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RE: Comments Response for ATHA Energy Corp. Thelon Property, NIRB File No. 24EN052

ATHA Energy Corp. (ATHA) has reviewed the comments provided by Transport Canada (TC), Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC), Environment and Climate Change Canada (ECCC), Anne Andreassen, the Kivalliq Inuit Association (KIA), Paula Kigjugalik Hughson, the Sayisi Dene First Nation and Northlands Denesuline First Nation (Ghotelnene K'odtineh Dene), the Government of Nunavut (GN), the Athabasca Denesuline Né Né Land Corporation (ADNLC) and the Beverly and Qamanirjuaq Caribou Management Board (BQCMB) regarding the Thelon Property Project (the Project) proposal, NIRB File # 24EN052. ATHA would like to express appreciation for the time these agencies and individuals spent reviewing the proposed Project activities and providing comments.

Response to Transport Canada

Transport Canada #1: Canadian Navigable Waters Act

Water intake sources for camp and drilling activities have not yet been identified. Once potential drill sites and camp locations are identified, in addition to the locations being submitted to CIRNAC, NWB and KIA (if on Inuit Owned Lands (IOL)) for approval prior to use, ATHA will ensure that the water intake source locations and activities comply with the Canadian Navigable Waters Act and associated Regulations and Orders. The appropriate applications and notices will be submitted as required for any work done on known or suspected navigable waters.

Transport Canada #2: Transportation of Dangerous Goods

Any shipper preparing a dangerous shipment for transportation, including air transportation, will meet all requirements laid out in the Transportation of Dangerous Goods Regulations. Shippers will

meet or exceed the requirement for International Civil Aviation Organization (ICAO) training for dangerous goods.

Response to Crown-Indigenous Relations and Northern Affairs Canada

CIRNAC #1: Groundwater Impacts and Mitigation Measures

Potential impacts of drilling may include disruption to the quantity and quality of groundwater such as disruption of flow, contamination from spills and an increased concentration of solids. To mitigate potential impacts to groundwater, ATHA will implement the following measures:

- Drilling will utilize a centrifuge and recirculation system. The centrifuge separates the cuttings from the fluids and the fluids then filtered and recirculated down the drillhole.
- Non-mineralized drill cuttings will be directed into a natural depression, a minimum distance of 31 m from the ordinary high-water mark of any waterbody, where direct flow into a water body is not possible and no additional impacts are created.
- Mineralized drill cuttings will be disposed of down the drill hole and sealed by grouting the upper 30 m of bedrock. If down-hole disposal is not possible, cuttings will be collected and stored in sealed steel 205 L drums. Sealed drums containing mineralized drill cuttings will be temporarily stored on an elevated flat dry outcrop, a minimum distance of 100 m from the ordinary high-water mark of any waterbody. Prior to use of a mineralized drill cuttings storage area, the location will be submitted to CIRNAC, NWB and KIA (if on IOL) for approval. All mineralized drill cuttings drums will be removed to be disposed of at an accredited facility in accordance with the Abandonment and Restoration Plan.
- If any artesian water flow is detected, the hole will be plugged immediately and cemented in bedrock to prevent continued flow.
- Nontoxic and bio-degradable drilling fluids will be used wherever possible.
- All fuel and other hazardous materials located on the Project (camp, caches, drill sites) will be stored within “Arctic Insta-Berms”, or similar products, for secondary containment. “RainDrain” or similar hydrocarbon filtration systems will be used to safely remove any water collected inside secondary containment berms, and as a safeguard against any potential overflows of contaminated water.
- All hazardous materials will be used, stored or transferred a minimum distance of 31 m from the ordinary high-water mark of any waterbody. Spill kits and firefighting equipment will be strategically located near where any hazardous materials are stored, used or transferred, including the drill sites, remote fuel caches and in the helicopter.
- All hazardous materials containers will be inspected before and after transfer and regularly during storage to identify any damage or wear to prevent leakage. Any damaged or otherwise compromised containers will either have the contents used right away, or if needed, transferred to another container. If any leaks or spills are identified they will be reported, contained and cleaned up as per the Spill Contingency Plan.

