

APPROVAL

**Province of Nova Scotia
Environment Act, S.N.S. 1994-95, c.1 s.1**

APPROVAL HOLDER: GOLDBORO GOLD MINES INC.

SITE PID: 35094366

APPROVAL NO: 2018-101368-03

EXPIRY DATE: September 17, 2026

Pursuant to Part V of the Environment Act, S.N.S. 1994-95, c.1 s.1 as amended from time to time, approval is granted to the Approval Holder subject to the Terms and Conditions attached to and forming part of this Approval, for the following activity:

Industrial - Minerals - Bulk Sample Site



Administrator: Kevin G Garroway

Effective Date: September 17, 2024

The Minister's powers and responsibilities under the Act with respect to this Approval have been delegated to the Administrator named above. Therefore, any information or notifications required to be provided to the Minister under this Approval can be provided to the Administrator unless otherwise advised in writing.

TERMS AND CONDITIONS OF APPROVAL

Nova Scotia Department of Environment and Climate Change

Approval Holder: GOLDBORO GOLD MINES INC.

Project: 570 Goldbrook Rd., Goldboro, Guysborough County - PID 35094366

Site:

PID	Civic #	Street Name	Street Type	Community	County
35094366	570	GOLDBROOK	RD.	GOLDBORO	GUYSBOROUGH COUNTY

Approval No: 2018-101368-03

File No: 92100-30-BED-2018-101368

Grid Reference: Easting - 606923, Northing - 5006342

Reference Documents

- Application submitted July 31, 2024 and attachments.
- Letter of Authority for Crown Land Access dated June 14, 2019
- Letter from KMKNO to NSE dated June 28, 2018
- Letter from Anaconda Mining on corporate relationship dated May 18, 2018
- Correspondence (e-mail) from Orex dated May 22, 2018
- Correspondence (e-mail) from NSE to Orex on inspection dated April 26, 2018
- Letter from NSE to KMKNO dated July 12, 2018
- Submission of WSP Technical Note and Preliminary Hydrology Study dated June 6, 2018
- Submission of reclamation plan by e-mail dated May 23, 2018
- Correspondence (e-mail) from M&NPipeline dated June 5, 2018
- Letter from NSE to Paq'tnkek First Nation dated June 5, 2018
- Correspondence (e-mail) from Orex dated May 22, 2018
- Letter of Authority for Crown Lands Access dated May 16, 2018
- Correspondence (e-mail) from NSDNR of June 28, 2018 confirming acceptable reclamation security
- Correspondence (e-mail) from Orex dated June 18, 2018 revising monitoring plans
- Letter of Authority for Crown Lands Access dated May 16, 2018

- Industrial Approval Amendment Application and supporting documents. Submitted by Orex signed by Lynn Hammond, Vice President Corporate Affairs, on June 10, 2020.
- Letter of Authority for Bulks Sample from Energy and Mines dated August 29, 2019
- Letter from Anaconda Mining to KMKNO dated July 6, 2018
- Correspondence (e-mail) from Orex dated May 22, 2018
- Letter from Nova Scotia Labour - Occupational Health and Safety Division on Code of Practise dated May 15, 2018
- Letter from NSE dated March 20, 2018
- Email from Department of Lands and Forestry stating Letter of Authority is not required to remove the remaining 6,100 tonne bulk sample but LOA is required for storage of the 3,100 tonne bulk sample dated September 19, 2019

1. Definitions

- a. Act means Environment Act, 1994-95, c.1, s.1, and includes, unless the context otherwise requires, the regulations made pursuant to the Act, as amended from time to time.
- b. Active Area means the area occupied by the mine portal, disturbed areas, rehabilitated areas, any structure, processing facility, pollution abatement system, settling ponds, aggregate stockpile and/or overburden associated with the activity. The active area excludes the scale, scale house, and access roads.
- c. Department means the Department of Environment, and the contact for the Department for this approval is:
Nova Scotia Environment
Eastern Region, Antigonish Office
155 Main Street, Suite 205
Antigonish, Nova Scotia B2G 2B6

Phone: (902) 863-7389
Fax: (902) 863-7411
- d. Disturbed Area means any area of the Site that has been stripped of vegetation and is susceptible to erosion.
- e. Facility means the Bulk Sample Site and associated works.
- f. Grab sample means an individual sample collected in less than thirty (30) minutes and which is representative of the substance sampled.
- g. Minister means the Minister of Environment and Climate Change and includes any person delegated the authority of the Minister.

- h. Province means the responsible regulatory Department(s) within the government of Nova Scotia.
- i. Qualified Person as it relates to noise, means one who has certified post-secondary education and/or professional training in acoustics, and a minimum of 5 years of experience in the field of environmental noise, or as otherwise authorized by the Department.
- j. Qualified Person as it relates to air quality, means one who has certified post-secondary education and/or professional training related to ambient (outdoor) air quality, and a minimum of 5 years of experience in the field of ambient (outdoor) air quality, or as otherwise authorized by the Department.
- k. Qualified Professional as it relates to surface water, groundwater, construction and/or geotechnical, means who is registered with Engineers Nova Scotia or Association of Professional Geoscientist of Nova Scotia.
- l. Rehabilitation as defined in the Environment Act. In this Approval, definition of reclamation is synonymous with rehabilitation.
- m. Site means a place where a designated activity and/or undertaking is occurring or may occur.
- n. Structure includes but not limited to a private home, a cottage, an apartment building, a school, a church, a commercial building or a treatment facility associated with the treatment of municipal sewage, industrial or landfill effluent, an industrial building, infrastructure or construction, a hospital, and a nursing home, etc.

