



February 17, 2021
NPC File No: 149461

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Dear Ms. Maksagak, Mr. Dwyer, Ms. McCaie, Ms. Osmond, Mr. Gillis, and Mr. Tunney:

RE: NPC File # 149461 [Kahuna Gold Property]

- Associated NPC FILE No:
148166 [Kahuna Diamond Project],
148367 [Kahuna Diamond Project],
148649 [Kahuna Property], and
148971 [Kahuna Gold Project]
- Associated NIRB FILE No: 15EN028; Associated NWB Type B water license: 2BE-KGP1823.
- Location: Kivalliq Region; [about 10 km southwest of Igluligaarjuk (Chesterfield Inlet) and 30 km northeast of Kangiqliniq (Rankin Inlet)]

The following works and activities have been proposed in the above-noted project proposal:

1. Continuation of Mineral exploration activities: Solstice is applying for an amendment to their Nunavut Water Board Water (“NWB”) Licence, 2BE-KGP1823, and Crown-Indigenous Relations and Northern Affairs Canada (“CIRNAC”) Land Use Permit, N2018C0020, to establish a 40-person camp on the Property. The type B Water water licence amendment will also include an increase in the water allowance from 200 m³/day (for drilling) to 299 m³/day. Solstice is applying to the Kivalliq Inuit Association (“KIA”) to renew Inuit Land Use Licenses KVL318B01 and KVRW18F02. The activities will be supported by ground access in the winter where conditions allow, utilizing tracked vehicles to facilitate crew changes and drill moves. A helicopter and/or fixed-wing aircraft will be on-site and used for mobility when ground access is not feasible.
2. Summary of modification: A new Solstice exploration camp in addition to the existing Kodiak camp, an amendment of the NWB type B water license 2BE-KGP1823, and amendment of CIRNAC Class A Land Use Permit, N2018C0020.

A complete description of the project proposal reviewed by the NPC can be accessed online using the link below. The Nunavut Planning Commission (NPC) has completed its review of the above-noted project proposal. The NPC previously reviewed works and activities associated with the current proposal, including prospecting, exploration, drilling, water use and wastewater discharge, temporary campsite, fuel storage, and use of winter road (conformity determination issued on January 7, 2016, November 9, 2016, November 20, 2017, and on November 5, 2018). This conformity determination still applies. In addition, associated activities were previously screened by the Nunavut Impact Review Board (NIRB FILE NO.: 15EN028).

The NPC has determined that the above-noted project proposal is a significant modification to the project because include the installation of a new Solstice campsite for 9680 man-days in addition to the existing Kodiak camp, the amendment of the water license and land use permit. It conforms to the Keewatin Regional Land Use Plan (KRLUP). The proponent has undertaken to comply with the applicable conformity requirements of Appendix C, G, and H of the KRLUP.

The above-noted project proposal requires screening by the NIRB under section 12.4.3 of the Nunavut Agreement as amended because it is for a component or activity that was not part of the original or previously amended proposal and its inclusion is a significant modification of the project. By way of this letter, the NPC is forwarding the project proposal with this determination to the NIRB for screening. Project materials, including the applicable conformity requirements, are available at the following address:

<https://lupit.nunavut.ca/portal/project-dashboard.php?appid=149461&sessionid=>

The regulatory authorities to which this letter is addressed are responsible under the Nunavut Planning and Project Assessment Act (NUPPAA) to implement any of the applicable requirements by incorporating the requirements directly, or otherwise ensuring that they must be met, in the terms and conditions of any authorizations issued.

This conformity determination applies only to the above noted project proposal as submitted. Proponents may not carry out projects and regulatory authorities may not issue licenses, permits and other authorizations in respect of projects if a review by the NPC is required. Regulatory authorities may consult with the NPC to obtain recommendations on their duties to implement the existing land use plans prior to issuing licenses, permits and other authorizations under subsection 69(6) of the NUPPAA.

My office would be pleased to discuss how best to implement the applicable requirements and to review any draft authorizations that regulatory authorities wish to provide for that purpose. If you have any questions, please do not hesitate to contact me at (867) 979-3444.

Sincerely,

A handwritten signature in black ink, reading "Goump Djalogue". The signature is fluid and cursive, with the first letter of "Goump" being a large, stylized capital 'G'.

Goump Djalogue
Senior Planner, MCIP, RPP
Nunavut Planning Commission