CIRNAC #2: Waste Management Plan

ATHA has amended the Waste Management Plan to more clearly define non-hazardous and hazardous wastes. As per the Government of Nunavut Department of Environments (GN-DoE) Guideline for the General Management of Hazardous Waste, revised in October 2010, Hazardous waste is defined in the Waste Management Plan as “a contaminant or dangerous good that is no longer used for its original purpose, and is intended for recycling, treatment, disposal or storage.” Based on this definition and feedback from CIRNAC, waste oil, radioactive – mineralized drill cuttings (naturally occurring radioactive material (NORM) concentrations greater than 0.05% uranium oxide equivalent) and contaminated soils have been moved to Table 2 Hazardous Waste and are discussed in more detail.

CIRNAC #3: Spill Contingency Plan

For any product covered by the *Hazardous Products Act*, which meets the criteria to be classified in a hazard class or category as listed in the *Hazardous Products Regulation*, will have an up-to-date Safety Data Sheet (SDS) provided by the manufacturer or supplier of the product, which will be kept on-site and be readily available. SDS will be filed alphabetically by the product name (as opposed to operational area or category) with tabbed alphabetical dividers. A table of contents will also be included to improve findability within the collection. All employees will be required to familiarize themselves with the onsite SDS. Examples of SDS for products that are typically found at mineral exploration projects are listed in Appendix IV of the Spill Contingency Plan. The on-site SDS collection will be updated to reflect the exact products at the Thelon Project to be used in the event of a spill or emergency. To improve the readability of the Spill Contingency Plan, Appendix IV has been updated to be filed alphabetically by the product name and includes a table of contents.

CIRNAC #4: Consultation with Interest Parties

To date virtual and in-person engagement regarding the Project proposed activities has been conducted with the Baker Lake Hunters and Trappers Organization (HTO), Mayor and Council of Baker Lake, the Baker Lake KIA Community Land and Resource Committee (CLARC), the Arviat Hunters and Trappers Organization, and members of the Arviat Hamlet Council.

In-person engagement is planned to be conducted annually at minimum, prior to the commencement of operations, to discuss proposed exploration activities, any concerns of the Kivalliq Inuit Association, Hamlets, HTO’s, and community members, proposed mitigation measures designed to prevent any disturbance to wildlife, the environment, traditional harvesting activities and areas of cultural significance, as well as to incorporate Inuit Qaujimagatuqangit into the project planning.

Whenever possible, goods and services will be sourced from local businesses. ATHA intends to hire local community members for seasonal employment and assist with training opportunities whenever possible.

CIRNAC #5: Management Practices Designed to Prevent Disturbances to Wildlife

ATHA is committed to adhering to all applicable regulatory requirements and accepted best practices to prevent, mitigate, and manage any potential environmental impacts of activities conducted at the Thelon Project.

The Thelon Property Wildlife Management Plan is designed to aid in the prevention of wildlife disturbance and is a living, or evolving, document meant to be updated throughout the life of the project. ATHA welcomes the input and collaboration from all interested stakeholders to develop successful disturbance mitigation strategies.

Response to Environment and Climate Change Canada

ECCC #1: Disposal of Radioactive Wastes

ATHA has reviewed the standard operating procedure used to determine the radiological risk associated with drill cuttings and determined that naturally occurring radioactive materials (NORMs) are accounted for. The Waste Management Plan has been updated to accurately reflect the consideration for NORMs, not just uranium content, when dealing with radiological risk. Additionally, eU has been changed to the standard resource terminology, uranium oxide equivalent (eU_3O_8).

