

Telephone: 867-767-9187 ex. 24193

Fax: 867-873-6230

July 8, 2024

Nighthawk Gold Corp. 130 King Street West, Suite 2120 P.O. Box 221 Toronto, ON M5X 1C8

Attention: Gabriel Waychison

File Number W2021L2-0004

Type of Operation CLASS A - MINING AND MILLING

Location Damoti Lake, NT

Dear Mr. Gabriel Waychison,

An inspection of the above noted operation was conducted on June 6, 2024, by Water Resource Officers Meaghan MacIntyre-Newell and Nahum Lee. Enclosed is a copy of the Water Use Inspection Report; no major concerns were noted. If you have any questions, please contact me at 867-767-9187 ex. 24193

Sincerely,

Meaghan MacIntyre-Newell

Water Resource Officer

Environment and Climate Change

North Slave Region

Cc: Wendy Bidwell – Senior Water Resource Office – ECC

Scott Stewart – North Slave Regional Superintendent – ECC

Rick Walbourne – Water Regulatory Manager – ECC Kassandra DeFrancis – Regulatory Specialist – WLWB



| LICENCE #: | W2021L2-0004 | EXPIRY DATE: | January 12, 2038 |
|-----------------|----------------------|----------------------|--------------------|
| LICENCEE: | Nighthawk Gold Corp. | PREVIOUS INSPECTION: | September 20, 2023 |
| COMPANY REP: | Gabriel Waychison | INSPECTION DATE: | June 6, 2024 |

WATER SUPPLY

| Source: | Damoti Lake | Quantity Used: | None |
|-----------------|----------------------|----------------|------|
| Owner/Operator: | Nighthawk Gold Corp. | Meter Reading: | N/A |

Indicate: A - Acceptable U - Unacceptable N/A - Not Applicable N/I - Not Inspected

| Intake Facilities | N/A | Storage Structures | N/A | Treatment Systems | N/A | Recycling | N/A |
|----------------------|-----|-----------------------|-----|----------------------|-----|---------------|-----|
| Flow Meas. Device | N/A | Conveyance Lines | N/A | Pumping Stations | N/A | Chem. Storage | N/A |
| | | | | | | Modifications | N/A |

Water Supply Comments:

The water supply had not been used at the time of Inspection.

WASTE DISPOSAL – MINING – OTHER

Indicate: A - Acceptable U - Unacceptable N/A - Not Applicable N/I - Not Inspected

| Ore & Waste Rock Stockpiles | А | Chemical Storage | N/A |
|--------------------------------|---|-------------------------|-----|
| Ground Water Discharge | А | Mine Water Discharge | N/A |

Mining-Other Comments:

There was no infrastructure between the portal opening and the mine water settling pond to allow Nighthawk to Discharge water from the underground. The mine water settling pond was dry and had not been used since the last inspection (Figure 1).

SURVEILLANCE NETWORK PROGRAM

| Samples Collected Licencee | No |
|-------------------------------|-----------|
| Samples Collected ENR | Yes (5-6) |

| Signs Posted: SNP | Yes | Warning | No |
|-------------------|-----|---------|----|

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Surveillance Network Program Comments:

An SNP sample was collected at SNP Station 5-6 (Figure 2). It was noted that the sample collected by the Inspectors reported 59 mg/L of Total Suspended Solids (TSS). The TSS measured by the Inspectors exceeded the maximum average concentration and maximum concentration of any grab sample required by Part F, Condition 12(a) of the Licence. Results can be found in Attachment 1. The Inspector recommends monitoring the TSS concentrations throughout the 2024 open water seasons to determine if there are any trends occurring. It was noted that the location of SNP Station 5-6 is within a vegetation dense area with limited ability to obtain a sample without disturbing the sediment and vegetation. If exceedances continue, additional sampling and/or investigation may be required.

On September 9, 2022, historic SNP station 5-10 was infilled after many issues with pH. During the Inspection, the inspector noted some surface discoloration at the location of SNP Station 5-10 and there was some surface water pooling (Figure 3). The Inspector recommends monitoring the progression of surface discoloration to ensure there are no residual impacts from infilling SNP Station 5-10.

GENERAL CONDITIONS/REPORTS/PLANS

Indicate: A - Acceptable U - Unacceptable N/A - Not Applicable N/I - Not Inspected

| C &R Plan | А | Records & Reporting | А | Final Report | А |
|----------------------------|-----|---------------------|-----|------------------|-----|
| Geotechnical Inspection | N/A | Posting, Signage | Α | Contingency Plan | А |
| Restorations Activities | А | Spills | N/A | O&M Plan | N/A |
| Maintenance | Α | Modifications | Α | Annual Report | Α |

General Condition Comments:

Nighthawk has efficiently addressed all issues raised in the previous Inspection. No concerns were noted.

