



ປେତ୍ତା ଗାୟାଦା ବୁନ୍ଦୁ
Kivalliq Inuit Association

ପ୍ରକାଶିତ/ପୋବ୍‌ବ୍ୟାକ୍/P.O. Box 340, ରାନ୍କିନ ଇନ୍ଲେଟ୍, ନୁନାବୁଟ୍ X0C 0G0
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LICENSE – TERMS AND CONDITIONS

Compliance

1. The Licensee shall comply with all applicable regulations, laws and orders of the federal, territorial or other governing body, and with the terms of this License, including its Schedules. The Licensee shall deliver to KIA a copy of any written notice of non-compliance received by the Licensee. The Licensee shall use the licensed lands only for the activities permitted by KIA.
2. The Licensee shall obtain and maintain such licenses, permits or approvals from the federal, territorial or other governing bodies as may be necessary to enable the Licensee to undertake the permitted activities on the lands. In particular, the Licensee shall obtain and maintain any applicable authorizations or approvals as may be required by the Nunavut Planning Commission, Nunavut Water Board, Nunavut Impact Review Board and/or the Nunavut Wildlife Management Board. Prior to issuing this License, KIA has made no inquiries and makes no representation as to whether or not the licensed activities require approval by any of those bodies. Upon request by KIA, the Licensee shall provide written evidence of compliance with this provision.
3. The Licensee shall permit KIA reasonable access to the licensed lands for the purpose of inspecting from time to time the condition of the lands and compliance with this License.
4. KIA has closed IOL's within calving grounds from May 1 to July 31, and allows activities after July 31 subject to guidelines which implement mobile conservation measures for wildlife. This License is subject to the mobile conservation measures attached as Schedule "B". Failure to comply may result in immediate termination of this License.

Fees

5. The Licensee shall pay all fees and other amounts required under this license on the first of each month, in advance and without abatement or deduction. Without prejudice to any other rights or remedies, KIA shall have the right to charge interest on overdue amounts at a rate equal to the prime rate established from time to time by the Bank of Canada, plus 2% per annum, calculated and compounded monthly.



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6. If the Licensee continues its operations after the end of the term of this License without execution and delivery of a new license, the Licensee will be considered to be conducting its operations on a month to month basis at a monthly fee equal to 1/6th of the pro-rated annual fee and shall be subject to the covenants and conditions hereof.
7. If the Licensee continues in occupation of the licensed lands for the purpose of undertaking environmental remediation or reclamation or otherwise complying with this License but without otherwise continuing its operations, it shall nonetheless be required to pay the license fees stipulated herein and compliance with all other provisions hereof.
8. The Licensee shall pay any reasonable costs of all inspections that KIA deems necessary to monitor compliance with this License.

Insurance

9. The Licensee shall at all times during its occupation of the lands obtain and maintain insurance in such amounts and form acceptable to KIA. The insurance shall be enforceable by any party named as insured or additional insured thereunder and shall be primary to any other insurance available to KIA. The insurance shall not be subject to cancellation, reduction, amendment or non-renewal without at least thirty days advance written notice to KIA. Proof of insurance shall be provided prior to commencement of this License.

Damages & Indemnity

10. All persons and property of the Licensee or those for whom the Licensee is responsible at law shall be entirely at the risk of the Licensee and KIA shall have no liability for any loss or damage, unless caused by the negligence of KIA or those for whom KIA is responsible in law. Any damage or injury to lands, property or the environment caused by the Licensee or those for whom the Licensee is responsible at law shall immediately upon notice given either verbally or in writing by KIA, be repaired, rebuilt, replaced and restored by the Licensee to the entire satisfaction of KIA.
11. The Licensee shall at all times indemnify and save harmless KIA, its agents, contractors, employees, directors and members, from and against all claims and demands, loss, costs, damages, actions, suits or other proceedings by whomsoever made, based upon or attributable to this License or any actions taken or things done by the Licensee or those for whom the Licensee is responsible in law.



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Plans

12. The Licensee shall submit to the KIA for its approval, no later than September 30th in each year of the term, a Work Plan detailing the proposed operations on the licensed lands for the upcoming calendar year, together with an Environmental Action Plan detailing the Licensee's plans for reclamation of the licensed lands. Such Plans shall be subject to the approval of KIA and will be deemed to be incorporated into and form part of this License. Only those activities conducted pursuant to an approved Work Plan are permitted.

