



NIRB File No.: 06EN066

AANDC File No.: N2012C0005

NWB File Nos.: 2BE-IZO0606; 2BE-IZO0712

KIA File No.: KTL306C019

February 27, 2015

The Honourable Bernard Valcourt
Minister of Aboriginal Affairs and Northern Development
c/o Tracey McCaie, Manager Land Administration
Aboriginal Affairs and Northern Development Canada
P.O. Box 100
Iqaluit, NU X0A 0H0

Sent via email: traceymccaie@aandc.gc.ca; landsmining@aandc.gc.ca

Re: Application Exempt from the Requirement for Screening pursuant to Section 12.4.3 of the NLCA: MMG Resources Inc.'s "Izok and Hood" Project, Kitikmeot Region

Dear Tracey McCaie:

On January 10, 2015 the Nunavut Impact Review Board (NIRB or Board) received an application from Aboriginal Affairs and Northern Development Canada (AANDC) for an extension to AANDC Land Use Permit N2012C0005 associated with MMG Resources Inc.'s (MMG) "Izok and Hood" project proposal. The Board notes that a conformity determination from the Nunavut Planning Commission was not required for this file, as the proposed project is located within a region that does not currently have an approved land use plan in place (Kitikmeot Region).

Please be advised that the original project proposal (NIRB File No.: 06EN066) was received by the NIRB from the Kitikmeot Inuit Association (KIA) on June 26, 2006 and was screened by the Board in accordance with Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA). On September 19, 2006 the NIRB issued an NLCA 12.4.4(a) screening decision to the President of the KIA which indicated that the proposed project could proceed subject to the NIRB's recommended project-specific terms and conditions.

Additional authorization and extension requests associated with the "Izok and Hood" project have also been reviewed by the NIRB following screening of the original project proposal (File No. 06EN066). In each instance the NIRB confirmed that the applications were exempt from the requirement for further screening pursuant to Section 12.4.3 of the NLCA and the activities therein remained subject to the terms and conditions recommended in the original September 19,

2006 Screening Decision Report along with additional terms and conditions as issued on March 22, 2010. A summary of the additional applications associated with NIRB File No. 06EN066 is presented in Table 1.

Table 1: Additional Applications Associated with NIRB File No.: 06EN066

Authorization	Application Received by NIRB			NIRB Decision	
	Date Received	Type	Reason for Application	Date Issued	Type
INAC LUP N2006C0027	June 6, 2008	Amendment /Extension	Additional airstrip at Ham Lake and one year extension	July 3, 2008	Reissued September 19, 2006 SDR
INAC LUP N2008C0020	November 18, 2009	Extension	Continue exploration activities	November 18, 2009	Reissued September 19, 2006 SDR
INAC LUP N2006C0027	February 18, 2010	Amendment	Construct winter road between Ham Lake camp and Izok Lake	March 22, 2010	Reissued September 19, 2006 SDR with <i>additional</i> terms and conditions
AANDC LUP N2006C0027	June 13, 2011	Extension	Continue exploration activities	June 17, 2011	Reissued March 22, 2010 SDR
AANDC LUP N2012C0005 (N2006C0027, N2008C0020)	January 24, 2012	Replace permits	New LUP to replace two previous permits	February 23, 2012	Reissued March 22, 2010 SDR
AANDC LUP N2012C0005	January 10, 2014	Extension	Continue exploration activities	February 7, 2014	Reissued March 22, 2010 SDR

Notes: AANDC=Aboriginal Affairs and Northern Development Canada; INAC=Indian and Northern Affairs Canada; KIA=Kitikmeot Inuit Association; LUP=Land Use Permit; NIRB=Nunavut Impact Review Board; SDR=Screening Decision Report

The current AANDC application, the original NIRB Screening Decision Report (File No.: 06EN066) and related file information are available from the NIRB's online public registry at the following location:

[http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2006/06EN066-MMG\(Wolfden\)-Izok%20and%20Hood%20Project/](http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2006/06EN066-MMG(Wolfden)-Izok%20and%20Hood%20Project/).

PREVIOUSLY-SCREENED PROJECT PROPOSAL:

As previously screened by the NIRB (File No.: 06EN066), the "Izok and Hood" project was located within the Kitikmeot Region, approximately 260 kilometres (km) southeast of Kugluktuk. The Proponent indicated that it intended to explore for base metals on both the Izok

and Hood properties from December 2006 to December 2008. Please note that while related in name and location, the exploration work related to this project was considered to be a separate and distinct project proposal from the “Izok Corridor” project that has been proposed by MMG and is currently undergoing Review by the NIRB pursuant to Article 12, Part 5 of the NLCA (NIRB File No. 12MN043).