NON-COMPLIANCE/VIOLATIONS OF ACT OR LICENCE

1. **Part F, Condition 12(a)**: The Licensee shall ensure that all water or Wastes from the Project that enters the Receiving Environment at Surveillance Network Program station 5-6 has a pH value between 5.5 and 9.5 and meets the following Effluent Quality Criteria (EQC):

| PARAMETER | MAXIMUM AVERAGE CONCENTRATION (mg/L) | MAXIMUM CONCENTRATION OF ANY GRAB SAMPLE (mg/L) |
|------------------------|--------------------------------------|---|
| Total Ammonia | 12.0 | - |
| Total Arsenic | 0.1 | 0.2 |
| Total Cadmium | 0.001 | 0.002 |
| Total Copper | 0.01 | 0.02 |
| Total Lead | 0.02 | 0.04 |
| Total Nickel | 0.25 | 0.5 |
| Total Zinc | 0.1 | 0.2 |
| Total Suspended Solids | 15 | 30 |

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|------------|---------|------------|--------------|----------|---|



Explanatory Remarks: The sample collected by the Inspector measured TSS as 59 mg/L which exceeds the maximum average concentration and the maximum concentration of any grab sample. At this time, the Inspector recommends monitoring TSS measured throughout the 2024 open water season to determine if there are any trends. If exceedances are consistent throughout 2024, additional sampling and/or investigation may be required.

| Inspector's Signature:_ | Monhard |
|-------------------------|---------|
| | |

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INSPECTION IMAGES

Figure 1. Settling Pond.



Figure 2. SNP Station 5-6.



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Figure 3. Location of Historical SNP Station 5-10.



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Attachment 1 SNP Sampling Results

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Taiga Environmental Laboratory

4601-52nd Ave., Box 1320, Yellowknife, NT. X1A 2L9 Tel: (867)-767-9235 Fax: (867)-920-8740

- CERTIFICATE OF ANALYSIS -

Client Sample ID: 5-6 Taiga Sample ID: 004

Client Project: W2021L2-0004
Sample Type: Freshwater
Received Date: 07-Jun-24
Sampling Date: 06-Jun-24

Sampling Time:

Location: Damoti Lake

Report Status: Final

| Test Parameter | Result | Detection Limit | Units | Analysis Date | Analytical Method * | Qualifer |
|-------------------------------|--------|--------------------|-------|------------------|------------------------|----------|
| Inorganics - Nutrients | | | | | | |
| Ammonia as Nitrogen | 0.008 | 0.005 | mg/L | 13-Jun-24 | TEL068 | |
| Phosphorous, Total | 0.091 | 0.002 | mg/L | 12-Jun-24 | TEL069 | |
| <u>Inorganics - Physicals</u> | | | | | | |
| Solids, Total Suspended | 59 | 3 | mg/L | 11-Jun-24 | TEL008 | |
| Major Ions | | | | | | |
| Nitrate+Nitrite as Nitrogen | < 0.01 | 0.01 | mg/L | 08-Jun-24 | TEL055 | |
| <u>Organics</u> | | | | | | |
| Hexane Extractable Material | < 2.0 | 2 | mg/L | 17-Jun-24 | TEL072 | |
| Trace Metals, Dissolved | | | | | | |
| Arsenic | 0.7 | 0.2 | μg/L | 18-Jun-24 | TEL035 | |
| Cadmium | < 0.04 | 0.04 | μg/L | 18-Jun-24 | TEL035 | |
| Copper | 1.9 | 0.2 | μg/L | 18-Jun-24 | TEL035 | |
| Lead | < 0.1 | 0.1 | μg/L | 18-Jun-24 | TEL035 | |
| Nickel | 22.1 | 0.1 | μg/L | 18-Jun-24 | TEL035 | |
| Zinc | 5.3 | 0.4 | μg/L | 18-Jun-24 | TEL035 | |

Trace Metals, Total

ReportDate: June 26, 2024

Print Date: *June 26, 2024*





Taiga Environmental Laboratory

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- CERTIFICATE OF ANALYSIS -

| Client Sample ID: 5-6 | | | Taiga Sample ID: 004 | | | |
|-----------------------|--------|------|----------------------|-----------|--------|--|
| Arsenic | 1.0 | 0.2 | μg/L | 18-Jun-24 | TEL035 | |
| Cadmium | < 0.04 | 0.04 | μg/L | 18-Jun-24 | TEL035 | |
| Copper | 3.0 | 0.2 | μg/L | 18-Jun-24 | TEL035 | |
| Lead | 0.2 | 0.1 | μg/L | 18-Jun-24 | TEL035 | |
| Nickel | 24.9 | 0.1 | μg/L | 18-Jun-24 | TEL035 | |
| Zinc | 6.7 | 0.4 | μg/L | 18-Jun-24 | TEL035 | |

ReportDate: June 26, 2024

Print Date: June 26, 2024



Taiga Environmental Laboratory

Taiga Batch No.: 240729

4601-52nd Ave., Box 1320, Yellowknife, NT. X1A 2L9 Tel: (867)-767-9235 Fax: (867)-920-8740

- CERTIFICATE OF ANALYSIS -

Client Sample ID: 5-6 Taiga Sample ID: 004

- DATA QUALIFERS -

Data Qualifier Descriptions:

Results are inconclusive due to insufficient depletion of sample, minimum 2 mg/L required over 5 days.

* Taiga analytical methods are based on the following standard analytical methods

SM - Standard Methods for the Examination of Water and Wastewater

EPA - United States Environmental Protection Agency

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