

Water Licence Annual Report
Reporting year: 2023

Paramount Resources Ltd.
Licence #: MV2020L1-0007
Expires: November 19, 2025

Part B, condition 17: Beginning March 31, 2023 and every March 31 thereafter, the Licensee shall submit an Annual Water Licence Report to the Board. The Report shall be in accordance with Schedule 1.

Schedule 1, condition 1: The Annual Water Licence Report referred to in Part B, condition 17 of this Licence shall cover the previous calendar year (January 1 through December 31), and shall include, but not be limited to, the following information:

Table of Contents¹

| | |
|--|----|
| a) As-Built Map and Summary of Wells..... | 2 |
| b) Summary of Project Activities | 2 |
| c) Updated Project Schedule..... | 2 |
| d) Water Use..... | 3 |
| e) A Summary of Meters and Devices | 3 |
| f) A Summary of Engagement Activities | 4 |
| g) Traditional Knowledge | 4 |
| h) A Summary of Construction Activities | 4 |
| i) Maintenance Activities..... | 5 |
| j) Waste Management..... | 5 |
| k) Erosion and Sedimentation Management Plan | 6 |
| l) Spill Contingency Plan | 6 |
| m) Closure and Reclamation Activities..... | 7 |
| n) Actions Taken to Address Concerns, Non-Conformances, or Deficiencies..... | 8 |
| o) Commitments Made to Environmental Assessment | 8 |
| p) Other Details Requested by the Board | 8 |
| Appendix C: Spill Reports | 10 |
| Appendix D: As-built Drawings and Reports | 11 |
| Appendix F: Follow-up Correspondence to Address Inspector Reports | 12 |

¹ Note that the lettering used in this template corresponds to the lettering of the Schedule in the Water Licence.

a) As-Built Map and Summary of Wells

Identify all current sites and infrastructure at the Liard South Project sites with a summary of the operation to date including the name and location of all existing wells and the status and identification of all wells.

Please attach any as-built drawings or reports as an appendix to this report.

An updated as built map will be submitted in the coming weeks. The changes will be to identify all of the wells as abandoned.

b) Summary of Project Activities

A brief summary of Project activities.

Only identify activities that happened during the reporting period. Be clear about what each activity includes.

Project activities were limited to environmental monitoring

c) Updated Project Schedule

Be clear explaining what each activity includes.

Performance assessment reports are expected to be submitted to the MVLWB at the end of April 2024

d) Water Use

The monthly and annual quantities in cubic metres of Water obtained from all sources.

Table 1: Monthly and Annual Water Quantities Used

| Month | MONTHLY Volume (m ³) | TOTAL Volume (m ³) |
|---------------|----------------------------------|--------------------------------|
| January | 0 | 0 |
| February | 0 | 0 |
| March | 0 | 0 |
| April | 0 | 0 |
| May | 0 | 0 |
| June | 0 | 0 |
| July | 0 | 0 |
| August | 0 | 0 |
| September | 0 | 0 |
| October | 0 | 0 |
| November | 0 | 0 |
| December | 0 | 0 |
| | | |
| TOTALS | 0 | 0 |

e) A Summary of Meters and Devices

A summary of the calibration and status of the meters and devices referred to in Part B, Condition 16 of this Licence.

Include what meters and/or devices are used.

Not applicable

f) A Summary of Engagement Activities

*A summary of engagement activities conducted in accordance with the approved **Engagement Plan**, referred to in Part B, Condition 18 of this Licence.*

Only identify engagement occurring in the reporting year.

No engagement occurred during the reporting year

g) Traditional Knowledge

A summary of how Traditional Knowledge was incorporated into decision making.

Not applicable.

h) A Summary of Construction Activities

A summary of Construction activities conducted in accordance with Part E of this Licence.

If there were no construction activities, please make note of that. If required, please attach any as-built drawings or reports as an appendix to this report.

Be clear about what each activity includes.

Not applicable

i) Maintenance Activities

A summary of major maintenance activities conducted in accordance with this Licence.

Include a summary of major maintenance activities conducted. This includes any changes, repairs and modifications. If any problems occurred during the year, please note them here. If there are no changes, make note of that.

Be clear about what each activity includes.

