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RE: Comments Response for Solstice Gold Corp. Kahuna Gold Project, NIRB File No. 21EN008 (associated NIRB File No. 15EN028)

Solstice Gold Corp. ("Solstice") has reviewed the comments provided from Crown-Indigenous Relations and Northern Affairs Canada ("CIRNAC"), the Government of Nunavut ("GN") and the Kangiqliniq Hunters & Trappers Organization regarding the Kahuna Gold Property (the "Property" or the "Project") proposed CIRNAC Land Use Permit ("LUP") N2018C0020 and Nunavut Water Board ("NWB") water licence 2BE-KGP1823 amendments.

A summary of the comments/recommendations received are:

- i. Clarification on consultation and incorporation of Inuit knowledge or Inuit Qaujimagatuqangit into project activities and potential for Inuit employment and training opportunities.
- ii. Update the Environmental Management Plan with identification of Project overlaps with known areas of ecological significance and their associated timing windows; identification of potential impacts, including cumulative impacts, of the proposed exploration activities on caribou and other wildlife; clarification of timing of project activities and the potential to cause disturbance; caribou disturbance mitigation measures, Wildlife Emergency Contact list.
- iii. Update the Spill Prevention and Response Plan with additional containment and cleanup procedures for larger or multi barrel spills and potential spills along the Winter Road.
- iv. Update the Abandonment and Restoration Plan to include additional information regarding inspections.

Solstice would like to express our appreciation for the time these agencies spent reviewing the proposed amendments to the Project LUP and water licence and providing their comments. In addition, we would like to provide a bit of background information for those who are not familiar with the Company or the Project.

1. Company Background

Solstice (formerly Dunnedin Gold Inc.) was a wholly owned subsidiary of Dunnedin Ventures Inc., now Kodiak Copper Corp., (“Kodiak”). Solstice was spun out of Kodiak in 2018. Solstice is a Vancouver-based mineral exploration company that has been operating in Nunavut since 2018 on their Kahuna Gold Project. In addition, Solstice has 4 other exploration projects in Red Lake, Ontario. Solstice is committed to responsible exploration in the communities in which we work.

The management team at Solstice has a unique combination of superior technical skills combined with extensive capital markets experience. Martin Tunney is the President and has over 15 years of experience, starting out his career as a mining engineer, then investment banker before becoming involved in the management of mineral exploration and development companies. Mr. Tunney was instrumental to the development of a multimillion ounce resource and sale of NewCastle Gold. David Adamson, Ph.D., Chairman and Director has over 30 years with a wide range of experience from advanced exploration through to development. Co-winner of 2010 Colin Spence award for excellence in worldwide exploration. Most recently CEO of NewCastle Gold. David Fischer is the Chief Financial Officer and Sandy Barham is their geological consultant with over 30 years of exploration experience, mostly in the Kivalliq region.

2. The Kahuna Gold Property and Existing Permits and Activities

The Kahuna Gold Property is located between the communities of Kangiqliniq (Rankin Inlet) and Igluigaarjuk (Chesterfield Inlet) in the Kivalliq Region of Nunavut. The Property consists of 72 federal mineral claims (79,567.46 Ha) held exclusively by Solstice and 19 federal mineral claims (22,081 Ha) held jointly (50:50) with Kodiak. Solstice holds primary rights to 88,589 Ha total of which 9,022 Ha are a portion of the jointly held claims. Prior to November 14, 2017 the mineral claims comprising the Property were held wholly by Kodiak.

Exploration activities conducted by Solstice on the Property are authorized by CIRNAC Land Use Permit N2018C0020 (issued January 14, 2019), Kivalliq Inuit Association (“KIA”) Land Use Licenses KVL318B01 and KVRW18F02 (issued February 27, 2019 and March 12, 2019, respectively) and NWB Water Licence 2BE-KGP1823 (issued December 17, 2018).

