



Arcadia Bay Property 2024 Annual Report

KIA Land Use Licence Number: KTL317C015
Nunavut Water Board Water Licence: 2BE-ABP2328
Nunavut Impact Review Board File Number: 17EN059

1.0 INTRODUCTION

This report has been prepared by West Kitikmeot Resources Corp. (WKR; Formerly West Kitikmeot Gold Corp.) to report on activities undertaken in 2024 (the Program) about the Arcadia Bay Project, which was limited to offloading freight from a barge and establishing a fuels cache. This report is provided in fulfillment of related annual reporting requirements pursuant to KTL317C015, 17EN059 and 2BE-ABP2328 (see Appendix A for a concordance table).

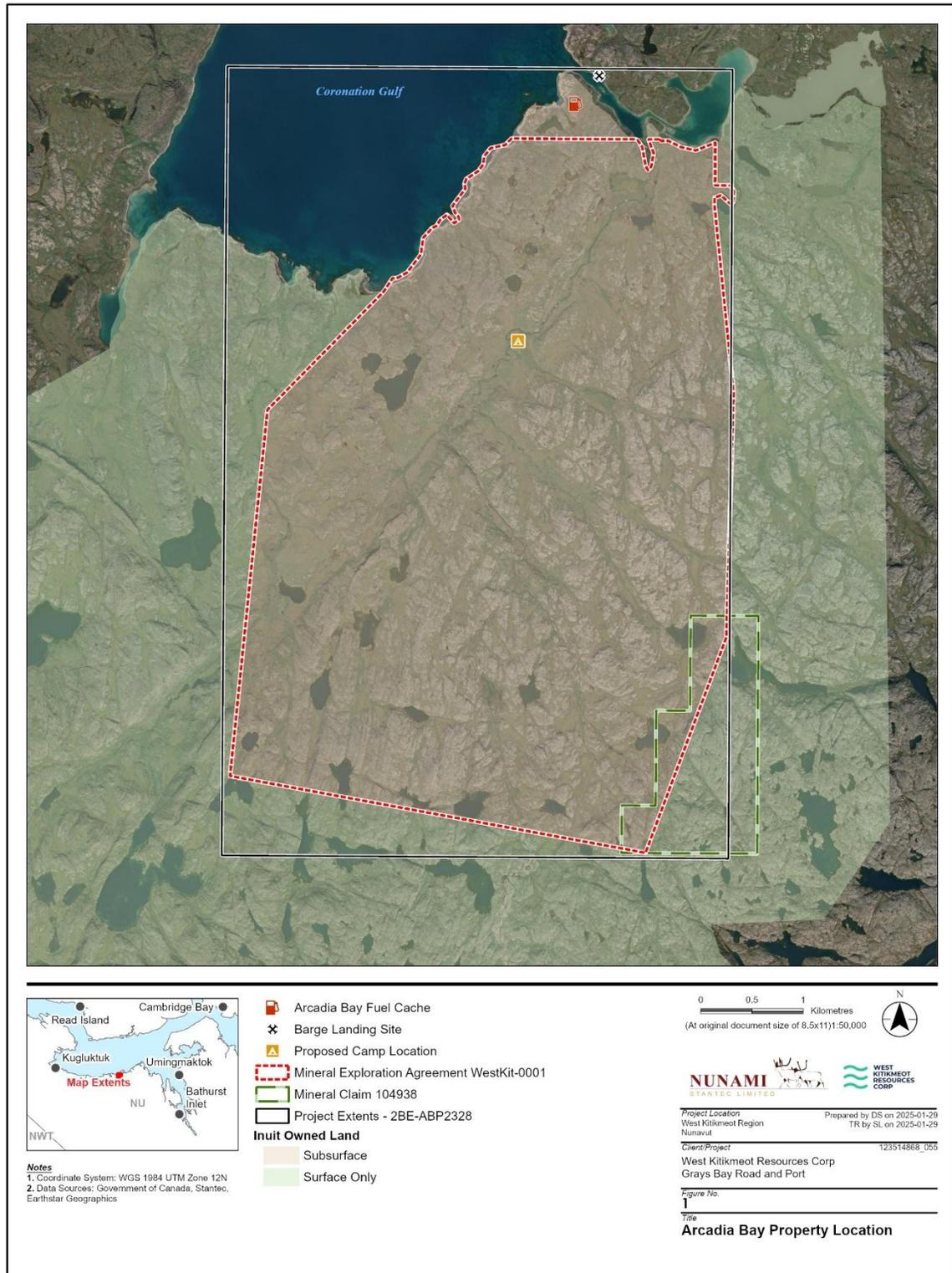
1.1 Sustainable Development Policy

WKR is an Inuit-owned, Inuit-led company working to advance the Grays Bay Port and Road Project (the Project) and exploration of various properties held throughout the Kitikmeot region of Nunavut. The Project is proposed as multi-user, multi-use transportation infrastructure project to be located on a combination of Inuit Owned Land (IOL) and Crown land in the Kitikmeot Region of western Nunavut. The Project will empower Inuit by providing opportunities to pursue their vision of responsible development, especially on IOL.

WKR's largest shareholder is a wholly-owned subsidiary of the Kitikmeot Inuit Association (KIA). The KIA manages the lands and resources that support traditional and cultural values while providing economic and social benefits to Kitikmeot Inuit.

1.2 Site Location and Description

The Arcadia Bay Project is located within the Kitikmeot region of Nunavut, within the 1:50,000 National Topographic System (NTS) map sheet 076M11. The Project is located near the shore of Arcadia Bay, on the Coronation Gulf, approximately 160 kilometres (km) east of Kugluktuk and 305 km southwest of Cambridge Bay. The Project comprises one Mineral Exploration Agreement (MEA, WestKit-0001) on IOL subsurface parcel CO-31 and one federal mineral claim on IOL surface parcel CO-32. The Property is centred at approximately 67°42'21.6" N and 111°32'13.2" W or 483608 Easting/7510147 Northing, using the Universal Transverse Mercator (UTM) projection, North American Datum (NAD) 83, zone 12 (Figure 1).