Not applicable

j) Waste Management

A summary of activities conducted in accordance with the approved Waste Management Plan, referred to in Part F, Condition 2 of this Licence, including:

- i. A summary of approved updates or changes to the process or facilities required for the management of Waste; and*

Not applicable

- ii. Monthly and annual quantities/volumes by location of Sewage and associated Waste and other materials managed under the plan.*

Table 2: Monthly and Annual Quantities of Waste

| Month | Volume of Waste (m³) |
|--------------|--|
| January | 0 |
| February | 0 |
| March | 0 |
| April | 0 |
| May | 0 |
| June | 0 |

| | |
|---------------|----------|
| July | 0 |
| August | 0 |
| September | 0 |
| October | 0 |
| November | 0 |
| December | 0 |
| | |
| TOTALS | 0 |

k) Erosion and Sedimentation Management Plan

A summary of activities conducted in accordance with the approved Erosion and Sedimentation Management Plan, referred to in Part F, Condition 5 of this Licence, including:

- I. A summary of approved updates or changes to the process or facilities required for the management of erosion and sedimentation;*
- II. A description of any erosion susceptible areas encountered;*
- III. A summary of activities undertaken to prevent or mitigate erosion;*
- IV. A report of the performance of mitigations applied to each area;*
- V. A summary and interpretation of monitoring results, including any Action Level exceedances; and*
- VI. A description of actions taken in response to any Action Level exceedances.*

Be sure to address each point.

Include a summary of areas encountered and activities conducted. If any problems occurred during the year, please note them here. If there are no changes, make note of that.

No changes to the process or facilities. Minor ponding and depressions were encountered at C-02, C-76, B-41 and N-65. No action level exceedances, all sites will be continued to be monitored. Additional details will be provided in the site-specific PARs.

l) Spill Contingency Plan

A summary of activities conducted in accordance with the approved Spill Contingency Plan, required in Part G, condition 2 of this Licence, including:

- I. A list and description of all Unauthorized Discharges, including the date, NWT spill number, volume, location, summary of the circumstances and follow-up actions taken, and status (i.e. open or closed), in accordance with the reporting requirements referred to in Part G, condition 3 of this Licence.*

Add additional rows and details as required. Copies of Spill Reports should be attached in Appendix C to this report.

Table 6: Unauthorized discharge details

| Date | NWT Spill Number | Substance Discharged | Volume | Location | Circumstances and Actions Taken | Status (open/closed) |
|------|------------------|----------------------|--------|----------|--|----------------------|
| | | | | | Include details in the space below this table. | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

Add additional details, as applicable:

Not applicable to 20223 activities

- ii. *An outline of any spill training and communications exercises carried out during the previous calendar year.*

Not applicable to 2023 activities

m) Closure and Reclamation Activities

A summary of any closure and reclamation work completed during the year.

- i. *Details of any Progressive Reclamation undertaken;*
- ii. *A discussion on whether planning and implementation remains on schedule, and a summary of any new scheduling setbacks;*
- iii. *A summary of Reclamation Research completed;*
- iv. *A summary of engagement conducted regarding Closure and Reclamation; and*
- v. *A list of any factors that would increase or decrease the Closure Cost Estimate the next time the Estimate is updated.*

Be sure to address each point.

Please attach any relevant as-built drawings or reports in Appendix D to this report.

Activity was limited to monitoring

n) Actions Taken to Address Concerns, Non-Conformances, or Deficiencies

A list of any non-compliance(s) with the conditions of this Licence or any directive from the Board pursuant to the conditions of this Licence.

Please detail how Paramount is addressing any issues. Include pertinent documentation and correspondence in an Appendix to this report.

All sites were noted acceptable by the Inspector. Inspection was conducted August 16, 2023 under the associated Land Use Permit MV2020A0010

o) Commitments Made to Environmental Assessment

A table detailing all commitments related to Water use and the deposit of Waste made during the Environmental Assessment, with descriptions of how each commitment is being or has been met.

Not Applicable

p) Other Details Requested by the Board

Any other details requested by the Board on or before November 1 of the year being reported.

If the Board has requested any other details on Water use, operating procedures, reclamation, maintenance work, or other topics, include details in this section with a summary of the outcome(s). Include any attachments as Appendices to this report.

Not Applicable

**Other Information**

It could be helpful to include the following:

- a summary of correspondence with the Inspector, including inspection dates and identification of any issues of non-compliance. The MVLWB is interested in this information in order to facilitate discussions to resolve any issues;
- any other information here that may help the MVLWB and public understand the operations at Liard South;
- details on any upcoming studies/reports that are planned;

PARs are expected to be submitted at the end of April 2024.

Appendix C: Spill Reports

**Paramount Resources Ltd.
Water Licence #: MV2021L1-0006**

Appendix D: As-built Drawings and Reports

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Appendix F: Follow-up Correspondence to Address Inspector Reports

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