To date, work conducted on the Property by Solstice includes prospecting, geological mapping, geochemical sampling, geophysical surveys and a six-hole diamond drilling program. Solstice does not currently have a camp permitted, as the previous Solstice field programs were either supported out Kodiak’s Kahuna Camp (“Kodiak Camp”) (2018), Rankin Inlet (2019) or from a small temporary fly camp (2020). Although Solstice was authorized to utilize the Kodiak Camp, a separate Solstice fuel cache adjacent to the Kodiak fuel cache was authorized and established under CIRNAC LUP N2018C0020 and NWB Water Licence 2BE-KGP1823.

3. Camp Proposal

Solstice is currently applying for an amendment to CIRNAC LUP N2018C0020 and NWB Water Licence 2BE-KGP1823 to establish a 40-person camp (the “Camp”) on the Property in close proximity to the permitted Kodiak Camp as this area/location was already subject to review by both communities and their respective HTO’s, archaeological inventory and reconnaissance surveys and Nunavut Impact Review Board (“NIRB”) screening determination. This Camp will allow Solstice to minimize helicopter use. The water licence amendment will also include an increase in the water allowance from 200 m³/day (for drilling) to 299 m³/day (10 m³/day for the new camp and 289 m³/day for drilling). On February 19, 2021 Solstice was issued renewals for KIA Land Use Licenses KVL318B01 and KVRW18F02, which authorize the prospecting, exploration, drilling and use of the Winter Trail, respectively.

Following the submission of the application to amend CIRNAC LUP N2018C0020 and NWB Water Licence 2BE-KGP1823 to the Nunavut Planning Commission (“NPC”) and NIRB, Solstice management was informed by Claudia Tornquist, the CEO of Kodiak Copper, that it is Kodiak’s intention remove the Kodiak Camp from the field, reclaim the location and remove the Kodiak Camp from their CIRNAC LUP and NWB Water Licence. Solstice and Kodiak have entered into discussions, which include the potential for Solstice to either take over the Kodiak Camp or purchase some of the materials and items from Kodiak and relocate them to the new Camp location before the Kodiak Camp is removed.

To date, Solstice has mostly limited overland travel to the winter trail connecting the communities of Chesterfield Inlet and Rankin Inlet, which is maintained by the respective communities. Given the proximity of the Kodiak Camp to the Winter Trail, the Hamlet Council of Chesterfield requested that at least one building at the Kodiak Camp remain open for use as a safety shelter when the camp was not in use. Solstice was happy to provide assistance to the communities and is aware of the use of the shelter on numerous occasions by community members.

4. Inuit Employment and Training Opportunities

Solstice is committed to whenever possible, purchasing local, contracting northern/local businesses and to hiring local community members to assist in many aspects of the project such as wildlife monitors, camp management assistants, core cutting/processing, geotechnical assistants and prospectors, to not only utilize their skilled labor, but also for what we can learn and incorporate into our operations from their understanding of the land and ecosystem and the Inuit culture. We also endeavor to train our employees in their area of interest. Several of our local employees who started out as wildlife monitors have been trained as geological assistants and prospectors. In 2018, Solstice attempted to run a prospector training program for non-employees however there was little interest. When we are better capitalized, we would like to attempt to run this program again with the assistance of the GN and the Hamlet of Chesterfield Inlet whom we have discussions with on the subject.

5. Opportunities for Local or Northern Businesses

Northern/Local companies and individuals utilized on the Project to date include:

Rankin Inlet

Kowmuk Freight
Curley Construction Corp.
EPLS Home Hardware
Umingmak Supply
Kissarvik Co-op
Rankin Inlet Gas Station
M&T Enterprises Ltd (Sakku)
Siniktarvik Hotel
Turaarvik Inns North
JL Repair
M&T Enterprises Ltd (Sakku)
Toromont Arctic Ltd (Sakku)
Northern Store
Inukshuk Lodge
Inukshuk Construction
Harry Ittinaur

Sarliaq Holdings
Rankin Auto Value
Kativik Ltd True Value Hardware
Rankin Inlet SAR – 3 search and rescue programs

Chesterfield Inlet

Misheralak Freighting
Tangmavik Inns North Hotel
Pitsiulak Co-op Ltd.

Iqaluit

Desgagnes Transarctik Inc./Nunavut Sealink and Supply Inc.