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Disclaimer: This document has been prepared based on information provided by others as cited in the Notes section. Stantec has not verified the accuracy and/or completeness of this information and shall not be responsible for any errors or omissions which may be incorporated herein as a result. Stantec assumes no responsibility for data supplied in electronic format, and the recipient accepts full responsibility for verifying the accuracy and completeness of the data.

Figure 1. Arcadia Bay Project

1.3 Associated Permits, Licences and Authorizations

Approvals related to execution of the Program are listed below in Table 1.3.

Table 1.3. Arcadia Bay Project Authorizations

| Organization | Authorization | Authorization Number | Expiration Date |
|---|-------------------------------|----------------------|-----------------|
| Nunavut Tungavik Incorporated | Mineral Exploration Agreement | WestKit-0001 | 31-May-2034 |
| Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) | Mineral Claim | 104938 | 17-Sep-2026 |
| Nunavut Planning Commission (NPC) | Conformity Determination | 148574 | N/A |
| Nunavut Impact Review Board (NIRB) | Screening Decision | 17EN059 | N/A |
| Kitikmeot Inuit Association (KIA) | Land Use Licence | KTL317C015 | 25-Jul-2025 |
| Nunavut Water Board (NWB) | Water Licence | 2BE-ABP2328 | 2-Apr-2028 |

2.0 2024 LAND USE ACTIVITIES

2.1 Logistics

WKR undertook a limited program from June 3-30, 2024, consisting of inspecting freight on a barge moored in Arcadia Bay, preparing for and offloading freight, and establishing a drummed fuel cache (see Figure 1). Due to weather and related unsafe conditions, the barge remains moored in Arcadia Bay, as illustrated on Figure 1.