Assignment

13. The Licensee shall not assign or transfer this License without the prior written consent of KIA.

Default

14. Except as set out in Schedule “A”, the Licensee shall have 30 days from the date of receipt of written notice identifying a default of any of its obligations hereunder to remedy such default, failing which KIA may, without prejudice to any other rights or remedies, cause to be performed any such obligations and all expenses incurred and expenditures in so doing, plus a sum equal to 15% thereof representing KIA’s overhead, shall be treated as fees hereunder, payable immediately.
15. In the event that the Licensee fails to remedy any default within the time permitted under this License, this License may be terminated by KIA.

Security Deposit

16. The Licensee shall submit to KIA, upon execution of the License, a security deposit in accordance with Schedule "C". If the Licensee breaches any of the terms and conditions of this License and fails to remedy such breach within the time permitted, KIA may, without prejudice to any other rights, apply the security deposit to any loss, damage or costs caused by such breach.



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Voluntary Termination

17. This License may be cancelled by either party upon 90 days notice in writing to the other party.
19. All obligations of the Licensee for the payment of fees and other amounts hereunder and the Licensee's obligations with respect to the environment, shall survive the termination of this License.

Socio-Economic

20. The Licensee shall establish and implement with respect to the permitted activities under this License preferential practices designed to maximize the employment, training and economic opportunities for Inuit and Inuit firms of the Kivalliq Region. Such practices shall be in keeping with those which are required of the Licensee pursuant to the most recent Inuit Impact and Benefit Agreement entered into by the Licensee with respect to any other project undertaken by the Licensee in the Kivalliq Region.



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SCHEDULE “A”

General Standards.

1. The Licensee shall not conduct its operations on any lands not covered by this license.
2. The Licensee shall contact KIA at least 48 hours prior to the commencement of licensed activities.
3. The Licensee keep all combustible garbage and debris in a covered metal container until disposed of and shall burn all combustible garbage and debris in a suitable container. All non-combustible garbage and debris shall be removed to disposal location(s) approved by KIA.
4. All sewage shall be deposited into a sump or removed from the lands.
5. The Licensee shall not bury any metal wastes without the consent of KIA.
6. The Licensee shall locate all camps on gravel, sand or other durable land. No permanent structures shall be erected without the prior written consent of KIA.
7. The Licensee shall keep the lands clean of garbage and debris at all times.
8. The Licensee shall have available for viewing a summary of this license (in form and content acceptable to KIA) in a conspicuous place on the lands.
9. The Licensee shall give to KIA a final plan within 60 days of the expiry of this License, showing all areas within the lands actually used in its operation.
10. At the completion of its operations or expiry or termination of this License, the Licensee shall remove all buildings, equipment and materials placed or erected on the lands by or on behalf of the Licensee, unless otherwise authorized by KIA.
11. All archaeological site and burial grounds must be avoided and left undisturbed. Should a site be encountered, the Licensee shall have it flagged and reported immediately to KIA and CLEY.
12. The Licensee shall not use any equipment except of the type, size and number listed in the accepted application.



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Ground Disturbance

13. All operations shall be carried out so as to minimize surface disturbances.
14. All disturbed areas must be restored in a manner acceptable to KIA.
15. The Licensee shall not use surface vehicles to move drill rigs or other equipment or supplies without the prior authorization of KIA. The use of any vehicles off approved routes is prohibited.

Fuel and Chemical Storage

16. The Licensee shall not place any petroleum storage containers within 30 meters of the normal high water mark of any water body.
17. The Licensee shall not allow any petroleum or chemical products to spread to surrounding Lands or into water bodies
18. All petroleum brought onto the Property by or on behalf of the Licensee shall be kept in approved containers marked with the Licensee's name, or within a bermed area.
19. The Licensee shall report all spills immediately to KIA and appropriate governmental authorities.
20. The Licensee shall dispose of all combustible waste and waste products by incineration or removal.

Drilling

21. All drill fluids must be disposed of into a properly constructed sump or a naturally occurring contained depression and drill fluids should be recycled wherever possible.
22. Drill sumps shall not be located within 30 metres of any water body unless otherwise authorized by KIA.
23. All drill sumps must be restored to the natural surrounding contours of the land prior to expiry of this license.
24. Disturbance of vegetation from deposit of drill fluids/cuttings shall be restricted to the area of the sump and the ground prepared for re-vegetation upon abandonment.



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Fisheries

25. The Licensee shall not deposit any deleterious substance into any water body.
26. The Licensee shall not cause any obstruction of any stream.
27. Winter stream crossings shall be removed prior to the expiry of this license or annual break-up, whichever occurs sooner.

Air Traffic

28. Where the licensee's approved Work Plan includes use of helicopters, the license is required to provide to KIA, in advance, the name of the operator, date and route of each flight. The licensee shall provide to KIA daily data detailing all helicopter activities, including flight altitudes.