ECCC #2: Secondary Containment – Berms

The Spill Contingency Plan and Waste Management Plan have been updated to adhere to section 3.9 of the *Environmental Code of Practice for Aboveground and Underground Storage Tank Systems Containing Petroleum and Allied Petroleum Products* and now states secondary containment will have a capacity of not less than 100% the capacity of the largest stored reservoir plus the larger of (1) 10% the capacity of the largest stored reservoir, or (2) 10% of the aggregate capacity of all other reservoirs stored within the same berm.

ECCC #3: Secondary Containment – Size

The Spill Contingency Plan and Waste Management Plan have been updated to remove the ambiguity around the size of all secondary containment. See response ECCC #2 above for additional details.

ECCC #4: Vehicle and Equipment Leaks

ATHA ensures that all vehicles and equipment on projects undergo regular inspections and maintenance. The Spill Contingency Plan has been updated to include a statement that “all vehicles and equipment will undergo regular inspections and maintenance to avoid and verify that there are no drips or leaks” as well as “vehicles and equipment not in use will be parked over a drip tray or an absorbent pad to catch any drips or leaks”.

ECCC #5: Hydrocarbon Clean-Up

Upon discussion with ATHA’s Nunavut field project managers and the CIRNAC inspector, the Spill Contingency Plan has been updated to remove the section regarding spills on muskeg. The methods described in the plan for addressing spills on land, water, and snow/ice encompass the standard operating procedures for spill clean-up in the Project area.

ECCC #6: Secondary Containment Remote Caches

ATHA utilizes secondary containment whenever fuel is stored regardless of quantity including for small, remote fuel caches of <4,000 L or 19 drums. If small amounts (2 to 3 drums each) of diesel or gasoline are stored at active drill sites, portable berms are used.

Response to Anne Andreassen

Anne Andreassen #1: Consultation

ATHA values meaningful engagement with those who may be affected by the mineral exploration activities undertaken by ATHA. ATHA’s engagement strives to ensure meaningful and informed engagement, in a way that is aligned with planned exploration activities. To date, ATHA has engaged with several community organizations regarding the Project including the Baker Lake HTO, KIA Community Lands and Resource Committee (CLARC), the Mayor and council as well as the Arviat HTO and Arviat Hamlet Council. ATHA’s intention is to remain in contact with these organizations, as well as expand the scope of engagement to other interested parties and to hold public information and feedback sessions as the Project advances and work activities become more involved.

Anne Andreassen #2: Thelon Game Sanctuary and Thelon River

There is a small overlap with the western edge of the Project with the Thelon Game Sanctuary. This is a residual effect related to claim staking using the Nunavut Map Selection (NMS) system where corners of the mineral claims extend into the sanctuary. ATHA has committed to not conducting any work within the Thelon Game Sanctuary and wishes to reiterate this commitment.

The Thelon River is part of the Canadian Heritage Rivers System, which includes a management area that extends 1 km from each bank of the river. ATHA will not undertake any on-the-ground exploration activities within 1 km of either bank of the Thelon River.

Response to the Kivalliq Inuit Association

KIA #1: Winter Over Land Hauling

At this stage in Project planning, many of the details surrounding the winter over land hauling route have yet to be determined. ATHA will include the over land hauling information requested by the KIA to CIRNAC, NWB and KIA (if on IOL) for approval prior to commencement of this type of activity. ATHA is committed to ensuring any company contracted for over land hauling will act in compliance with all applicable legislation including the Transportation of Dangerous Goods Regulations.

KIA #2: Aerial Geophysical Surveys and Caribou Calving Grounds

Locations and schedules of the proposed airborne surveys have not yet been finalized. Once locations and schedules are determined, the locations will be submitted to the KIA (if over IOL) for approval. All airborne surveys, whether over Crown land or IOL, will be flown in accordance with the KIA Mobile Conservation Measures Guidelines.