Yellowknife

Canadian North Air Cargo Services
Nunavut Expediting Services Ltd (Discovery Mining Services)
Northern Communications Ltd.

6. Consultation and Incorporation of Inuit knowledge or Inuit Qaujimajatuqangit

Solstice is also committed to consulting with local residents and conducts regular visits to Kangiqliniq and Igluligaarjuk to discuss available Inuit Qaujimajatuqangit, the upcoming exploration programs and any potential concerns the communities may have. Given the current global Pandemic most of the consulting regarding the 2020 field program was completed by phone and email, but the Company is anticipating in person meetings prior to the next field program.

Solstice actively engages with Hamlet offices, HTO's, the KIA, the GN, Members of the Legislative Assembly ("MLA") and individual citizens. For this we have received letters of support from both communities, standing ovations for the roles we have played in search and rescue operations and gratitude from members of the communities. We have received thank you letters for supporting community activities and food security in both communities. The tour Solstice hosted while running the Kodiak Camp during the 2018 field season was well received. Members of both communities and their respective HTO's attended and had very positive feedback. Comments received from the tour of the camp included praise on cleanliness, the small size of the footprint and that the camp would not have a negative impact on the area or the wildlife, most notably the caribou. While management and board members from the Kangiqliniq HTO were invited to attend the tour, they were unable to make the trip, however a Rankin HTO member attended and informed Solstice that he would report the findings back to the Kangiqliniq HTO management and board members. During a meeting at the Kangiqliniq HTO office following the tour, Kangiqliniq management

acknowledged they would follow up with the member that attended the tour for details and his feedback.

The consultation log has been updated to include engagement that occurred prior to the 2020 program, which includes consultation regarding the Project with Dunnedin. As per the recommendations of the GN, in the future the record of engagement will clearly list:

1. What documents were shared with the organization(s) and in what languages,
2. What topics were discussed,
3. What concern(s) were noted by the organization(s),
4. How the Proponent addressed the concern(s),
5. What changes to management plans, work plans, or project documents were made (if any) as a result of the consultation.

In person consultations in both Kangiqliniq and Igluligaarjuk were scheduled in 2020, but were cancelled at the request of the communities due to the outbreak of Covid-19. Covid-19 has had an impact on Solstice's program activities and subsequently the consultation process, however we will endeavor to improve this through additional calls and emails, and we will also investigate other methods to communicate until health authorities deem it safe to re-engage in person.

Solstice endeavors to always promote straightforward and unambiguous communication. Given the global financial uncertainty imposed by Covid-19 leading into the 2021 season, Solstice was, and continues to be, unsure of the ability or capacity to complete a work program this year. Given that Solstice purchases a significant amount of supplies locally, hires local contractors and employs local workers for our programs, we were conscientious to not inadvertently send a message that we would be completing a program this year and thus raising the hopes of those who rely on our programs for income. Permitting, including amendments, must be completed well in advance of program planning to allow the appropriate amount of time for review by regulators, other government agencies and the public. Therefore, although there was uncertainty for the use in 2021, the LUP and water licence amendment application was submitted to the NPC in January, 2021 in the event we were able to finance a 2021 field program. Unfortunately, due to the very short exploration season in the Arctic, it is very unlikely a program will now be able to be completed in 2021.

Solstice will notify the Kangiqliniq and Igluligaarjuk Hamlets and HTO's, as well as our longest running team members in Chesterfield Inlet, as soon as more definite program plans can be made.

7. Environmental Management Plan

As part of our Caribou and Monitoring and Disturbance Mitigation Solstice employs Wildlife Monitors recommended by the Igluligaarjuk HTO. While personnel are in the field, the Wildlife Monitors communicate with their HTO and community members on a daily basis to get updates and information on the caribou migration in the Project area. Solstice also communicates with Agnico Eagle, local community members and the KIA for this same

information. Solstice is currently working on updating the Caribou and Monitoring and Disturbance Mitigation section of the Kahuna Gold Property Environmental Management Plan and has contacted Government of Nunavut's Wildlife Research section Regional Biologist for the Kivalliq Region for the most up to date caribou data and the Project Manager for Impact Assessment in the Department of Environment to acquire input and recommendations. Solstice will also seek input for the Caribou and Monitoring and Disturbance Mitigation measures from the Kangiqliniq and Igluligaarjuk HTO's. The Plan has also been updated to clarify that unless there is a specific requirement for low-level flights, the minimum flight altitude will be 610 metres, which is the current policy used by Solstice during the field programs. The Government of Nunavut contacts list has also been updated. The revised Solstice Kahuna Gold Project Environmental Management Plan will be submitted to all regulatory bodies prior to commencement of the field program.