2.2 Camp & Fuel Caches

WKR did not establish its own camp to support the Program. Instead, all workers were housed in the existing camp at the nearby Ulu Gold Project¹.

A fuel cache was established at the location listed in Table 1.4.

¹ Owned and operated by Blue Star Gold Corp., authorized pursuant to 20EN001, 2BM-ULU2030.

Table 1.4. Arcadia Bay Fuel Cache

| Location | Contents |
|-----------------------|--|
| 67.79857, -110.855838 | 157-205 L Jet A drums 152-205 L Diesel drums 25-100 lb Propane tanks |

2.3 Diamond Drill Program

WKR did not carry out any drilling as part of the Program.

2.4 Other Exploration Activities

WKR did not carry out any exploration activities as part of the Program.

2.5 Winter Roads

WKR did not construct or use any winter roads as part of the Program.

2.6 Water Use

WKR did not use any water as part of the Program. Camp water use occurred under the applicable terms, conditions, and regulatory obligations associated with Blue Star Gold Corp.'s Ulu Gold Project water licence 2BM-ULU2030.

2.7 Waste Deposit

WKR did not deposit any waste as part of the Program.

2.8 Hydrocarbon Spills

No spills occurred during the Program.

2.9 Environmental Studies

WKR did not carry out any environmental studies as part of the Program.

2.10 Wildlife Interactions, Observations and Impact Mitigations

No wildlife observations or interactions were documented during Program execution.

2.11 Quarry Activities

WKR did not carry out any quarrying as part of the Program.

2.12 Progressive Reclamation Activities

WKR did not carry out any progressive reclamation activities as part of the Program.

2.13 Annual Inspection Activities

WKR is not aware of an inspection occurring during the Program.

2.14 Traditional Land Use

WKR's understanding of Inuit Land use of the area is informed through engagement with Kitikmeot community members, Kitikmeot Inuit Association staff, hunters and trappers organizations, and elected representatives. Impacts to Inuit land use arising from the Program were reasonably expected to be negligible and were mitigated through early and ongoing engagement with the KIA and local hunters and trappers organizations.

WKR did not encounter any traditional land users during the Program.

2.15 Heritage Sites

WKR did not encounter any heritage sites during the Program.

3.0 INUIT EMPLOYEES AND NORTHERN SERVICE PROVIDERS

WKR's largest shareholder is a wholly-owned subsidiary of the KIA. WKR directly employs one Beneficiary on a full-time basis, while WKR's camp contractor employed one Beneficiary to support WKR's Program aspects. Throughout 2024, WKR hired several Beneficiaries² to support various aspects of the Program including language services, catering and local logistics for community engagement. Further, in executing its 2024 Program, including planning and engagement aspects, WKR retained the services of local catering, accommodations, transport and logistics supplier companies in all Kitikmeot communities, as well as in Iqaluit and Yellowknife. Specific firms retained for other Program-related aspects are listed in Table 1.4.

² Inuit employee names are not listed here to protect privacy and may be provided to the KIA upon request.

Table 0.4 Inuit and Northern-based firms

| Organization | Inuit-Owned ¹ | Northern-based |
|----------------------------------|--------------------------|----------------|
| Air Tindi | | X |
| CAP Enterprises | X | |
| Canadian North | | X |
| Crowe Mackay | | X |
| Kikiak Contracting Ltd. | X | |
| Kingaunmiut Services Ltd | X | |
| Kitimeot Air | X | |
| Kopykat North | | X |
| Panarctic Lightering Corporation | X | |
| Pido Production Ltd | | X |
| Qillaq Innovations | X | |

4.0 COMMUNITY CONSULTATIONS

Community consultations occurred between April 15th and May 7th and between October 28th and November 15th, including visits to Kugluktuk, Cambridge Bay, Kugaaruk, Taloyoak, and Gjoa Haven. During these visits, WKR introduced itself as the proponent and discussed the Grays Bay Road and Port Project and the planned barge offload to a fuel cache at Arcadia Bay. The discussions were followed by a question-and-answer period for feedback on the Project. Where available, meetings were held with hamlet staff and elected representatives, Kitikmeot Inuit Association staff, hunters and trappers organizations staff, directors, and staff with the Nunavut Impact Review Board and the Nunavut Water Board. Issues and interests raised during engagement, and WKR’s responses are summarized in Table 1.5.