As per the KIA Mobile Conservation Measures Guidelines, the following procedures will be followed at the Thelon Project for exploration activities, including airborne surveys, within designated calving grounds (as designated by the Government of Nunavut):

- Between May 1st and July 31st, no exploration activities, including airborne surveys, will be conducted within designated calving grounds.
- Between August 1st and September 30th, if monitoring indicates that there are an estimated 25 or more caribou within a 5 km buffer of the Project activities, ATHA will immediately suspend work that has the potential to disturb caribou, including suspension of drill operations, blasting activities and non-essential ground movements and aircraft traffic below 300 m above ground level (except as necessary for emergency purposes), suspension of all ground operations and camp closure, until caribou numbers are below the threshold within the 5 km buffer zone.
- Between October 1st and April 15th, if monitoring indicates that there are an estimated 50 or more caribou within a 2.5 km buffer of the Project activities, ATHA will immediately reduce all activities that have the potential to disturb caribou, including non-essential ground movements and aircraft traffic below 300 m above ground level (except as necessary for emergency purposes), until caribou numbers are below the threshold within the 2.5 km buffer zone.
- Between April 16th and April 30th, if monitoring indicates that there are an estimated 25 or more caribou within a five 5 km buffer zone of the Project activities, ATHA will immediately

suspend any activities that have the potential to disturb caribou, including suspension of drill operations, blasting activities and non-essential ground movements and aircraft traffic below 300 m above ground level (except as necessary for emergency purposes), suspension of all ground operations, and camp closure, until caribou numbers are below the threshold within the 5 km buffer zone.

As per the KIA Mobile Conservation Measures Guidelines, the following procedures will be followed at the Thelon Project for exploration activities, including airborne surveys, near Freshwater Crossings (as designated by the Government of Nunavut):

- Between May 15th and September 30th, if monitoring indicates that there are 50 or more caribou within 5 km of the boundary of the Project activities that appear to be moving in the direction of the water crossing, ATHA will immediately suspend any activities that have the potential to disturb caribou, including suspension of drill operations, blasting activities and non-essential ground movements and aircraft traffic below 300 m above ground level (except as necessary for emergency purposes), suspension of all ground operations, camp closure, and removal of all non-essential personnel, until caribou numbers are below the threshold within the 5 km buffer zone.

KIA #3: Diamond Drilling on IOL

Potential drillhole locations have not yet been identified. Once potential drill sites are determined, the locations will be submitted to CIRNAC, NWB and KIA (if on IOL) for approval prior to any disturbance.

Any drill hole that encounters mineralization with uranium content greater than 1% over a length of more than 1 metre, with a metre per-cent concentration greater than 5, will be sealed by grouting over the entire length of the mineralized zone and not less than 10 metres above and below each mineralized zone. The top 30 metres of the hole within bedrock will also be sealed by grouting for all drillholes. For additional information see the Thelon Property Abandonment and Restoration Plan.

KIA #4: Annual Report

ATHA will ensure annual reports on the Project Activities are submitted to CIRNAC, NWB and the KIA annually. Annual reports will include, but not be limited to, wildlife logs, any caribou related information as per the KIA's Mobile Conservation Measures Guidelines, documentation related to drilling including the before, during, and after photographs of drill sites, any baseline water sampling data, and any ground-based archaeology survey data.

KIA #5: Back Haul of Waste to Baker Lake

ATHA will provide the KIA with a permission letter from the community of Baker Lake authorizing backhaul and storage of empty fuel barrels and waste products before the shipping of these materials to an approved disposal facility.

Response to the Ghotelnene K’odtineh Dene

ATHA acknowledges and appreciates the importance of the Beverly/Qamanirjuaq caribou to the Ghotelnene K’odtineh Dene. ATHA takes the mitigation of negative impacts to wildlife, habitat, the environment, harvesting activities and socio-economic sustainability seriously. ATHA is committed to adhering to the KIA Mobile Conservation Measures Guidelines on IOL and Crown land, using the monitoring of caribou in the vicinity of land use activities to give early warning for mitigation.

