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### Staff Report

<b>Applicant:</b> Seabridge Gold (NWT) Inc.	
<b>Location:</b> Courageous Lake, NT	<b>File Number:</b> MV2019L2-0011, MV2019L2-0012, MV2019C0025
<b>Date Prepared:</b> October 17, 2019	<b>Date of Board Meeting:</b> November 7, 2019
<b>Subject:</b> Transboundary Determination and Further Studies Required	

#### 1. Purpose

The purpose of this Report is to present to the Mackenzie Valley Land and Water Board (MVLWB/the Board) a request that the Board confirm the project is transboundary as outlined in the Boards Governance Policy, as well as consider that further studies or investigations be made for Seabridge Gold (NWT) Inc.'s Land Use Permit (Permit) Application MV2019C0025 as per paragraph 22(2)(b) of the Mackenzie Valley Land Use Regulations.

#### 2. Background

- September 18, 2019 – Applications received;
- September 27, 2019 – Applications deemed complete and distributed for review;
- October 16, 2019 – Request submitted by the Government of the Northwest Territories to extend the comment and recommendation submission date;
- October 17, 2019 – Board staff granted the extension to the comment deadline and notification to the distribution list that the date has changed;
- October 24, 2019 – Comments and recommendations submitted by reviewers; and
- November 7, 2019 – Further Study Required request presented to the Board and responses due from Seabridge.

#### 3. Discussion

On September 18, 2019, Seabridge submitted applications for the following activities:

- Mineral exploration including drilling;
- Storage of fuels;
- Winter road construction, maintenance and use; and
- Quarrying.

The use of three or more drills at one time may result in daily water usage that exceeds the 100m<sup>3</sup>/day allowed under the regulations without a water licence. As such, the activities also require two type B

water licences; one to authorize the use of water and the deposit of waste on Territorial Lands and one to authorize the use of water and the deposit of waste on Federal Lands.

Other related activities identified in the application include:

- Use and maintenance, as required, of existing gravel roads, airstrip and laydown areas for equipment laydown, equipment maintenance and storage of consumable supplies;
- Use of an existing building at Coreland (former Salmita site) for core storage, core logging, and office space;
- Discharge and wastes associated with drilling and core saw-cutting to land-based sumps;
- Other exploration related activities such as geological mapping, prospecting, rock and soil sampling; geophysical surveys, ecological/environmental monitoring or surveys including the installation/modification of scientific data collection instruments;
- Use of motorized vehicles on roads, in the quarry and the air strip;
- Use of equipment to mobilize drills and supplies overland, when there is sufficient snow;
- Use of snowmaking equipment, as a contingency measure, during low snow years;
- Use of helicopter and fixed wing aircraft;
- Construction of temporary buildings;
- Continued use and operation of the commercial camp located on a Surface Lease;
- Progressive reclamation activities; and
- Seasonal site closures.

#### Eligibility

Seabridge holds mineral leases, claims and a land lease, and is therefore eligible for a permit as per subsection 18(a)(i) of the Mackenzie Valley Land Use Regulations:

*18) A person is eligible for a permit who*

*(a) Where the proposed land-use operation is in the exercise of a right to search for, win or exploit minerals or natural resources,*

*(i) holds the right*

#### Type of Area

##### Split-Interest Project

As described in the application (attached), this project is located on both federally managed lands and territorial managed lands. Only one Permit is required, applying to both types of lands. However, there will be two Licences one for Federal and one for Territorial lands.

##### Transboundary Project

As outlined in the MVRMA as well as the Board Governance Policy, a transboundary development is one that:

- a) is proposed in more than one area, either a management area or outside any management area, and is sufficiently connected to proposed or existing development activities in a different area, through interdependence or linkage, to be considered as one entity; or
- b) is proposed for one area, either a management area or outside of any management area, is likely to have an impact in a different area.

When considering if a project is transboundary, decisions are required relating to the interdependence as well as the linkage that the project has to the different management areas.

Interdependence is defined as a development that is located, or is to be located, either within a management area or outside of a management area, but the development could not proceed without the use of land or water located in a different area or a deposit of waste is to happen in a different area.