Communications with interested parties are ongoing remotely and virtually, with the next series of in-person engagements in Kitikmeot communities planned for Spring 2025.

Table 1.5. Engagement Issues and Interests

| Issue or Interest Expressed | Follow-up Actions Taken |
|---|--|
| Land users voiced concerns that a fuel and supplies barge anchored at Arcadia Bay had yet to be removed after two years. They wanted to know who owned it and when it would be offloaded and removed. | WKR clarified that the barge was theirs and that its contents would be offloaded in 2024. WKR sent periodic updates to KIA, CIRNAC, and the Kugluktuk Angoniatit Association before, during, and after unloading operations in the spring of 2024. A final notification in October was sent indicating that the barge would be removed in 2025 |

5.0 CALCULATION OF YEAR LAND USE FEE

WKR understands that no land use fees are payable for the Program.

6.0 2025 WORKPLAN

WKR only plans to continue use and maintain the fuel cache at the Arcadia Bay Property to support its 2025 research program planned at Grays Bay. No other activities are planned at this time.

Appendix A. Annual Reporting Concordance Table

| Authorization | Section | Item | Term/Condition | Corresponding Report Section |
|---------------|------------------------|------|---|--|
| KTL317C015 | Term & Condition | 39 | The Licensee shall submit an annual report. The report will be in a form and include the content set out by the Lands Department of the Kitikmeot Inuit Association and will outline all of the Licensee's activities on the lands. | Sections 1.0-5.0 |
| | Term & Condition | 40 | The annual report shall be submitted to the Kitikmeot Inuit Association within 60 days of cessation of annual activity and no later than March 1st of each year whichever is earliest. | Submitted by March 1, 2025 |
| | Term & Condition | 41 | The annual report shall contain a list of Inuit employed and of contracts with Inuit Firms during the year. | Section 3 |
| 17EN059 | Monitoring & Reporting | 1 | The Proponent shall submit a comprehensive annual report with copies provided to the Nunavut Impact Review Board (NIRB) and Government of Nunavut by March 31st of each year of permitted activities beginning March 31, 2018. The annual report must contain, but not limited to, the following information: | Submitted by March 1, 2025 |
| | Monitoring & Reporting | a | A summary of activities undertaken for the year, including: <ul style="list-style-type: none"> • a map showing the approximate location of drill sites; • a map showing the location of the fuel cache; • a description of local hires, contracting opportunities and initiatives; • flight altitudes, frequency of flights and anticipated flight routes; • site photos | Figure 1 Figure 1 Section 3 Section 2.1 Appendix B |
| | Monitoring & Reporting | b | A work plan for the following year, including any progressive reclamation work undertaken | Section 6 Section 2.12 |
| | Monitoring & Reporting | c | A summary of community consultations undertaken throughout the year, providing copy of materials presented to community members, a description of issues and concerns raised, discussions with community members and advice offered to the company as well as any follow-up actions that were required or taken to resolve any concerns expressed about the project proposal | Section 4.0 Table 1.4 A copy of consultation materials is available upon request |
| | Monitoring & Reporting | d | A log of instances in which community residents occupy or transit through the project area for the purpose of traditional land use or harvesting. This log should include the location and number of people encountered, activity being undertaken (e.g., berry picking, fishing, hunting, camping, etc.), date and time; and any mitigation measures or adaptive management undertaken to prevent disturbance | Section 2.14 |
| | Monitoring & Reporting | e | A discussion of issues related to wildlife and environmental monitoring, including the number of cease-work orders required as a result of proximity to caribou and any other wildlife | Section 2.10 |