8. Spill Prevention and Response Plan

The Kahuna Gold Project Spill Prevention and Response Plan is currently being updated to include additional containment and cleanup procedures for potential for larger, multi-barrel spills along the Winter Road. Ethylene glycol is not used as an antifreeze for drilling fluids, but may sometimes be used in diesel engines (as per the MSDS). Drilling contractors will be advised to use diesel engine antifreeze that does not contain Ethylene glycol if possible. The updated Kahuna Gold Project Spill Prevention and Response Plan will also have the discussion of the use beet juice antifreeze removed.

As outlined in the Kahuna Gold Project Environmental Plan, Kahuna Gold Project Spill Prevention and Response Plan, the Kahuna Waste Management Plan and the Waste Management section of the NIRB online application, all drilling fluids will be contained in an appropriately excavated sump or equivalent natural depression, preventing the drill fluids from entering water bodies directly and allow for slow infiltration into the soil. Sumps will be positioned down slope from the drill collar in such a manner that runoff flows into the sump and will be a minimum of 31 m from the normal high-water mark of any water body. In addition, as outlined in the Kahuna Gold Project Environmental Plan, Kahuna Gold Project Spill Prevention and Response Plan, the Kahuna Waste Management Plan and the Waste Management section of the NIRB online application, all fuel and other hazardous chemicals, materials and wastes will be stored within "Arctic Insta-Berms", or similar products, for secondary containment. These types of berms utilize chemical and fire-resistant fabric (generally polyurethane coated nylon or vinyl coated polyester material) designed for extreme arctic temperatures and puncture resistance. "RainDrain" or similar hydrocarbon filtration systems will be used to safely remove any water collected inside the berms, and as a safeguard against any potential overflows of contaminated water. The storage area will be located a minimum distance of 31 m from the normal high water mark of any water body. Spill kits and firefighting equipment will be strategically located near where any hazardous materials are stored, used or transferred. Spill prevention, containment and cleanup of hazardous materials is outlined in the Kahuna Gold Project Spill Prevention and Response Plan, which will be posted at all sites where hazardous materials are used or stored and in numerous places through the camp such as the office and kitchen tents. All project personnel

will be required to review and be familiar with the Kahuna Gold Project Spill Prevention and Response Plan.

9. Abandonment and Restoration Plan

The Solstice Gold Project Abandonment and Restoration Plan is being updated to include additional information regarding the criteria and standards used during the inspections, what aspects will be included in the annual report and what will be inspected in each area including, but not limited to:

1. Drill site inspections will include drillholes, to ensure they are capped, and the drillpad and sump areas to ensure no contaminated soil or effluent remains.
2. Fuel cache inspections will include empty and partially empty drums, checking to ensure all drums or other storage containers are in secondary containment and covered, if required, small amounts of fuel remaining in drums are consolidated into one drum and all pumps and hoses are removed and stored in a building.
3. Secondary containment materials will be inspected for wear and tear and berm stability.
4. Hydrocarbon filtration systems will be inspected to ensure they are working properly and do not need replacement before the next field program.
5. Windows and doors on all buildings are fitted with plywood covers with extruding nails (“bearwindows/doors”), etc.
6. Camp areas inspections will include areas where hydrocarbons or chemicals were used such as tent heating systems, generator shacks, sumps are filled in and stable.

10. Closing

Solstice would like to express our appreciation to the agencies that reviewed the proposed amendments to the Project LUP and water licence, and to thank the NIRB for the opportunity to respond to reviewer comments.