Project will not have a significant adverse impact on the environment or be a cause of public concern, as set out in paragraph 125(1)(a) of the <u>MVRMA</u>. The Board has therefore decided not to refer the proposed Project to Environmental Assessment. If the Board does not receive a notice of referral to environmental assessment by Monday December 11, 2023, the Board can issue the Permit on Tuesday December 12, 2023.

SIGNATURE

Tany Machtosh

Tanya MacIntosh, Chair Mackenzie Valley Land and Water Board

December 1, 2023

Date