The activities and components associated with the original screened proposal included:

- On-land and on-ice drilling of up to 30,000 metres (m) total between the Izok property and Hood property;
- Use of existing Ham Lake camp, and associated 2,500 m gravel airstrip;
- Establishment of a non-permanent weather haven camp (20-40 persons);
- Fuel and chemical storage at camp consisting of:
 - 385,000 litres (L) of diesel fuel stored in seven fuel tanks,
 - 2,050 L of gasoline stored in ten 205 L drums,
 - 5000 pounds (lbs) of propane stored in 100 lb containers,
 - 20,500 L of aviation fuel (Jet B) stored in drums at airstrip,
 - Petroleum lubricants and drill additives;
- Temporary fuel storage at drill-site locations;
- Research in the areas of wildlife/fish/birds/marine and archaeology;
- Use of water for camp and drilling purposes.

The activities and components associated with the previous June 6, 2008 amendment to INAC Land Use Permit N2006C0027 to include the construction of an airstrip at the Ham Lake camp and continue previously approved exploration activities for one year.

The activities and components associated with the previous November 16, 2009 application were to extend INAC Land Use Permit N2008C0020 for one year to continue previously approved exploration activities.

The activities associated with the previous February 18, 2010 amendment to INAC Land Use Permit N2006C0027 included:

- Winter access trail from Ham Lake camp to Izok Lake;
 - Winter access to include one access trail from the airstrip to Isnogouhd Lake (775 m), ice road over Isnogouhd Lake (5 km) and a second access from Isnogouhd to Izok Lake (450 m);
 - Winter access trail(s) to be prepared with a Bobcat, a front end loader and a grader;
- Winter access trail to be used for crew changes twice daily and drill resupply once daily between March and May; and
- Movement of drummed fuel over trail.

The activities and components associated with the previous June 13, 2011 application were to extend INAC Land Use Permit N2006C0027 for one year to continue previously approved exploration activities.

MMG's January 24, 2012 application for a new AANDC Land Use Permit N2012C0005 to replace the previous Land Use Permits (No. N2006C0027 and No. N2008C0020) was to continue with previously permitted exploration activities between March 2012 and September 2014, including the following additional components and activities:

- Establishment of a fuel cache at the Hood site to include 150 x 205 L drums of diesel fuel (30,750 L total) and 50x 205 L drums of Jet B fuel (total 10,250 L); and
- Increase amount of Jet B fuel stored in barrels at Ham Lake from 20,500 L to 205,000 L to allow for entire annual supply for project activities (as previously permitted) to be stored on site at one time.

The January 10, 2014 extension application Land Use Permit N2012C0005 involved a one year extension to continue previously approved exploration activities.

CURRENT APPLICATION:

MMG is proposing to extend its AANDC LUP (No. N2012C0005) for one additional year to complete reclamation work at the Izok and Hood properties, specifically:

- Dismantling and removal of structures;
- Demobilization of equipment;
- Removal of materials and waste; and
- General reclamation.

Please note that Section 12.4.3 of the NLCA states that:

“Any application for a component or activity of a project proposal that has been permitted to proceed in accordance with these provisions shall be exempt from the requirement for screening by NIRB unless:

(a) such component or activity was not part of the original project proposal; or

(b) its inclusion would significantly modify the project.”

After completing a review of the information provided in support of the current application, the NIRB is of the understanding that the proposed extension does not change the general scope of the original project activities, and the exceptions noted in NLCA 12.4.3(a) and (b) do not apply. Therefore, this application is exempt from the requirement for screening pursuant to Section 12.4.3 of the NLCA and the activities therein remain subject to the terms and conditions recommended in the March 22, 2010 Screening Decision Report (enclosed).

If you have any questions or require additional clarification, please contact Kristina Benoit, Technical Advisor, at (867) 983-4607 or kbenoit@nirb.ca.

Sincerely,

A handwritten signature in black ink that reads "Ryan Barry". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Ryan Barry
Executive Director
Nunavut Impact Review Board

cc: Theodore Muraro, MMG Resources Inc.
Phyllis Beaulieu, Nunavut Water Board
Geoffrey Clark, Kitikmeot Inuit Association

Enclosure: NIRB Screening Decision Report, File No.: 06EN066 (*March 22, 2010*)