The monitoring triggers mitigation based on pre-assigned thresholds (numbers and proximity of caribou to activities combined with seasonal sensitivity and movement). The thresholds trigger tiered mitigation applied with increasing intensity as increasing numbers of caribou approach the project activities, to avoid or minimize any potential sensory disturbance to caribou.

ATHA has updated the Thelon Property Wildlife Management Plan to reflect the commitment of adhering to the KIA Mobile Conservation Measures Guidelines on IOL and Crown land.

As the Thelon Project progresses further engagement will be undertaken with all interested parties and ATHA welcomes discussions and recommendations regarding wildlife, environmental, traditional use and socio-economic disturbance mitigation measures from all who wish to participate, including the Ghotelnene K’odtineh Dene.

Response to Paula Kigjugalik Hughson

ATHA appreciates and recognizes the concerns voiced by Paula Kigjugalik Hughson, those that are Project specific and those that are criticisms of the overall system. ATHA hopes the disturbance mitigation measures and engagement strategy outlined above in response to the comments provided by others helps to address concerns raised, especially regarding community engagement.

Response to the Government of Nunavut

ATHA has committed to adhering to the KIA Mobile Conservation Measures Guidelines on IOL and Crown land. Please see responses above including CIRNAC #5 and KIA #2 for further information regarding updated to the Wildlife Management Plan and caribou disturbance mitigation measures.

Response to the Athabasca Denesuline Né Né Land Corporation

ATHA acknowledges and appreciates the importance of the Beverly and Qamanirjuaq caribou herds to the Denesūliné First Nations of Fond-du-Lac, Black Lake, and Hatchet Lake. ATHA has committed to following the KIA’s Mobile Mitigation Measures for caribou on both IOL and Crown Land. Please see the comments response to CIRNAC #5 and KIA #2 for further updates that were made to the Wildlife Management Plan addressing caribou mitigation measures.

ATHA values consultation and engagement with all parties who may be affected by any of the mineral exploration projects they operate and strive to engage in a way that ensures meaningful and informed dialogue with all potentially affected parties. This project remains in the earliest stage of exploration, and engagement will be significantly important as the project progresses. Please see responses to CIRNAC #4 above for additional details surrounding community engagement in relation to this project to date. Additionally, Table 1 below has a summarized engagement log for the Project in 2024.

Table 1: 2024 Thelon Project Community Engagement Summary

Date	Communication Method	Communication Summary
May 5, 2024	Email, outgoing	Request for an in-person meeting with the Arviat HTO
May 5, 2024	Email, outgoing	Request for an in-person meeting with the Arviat Hamlet Mayor and Council
May 5, 2024	Email, outgoing	Email requesting a meeting with the Arviat CLARC
May 10, 2024	Email, incoming	Response from Arviat HTO to schedule meeting.
May 21, 2024	Email, outgoing	Request for an in-person meeting with the Arviat CLARC
May 28, 2024	Email, outgoing	Request for an in-person meeting with the Arviat CLARC
May 29, 2024	Email, incoming	Brief response from Arviat CLARC without an answer
June 6, 2024	In-person Meeting - Cancelled	Cancelled meeting with Arviat Mayor and Council due to weather related travel restrictions.
June 6, 2024	In-person Meeting - Cancelled	Cancelled meeting with Arviat HTO due to weather related travel restrictions.
June 6, 2024	Email, outgoing	Regrets to Arviat Hamlet Mayor and Council for missing the meeting due to inclement weather
June 6, 2024	Email, outgoing	Regrets to Arviat HTO for missing the meeting due to inclement weather
June 7, 2024	In-person Meeting	Presentation at Baker Lake CLARC meeting at KIA office for summer activities