Linkage is determined if the development is to use land or waters or deposit of waste within one management area, or outside a management area where the undertaking is to use land or water within a different area is inevitable or a deposit of waste within a different area is inevitable.

It is Board staff opinion that this application is transboundary (application attached). The interdependence is that the activities cannot be completed without crossing from the Akaitcho into the Wek'èzhii Management Area

### Fees

The required Application Fees were included with the Applications (attached).

### Term

Seabridge has applied for a term of 5 years.

### **Comments**

#### Triggers

The activities as described trigger a Type A permit as per with paragraph 4(a) and (b) of the Mackenzie Valley Land Use Regulations:

- (4) No person shall, without a Type A permit, carry on any activity that involves*
  - (a) on land outside the boundaries of a local government,*
    - (ii) the use of a vehicle or machine of a weight equal to or exceeding 10 t, other than on a road or on a community landfill, quarry site or airport,*
    - (iii) the use of a single container for the storage of petroleum fuel that has a capacity equal to or exceeding 4 000L,*
  - (b) On land within or outside the boundaries of a local government,*
    - (i) The use of motorized earth-drilling machinery the operating weight of which, excluding the weight of drill rods, stems, bits, pumps and other ancillary equipment, equals or exceeds 2.5 t, for a purpose other than the drilling of holes for building piles or utility poles or the setting of explosives within the boundaries of the local government,*
    - (ii) The use of a campsite outside a territorial park for a duration of or exceeding 400 person-days,*
    - (iii) The establishment of a petroleum fuel storage facility with a capacity equal to or exceeding 80 000 L, or*

In support of the Application, Seabridge has submitted two type B water licence applications, one for water withdrawal and waste deposit on federally managed waters and one for water withdrawal and waste deposit on territorial managed waters.

#### 4. Public Review

On October 16, 2019, the Government of the Northwest Territories (GNWT) requested that additional time be granted to reviewers to complete a full review of the applications submitted by Seabridge Gold (NWT) Ltd. On October 17, 2019, Board staff granted the request for extension as Board staff rely fulsome input from all stakeholders in preparing recommendations for the Boards consideration.

With the extension being granted, the response submission date has been adjusted to allow Seabridge adequate time to respond.

#### 5. Security

n/a

#### 6. Conclusion

The comments and recommendations from reviewers along with the responses from Seabridge are a necessary part of the application process as they assist in the completion of the preliminary screening as well as the formation of the conditions.

#### 7. Recommendation

Board staff recommend the Board:

- a) **Make a motion to declare the Application for Land Use Permit MV2019C0025 and Water Licence MV2019L2-0011 and Water Licence MV2019L2-0012 Seabridge Gold (NWT) Inc. are transboundary.**
- b) **Invoke paragraph 22(2)b) of the Mackenzie Valley Land Use Regulations to allow for additional time to gather information respecting the lands proposed to be used in the land use operation.**


A draft decision letter is attached.

#### 8. Attachments

- [Land Use Permit MV2019C0025](#)
  - [Application](#)
  - [Application Fee](#)
  - [Land Use Fee](#)
  - [Checklist Conformity](#)
- [Water Licence – Non-Federal \(Territorial\)MV2019L2-0011](#)
  - [Application](#)
  - [Water Use Fee](#)
  - [Application Fee](#)
  - [Checklist Conformity](#)
- [Water Licence – Federal MV2019L2-0012](#)
  - [Application](#)
  - [Water Use Fee](#)
  - [Application Fee](#)
  - [Checklist Conformity](#)
- Documents that Apply to Both the Land Use Permit Application and Water Licence Applications
  - [Exploration Work Plan](#)
  - [Engagement Plan](#)

- [Waste Management Plan](#)
- [Spill Contingency Plan](#)
- [Wildlife Management and Monitoring Plan](#)
- [Closure and Reclamation Plan](#)
- [Request from GNWT for the Extension to the Submission of Comments](#)
- Draft Decision Letter from the Board

Respectfully submitted,

A handwritten signature in blue ink that reads "Tyree Mullaney". The signature is written in a cursive style and is positioned above the typed name and title.

Tyree Mullaney  
Regulatory Specialist