| | | | | |
|-------------|------------------------|---|--|----------------------------|
| | Monitoring & Reporting | f | <p>A brief summary of wildlife observation results as well as any mitigation actions that were undertaken. In addition, the Proponent shall maintain a record of wildlife observations while operating within the project area and include it as part of the summary report. The summary report based on wildlife observations should include the following:</p> <ul style="list-style-type: none"> • Locations (i.e., latitude and longitude), species, number of animals, a description of the animal activity, and a description of the gender and age of animals if possible. • Prior to conducting project activities, the Proponent should map the location of any sensitive wildlife sites such as denning sites, calving areas, caribou crossing sites, and raptor nests in the project area, and identify the timing of critical life history events (i.e., calving, mating, denning and nesting). • A discussion of potential impacts to caribou and other terrestrial wildlife species, and how mitigation and monitoring was expected to address the impacts; • A summary of impacts from the project observed during operations, the number of times work was ceased due to wildlife being in proximity to the project, and a description of how the Proponent ensured that operational activities were managed and modified to avoid impacts on wildlife and sensitive areas. Should mitigation measures be triggered, include details of how mitigation and monitoring measures within the exploration areas were implemented and the results of the measures as implemented; • An analysis of the effectiveness of mitigation measures for wildlife | Section 2.10 |
| | Monitoring & Reporting | g | Summary of any heritage sites encountered during the exploration activities, any follow-up action or reporting required as a result and how project activities were modified to mitigate impacts on the heritage sites | Section 2.15 |
| | Monitoring & Reporting | h | Summary of its knowledge of Inuit land use in/near the project area and explain how project activities were modified to mitigate impacts on Inuit land use | Section 2.14 |
| | Monitoring & Reporting | i | Summary of the results of any environmental studies undertaken by or in coordination with the project, or any plans for future studies | Section 2.9 |
| | Monitoring & Reporting | j | A summary of how the Proponent has complied with conditions contained within this Screening Decision, and all conditions as required by other authorizations associated with the project proposal. | Entire document |
| 2BE-ABP2328 | Part B | 2 | The Licensee shall file an Annual Report on the Appurtenant Undertaking with the Board no later than March 31st of the year following the calendar year being reported, containing the following information: | Submitted by March 1, 2025 |
| | Part B | a | A summary report of Water use and Waste disposal activities | Section 2.6, 2.7 |
| | Part B | b | Quantity of Water (in cubic metres/day) obtained for domestic and other purposes from sources on, in or flowing through Inuit-Owned Lands for the reporting period; | Section 2.6 |

| | | | |
|--------|---|---|--------------------------------------|
| Part B | c | Quantity of Water (in cubic metres/day) obtained for domestic and other purposes from sources on, in or flowing through Crown Lands reporting period; | Section 2.6 |
| Part B | d | Quantity of Waste disposed of on on-site Waste disposal facility; | Section 2.7 |
| Part B | e | Quantity of Waste backhauled to approved facility for disposal; | Section 2.7 |
| Part B | f | A list of unauthorized discharges and a summary of follow-up actions taken; | Section 2.8 |
| Part B | g | Any revisions to the management plans, as required by Part B, Item 7, submitted in the form of an Addendum; | None made |
| Part B | h | A description of all progressive and or final reclamation work undertaken, including photographic records of site conditions before, during and after completion of operations; | Section 2.12 |
| Part B | i | Report all artesian flow occurrences as required under Part F, Item 3; | Section 2.3 |
| Part B | j | A summary of all information requested and results of the Monitoring Program; | None requested |
| Part B | k | Details pertaining to locations of sump(s) and drill holes; | Section 2.3 |
| Part B | l | GPS co-ordinates (in degrees, minutes and seconds of latitude and longitude) for the locations of all temporary camps established in support of the project if the actual coordinates differ from that provided in the application; | Table 1.4 |
| Part B | m | A summary, including photographic records before, during and after any relevant construction activities or Modifications and/or major maintenance work carried out on facilities under this Licence and an outline of any work anticipated for the next year; | No modifications made Section 6.0 |
| Part B | n | Detailed discussion on the performance, installation, and evaluation, including the use of photographic record, of the primary and secondary containment functions used in fuel storage to safeguard impacts to freshwaters; | Appendix B |
| Part B | o | A summary of public consultation/participation, describing consultation with local organizations and residents of the nearby communities, if any were conducted; | Section 4.0 |
| Part B | p | Any other details on Water use or Waste disposal requested by the Board by the 1st November of the year being reported. | None requested |