Date	Communication Method	Communication Summary
June 7, 2024	In-person Meeting	Presentation to Baker Lake HTO for summer activities
June 7, 2024	In-person Meeting	Presentation for Baker Lake Mayor and Council for summer activities
August 8, 2024	Email, outgoing	Request to Arviat HTO to reschedule the previous in-person meeting.
August 8, 2024	Email, incoming	Acceptance of rescheduled meeting date from Arviat HTO.
August 8, 2024	Email, outgoing	Request to Arviat ASAO to reschedule the previous in-person meeting.
August 8, 2024	Email, incoming	Invitation from Arviat ASAO to join the council meeting in September.
September 10, 2024	In-person Meeting	Met with Lands Department at KIA office in Rankin Inlet
September 10, 2024	In-person Meeting - Cancelled	Cancelled meeting with Arviat Mayor and Council due to weather related travel restrictions.
September 10, 2024	In-person Meeting - Cancelled	Cancelled meeting with Arviat HTO due to weather related travel restrictions.
September 10, 2024	Email, outgoing	Regrets to Arviat Hamlet Mayor and Council for missing the meeting due to inclement weather
September 10, 2024	Email, outgoing	Regrets to Arviat HTO for missing the meeting due to inclement weather
September 11, 2024	In-person Meeting	Met Principal at JASS to discuss potential classroom geology presentations
September 11, 2024	In-person Meeting	Met instructor at KIA office regarding potential firearms course in the spring
September 11, 2024	In-person Meeting	Presentation to Baker Lake HTO summer update and engaging about Thelon Project
September 12, 2024	In-person Meeting	Presentation to Baker Lake CLARC summer update and engaging about Thelon Project
September 12, 2024	In-person Meeting	Brief meeting with Baker Lake Mayor to give quick update on projects
September 25, 2025	Email, outgoing	Request for a virtual meeting to Arviat ASAO
September 25, 2025	Email, outgoing	Request for a virtual meeting to Arviat HTO

Date	Communication Method	Communication Summary
October 23, 2024	Email, incoming	Invitation from Arviat Hamlet Mayor and Council to present virtually at November Council Meeting
November 12, 2024	Virtual Meeting	Meeting with Arviat Mayor and Council, presentation on project

ATHA is aware of other projects in the vicinity of the Project undertaking mineral exploration. ATHA acknowledges the potential for cumulative effects due to increased human presence and has begun collaborating with other companies in the area to proactively minimize cumulative effects. ATHA has previously demonstrated this collaboration on other projects through working with another company to reduce air traffic for airborne geophysical surveys. ATHA is willing to work cooperatively with other exploration companies whenever feasible, for example to share infrastructure, combine overland hauls to minimize trips, and share overland haul routes as much as possible. Along with following the KIA Mobile Mitigation Measures, ATHA will look to communicate relevant wildlife sightings with companies operating nearby to minimize disturbance.

Response to the Beverly and Qamanirjuaq Caribou Management Board

ATHA understands and respects the longstanding concerns of the local communities around the potential impacts of uranium exploration on wildlife and the environment. ATHA has contacted Government of Nunavut’s Wildlife Research Section Regional Biologist for the Kivalliq Region for the most up to date caribou telemetry data for the Beverly and Qamaniruaq caribou herds, and, as noted above, has committed to following the KIA’s Mobile Mitigation Measures for caribou on both IOL and Crown Land. Please see the comment response to CIRNAC #5 for further updates that were made to the Wildlife Management Plan addressing caribou mitigation measures. Wildlife monitors work 12-hour day shifts at ATHA worksites, have full authority to make operational decisions based on wildlife sightings, and can report noncompliance directly to the KIA.

As previously stated, community engagement is highly important to ATHA. Please see the response to CIRNAC #4 above for additional details surrounding community engagement in relation to the Project to date.

ATHA understands the concern of cumulative effects of commercial activities and mineral exploration not being adequately monitored or regulated, further increasing the potential negative impacts on caribou herds and Indigenous peoples’ livelihoods and well-being. Please see the response to ADNLC above for additional details on how ATHA is working to minimize cumulative effects.