Wildlife

29. In addition to complying with Schedule "B", the Licensee shall institute a wildlife sighting and incident program and will:

- a) submit written reports of wildlife sightings and interactions to KIA on a quarterly basis;
- b) submit a written report to KIA (and others as required by law) detailing any incident that results in the killing or relocation of any wildlife as result of the Licensee's activities, immediately upon occurrence of the incident, together with compensation as follows:

Polar Bear	\$20,000
Grizzly Bear	\$10,000
Caribou	\$2,500
Musk oxen	\$2,500
Wolf	\$2,500
Wolverine	\$2,500
Fox	\$1,000

c) subject to law, deliver any valuable parts of wildlife killed as result of the Licensee's activities to the HTO designated by KIA in a timely manner so as to preserve the quality of the wildlife parts.



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Environmental

30. The Licensee shall not move any equipment or vehicles without prior testing the thickness of the ice to ensure the lake is in a state capable of fully supporting the equipment or vehicles.
31. The Licensee shall construct and maintain winter roads with a minimum of ten (10) centimeters of packed snow at all times during this land use operation.

Alcohol

32. Alcohol and non-prescription narcotics are strictly prohibited from being used transported, trafficked, exchanged, given, stored on or being in any way present on the licensed lands.

Carving Stone

33. If carving stone is discovered within the licensed lands, the Licensee shall clearly mark the occurrence, notify KIA and, if it is in an amount determined by KIA to be suitable for the exercise of Inuit rights under Article 19 of the Nunavut Land Claims Agreement, shall take reasonable steps to make such carving stone available to Inuit.



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Schedule “B”

MOBILE CONSERVATION MEASURES GUIDELINES

Introduction

The Tenant shall comply with the measures set out herein. The Tenant shall immediately report to the Landlord any deviation from these measures, including the reason for the deviation.

The Landlord reserves the right, based on the presence of caribou within the area of the Land in any year, to vary the dates set out herein and shall provide notice to the Tenant of any such variation.

Wildlife Monitoring Personnel

The Tenant shall have wildlife monitoring personnel present at the Property during any season when caribou are reasonably expected to be present. The names of such personnel shall be sent to the Landlord and they shall maintain communication at all reasonable times. The Tenant shall monitor and immediately report the presence of caribou to the Landlord in accordance with the following directives. The report shall specify the location and estimated numbers.

A. IOL within designated calving grounds

Section 1. On IOL within designated calving grounds (as designated by the Government of Nunavut) between May 1st and July 31st (the closure period):

- 1) No activities shall occur except as authorized by the Landlord.

Section 2. On IOL within designated calving grounds between August 1st and September 30th, the Tenant shall conduct monitoring and mitigation as follows:

- 2i) If collar data or observations indicate that there are one (1) or more collared caribou or twenty-five (25) or more caribou observed within the thirty (30) km early warning zone from the boundary of the Property, then monitoring within a five (5) km buffer zone shall be conducted every second day (e.g., height of land surveys, road surveys, remote camera surveys).
- 2ii) If monitoring indicates that there are twenty-five (25) or more caribou within five (5) km of the Property boundary, then the Tenant shall monitor within a five (5) km buffer zone around the Property on a daily basis, and shall immediately suspend work that has the potential to disturb caribou, including suspension of drill



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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 buffer zone.

Section 3.

On IOL within designated calving grounds between October 1st and April 15th, the Tenant shall conduct monitoring and mitigation as follows:

- (3i) If collar data or observations indicate that there are one (1) or more collared caribou or fifty (50) or more caribou observed within thirty (30) km of the boundary of the Property, then monitoring within a five (5) km buffer zone shall be conducted every second day (e.g., height of land surveys, road surveys, remote camera surveys).
- (3ii) If monitoring indicates that there are fifty (50) or more caribou within two and a half (2.5) km of the Property, then the Tenant shall immediately reduce above-ground 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 buffer zone.

Section 4.

On IOL within designated calving grounds between April 16th and April 30th, the Tenant shall conduct monitoring and mitigation as follows:

(4i) If collar data or observations indicate that there are one (1) or more collared caribou or twenty-five (25) or more caribou within fifty (50) km of the boundary of the Property that appear to be moving in the direction of the activities, then monitoring within a five (5) km buffer zone shall be conducted every second day (e.g., height of land surveys, road surveys, snow track counts (if appropriate), remote camera surveys).