Appendix B. Photos



Photo 1. Arcadia Bay fuel cache location prior to establishment



Photo 2. Arcadia Bay fuel cache signage



Photo 3. Arcadia Bay fuel cache

Appendix C. NWB Annual Report Form

NWB Annual Report

Year being reported:

Select ▼

2024

License No: 2BE-ABP2328 Issued Date: April 3, 2023
Expiry Date: April 2, 2028

Project Name: Arcadia Bay

Licensee: West Kitikmeot Resources Corp.

Mailing Address: PO Box 6, 30 B Mitik St
Cambridge bay, NU X0B 0C0

Name of Company filing Annual Report (if different from Name of Licensee please clarify relationship between the two entities, if applicable):

General Background Information on the Project (*optional):

Licence Requirements: the licensee must provide the following information in accordance with

Part B ▼ Item 2 ▼

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A summary report of water use and waste disposal activities, including, but not limited to: methods of obtaining water; sewage and greywater management; drill waste management; solid and hazardous waste management.

| | | |
|------------------|-----|--------------------------------------|
| Water Source(s): | N/A | |
| Water Quantity: | 10 | Quantity Allowable Domestic (cu.m) |
| | 0 | Actual Quantity Used Domestic (cu.m) |
| | 289 | Quantity Allowable Drilling (cu.m) |
| | 0 | Total Quantity Used Drilling (cu.m) |

Waste Management and/or Disposal

- Solid Waste Disposal
- Sewage
- Drill Waste
- Greywater
- Hazardous
- Other:

Additional Details:

No water was used or waste deposited in 2024. Waste generated, including packaging materials and empty fuel drums, has been staged for backhaul and management offsite.

A list of unauthorized discharges and a summary of follow-up actions taken.

Spill No.: (as reported to the Spill Hot-line)

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Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

No spills occurred in 2024.

Revisions to the Spill Contingency Plan

Select

Additional Details:

None.

Revisions to the Abandonment and Restoration Plan

Select

Additional Details:

None.

Progressive Reclamation Work Undertaken

Additional Details (i.e., work completed and future works proposed)

None.

Results of the Monitoring Program including:

The GPS Co-ordinates (in degrees, minutes and seconds of latitude and longitude) of each location where sources of water are utilized;

Not Applicable (N/A)

Additional Details:

The GPS Co-ordinates (in degrees, minutes and seconds of latitude and longitude) of each location where wastes associated with the licence are deposited;

Not Applicable (N/A)

Additional Details:

Results of any additional sampling and/or analysis that was requested by an Inspector

No additional sampling requested by an Inspector or the Board ▼

Additional Details: (date of request, analysis of results, data attached, etc)

Any other details on water use or waste disposal requested by the Board by November 1 of the year being reported.

No additional sampling requested by an Inspector or the Board ▼

Additional Details: (Attached or provided below)

Any responses or follow-up actions on inspection/compliance reports

No inspection and/or compliance report issued by INAC ▼

Additional Details: (Dates of Report, Follow-up by the Licensee)

Any additional comments or information for the Board to consider

| | |
|-------------------------------|--|
| Date Submitted: | March 1, 2025 |
| Submitted/Prepared by: | Gavin Law |
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