(4ii) If monitoring indicates that there are an estimated twenty-five (25) or more caribou within the five (5) km buffer zone for the Property, then the Tenant shall conduct monitoring within a five (5) km buffer zone on a daily basis, and shall 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 buffer zone.



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B. IOL within other seasonal caribou ranges

Section 5. On IOL between June 1st and July 15th outside of designated calving grounds, the Tenant shall conduct monitoring and mitigation as follows:

(5i) If collar data or observations indicate that there are one (1) or more collared caribou or ten (10) or more caribou observed within the fifty (50) km early warning zone for the Property, then monitoring within a five (5) km buffer zone shall be conducted every second day (e.g., height of land, road surveys, snow track counts (if appropriate), remote camera surveys).

(5ii) If monitoring indicates that there are an estimated ten (10) or more caribou within the five (5) km buffer zone for the Property, then the Tenant shall conduct monitoring within a five (5) km buffer zone on a daily basis, and shall 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 buffer zone.

Section 6. On IOL between July 16th and September 30th outside of designated calving grounds, the Tenant shall conduct monitoring and mitigation as follows:

(6i) If collar data or observations indicate that there are one (1) or more collared caribou or twenty-five (25) or more caribou observed within thirty (30) km of the Property, then monitoring within a five (5) km buffer zone shall be conducted every second day (e.g., height of land surveys, road surveys, snow track counts (if appropriate), remote camera surveys).

(6ii) If monitoring indicates that there are twenty-five (25) or more caribou within five (5) km of the boundary of the Property, then the Tenant shall conduct monitoring within a five (5) km buffer zone on a daily basis, and shall immediately suspend any activities that have the potential to disturb caribou, including suspension of drill operations, blasting activities, non-essential ground movements and aircraft traffic below 300 m above ground level (except as necessary for emergency purposes), and camp closure until caribou numbers are below the threshold within the buffer zone.

Section 7. On IOL between October 1st and April 15th outside of designated calving grounds, the Tenant shall conduct monitoring and mitigation as follows:

(7i) If collar data or observations indicate that there are one (1) or more collared caribou or fifty (50) or more caribou observed within thirty (30) km of the boundary



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of the Property, then monitoring within a five (5) km buffer zone shall be conducted every second day (e.g., height of land surveys, road surveys, remote camera surveys).

(7ii) If monitoring indicates that there are fifty (50) or more caribou within 2.5 km of the boundary of the Property, then the Tenant shall immediately reduce above-ground operations 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), and suspension of above ground operations, until caribou numbers are below the threshold within the buffer zone.

Section 8.

On IOL between April 16th and May 31st, the Tenant shall conduct monitoring and mitigation as follows:

(8i) If collar data or observations indicate that there are one (1) or more collared caribou or twenty-five (25) or more caribou observed within fifty (50) km of the boundary of the Property that appear to be moving in the direction of the activities, then monitoring within a five (5) km buffer zone shall be conducted every second day (e.g., height of land surveys, road surveys, snow track counts (if appropriate), remote camera surveys).

(8ii) If monitoring indicates that there are an estimated twenty-five (25) or more caribou within the five (5) km buffer zone for the Property, then the Tenant shall conduct monitoring within a five (5) km buffer zone on a daily basis, and shall immediately suspend any activities that have the potential to disturb caribou, including 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 buffer zone.

C. Freshwater crossings

Section 9.

On IOL between May 15th and September 30th, the Tenant will not construct camps or other permanent structures or conduct blasting within ten (10) km of designated caribou freshwater water crossings. Exploration activities will not be permitted within five (5) km of water-crossings between May 15th and September 30th. Between May 15th and September 30th, the Tenant shall conduct monitoring and mitigation as follows:

(9i) If collar data or observations indicate that there are one (1) or more collared caribou or twenty-five (25) or more caribou observed within twenty-five (25) km of the boundary of the Property that appear to be moving in the direction of the



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activities, then monitoring within a five (5) km buffer zone around the water crossing shall be conducted every second day (e.g., height of land surveys, remote camera surveys).

(9ii) If monitoring indicates that there are fifty (50) or more caribou within five (5) km of the boundary of the Property that appear to be moving in the direction of the water crossing, then the Tenant shall conduct monitoring within a five (5) km buffer zone on a daily basis, and shall 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 buffer zone.

D. Aircraft

Section 10.

The Tenant shall ensure that aircraft (fixed-wing and helicopter) flights over occupied calving and post-calving areas shall be at least 610 m above ground level and avoid areas of known caribou concentrations (subject to pilot discretion regarding aircraft and human safety). In other seasons aircraft shall be at least 300 m above ground level.



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Schedule “C”

SECURITY DEPOSIT