2. Scope

- a. This Approval (the "Approval") relates to the Approval Holder(s) and their application and all documentation submitted to the Department prior to the issuance of this approval for the Bulk Sample Site situated at or near 570 Goldbrook Rd., Goldboro, Guysborough County - PID 35094366.
- b. The Approval Holder(s) shall ensure the designated activity is carried out in accordance with this Approval and reference documents, including the application and supporting documentation.
- c. The Site and/or Facility shall not exceed the area as outlined in the application and supporting documentation.
- d. Property access agreements and leases for use of property shall be kept in good standing and shall remain in effect during the construction, operation and reclamation of the Site. Failure to maintain these agreements may result in suspension or cancellation of this Approval.
- e. It is the Approval Holder(s)'s responsibility to ensure applicable legislation, approvals and codes of practice are met for all other aspects of the operation of the Facility.

- f. The bulk sample transfer offsite shall not exceed a total of 10,000 tonnes; no new bulk sampling and dewatering is authorized with this Approval.
- g. The Approval Holder(s) shall maintain a minimum separation distance of thirty (30) metres between the Facility and outer property boundaries of the Site unless otherwise varied by the Department.

3. General

- a. Unless otherwise specified in this approval, the Approval Holder(s) shall conduct the Designated Activity in accordance with the following provisions:
 - i. The Act, as amended from time to time;
 - ii. Any standard adopted by the Department, as amended from time to time, which includes but is not limited to the following:

Contaminated Sites Regulations, March 3, 2020, as amended from time to time.

Nova Scotia Environment and Climate Change Guidelines for Environmental Noise Measurement and Assessment, October 2023, as amended from time to time.
- b. Nothing in this Approval relieves the Approval Holder(s) of the responsibility for obtaining and paying for all licenses, permits, approvals or authorizations necessary for carrying out the work authorized to be performed by this Approval which may be required by municipal by-laws, provincial or federal legislation, or other organizations. The Minister does not warrant that such licenses, permits, approvals or other authorizations will be issued.
- c. No authority is granted by this Approval to enable the Approval Holder(s) to commence or continue the designated activity on lands which are not in the control or ownership of the Approval Holder(s). It is the responsibility of the Approval Holder(s) to ensure that such a contravention does not occur. The Approval Holder(s) shall provide, to the Department, proof of such control or ownership upon expiry of any relevant lease or agreement. Failure to retain said authorization may result in this Approval being cancelled or suspended.
- d. If there is a discrepancy between the reference documents and the terms and conditions of this Approval, the terms and conditions of this Approval shall apply.
- e. Any request for renewal or amendment of this Approval is to be made in writing, to the Department, at least ninety (90) days prior to the Approval expiry.
- f. The Approval Holder(s) shall not transfer, sell, lease, assign or otherwise dispose of this Approval without the written consent of the Minister. The sale of a controlling interest of a business or a transfer of the approval from a parent company to a subsidiary or an affiliate is deemed to be a transfer requiring consent.

- g. If the Minister cancels or suspends this Approval, the Approval Holder(s) remains subject to the penalty provisions of the Act.
- h. The Approval Holder(s) shall advise the Department in writing prior to any proposed extensions or modifications to the Activity and/or the Site. An amendment to this Approval may be required before implementing any extension or modification.
- i. The Approval Holder(s) shall immediately notify the Department of any incidents of non-compliance with this Approval.
- j. The Approval Holder(s) shall bear all expenses incurred in carrying out the environmental monitoring required under the terms and conditions of this Approval.
- k. All sampling and analysis shall be performed in accordance with the following as amended from time to time: Standard Methods for the Examination of Water and Wastewater, or the analytical methods section of Health Canada's guideline technical document for the parameter of concern. All samples shall be collected by persons trained in appropriate sample collection procedures.
- l. Unless specified otherwise in this Approval, all samples required to be collected by this Approval shall be collected, preserved and analysed, by qualified personnel, in accordance with recognized industry standards and procedures that are all deemed acceptable to the Department.
- m. Unless written authorization is received otherwise from the Minister, all samples required by this Approval shall be analyzed by a laboratory that meets the requirements of the Department's "Policy on Acceptable Certification of Laboratories" as amended from time to time.
- n. The Approval Holder(s) shall ensure that this Approval, or a copy, is present on Site while personnel are on Site.
- o. The Approval Holder(s) shall ensure that personnel directly involved in the designated activity are made fully aware of the terms and conditions of this Approval.
- p. Upon any changes to the Registry of Joint Stock Companies information, the Approval Holder(s) shall provide a copy to the Department within five (5) business days.
- q. This Approval does not override any monitoring required pursuant to the Federal Metal and Diamond Mining Effluent Regulations (MDMER).

4. Air Quality

- a. The Approval Holder(s) shall ensure that air emissions from the designated activity do not contribute to an exceedance of the maximum permissible ground level concentrations of contaminants specified in the Air Quality Regulations.
- b. The use of oil as a dust suppressant is prohibited.

5. Noise

- a. The Approval Holder(s) shall ensure that noise generated from the designated activity complies with the criteria identified in the Department's "Guidelines for Environmental Noise Measurement and Assessment, 2023", as amended from time to time.
- b. At the request of the Department, the Approval Holder(s) shall retain a qualified person to develop a plan to monitor noise in accordance with the Department's "Guidelines for Environmental Noise Measurement and Assessment, 2023", as amended from time to time. The plan shall be submitted to the Department and implemented upon request.
- c. The Approval Holder(s) shall provide any additional information and/or make any amendment to the plan to monitor noise that is required by the Department.

6. Air Emissions

- a. If the Department determines that the designated activity is generating excessive odours, the Approval Holder(s) shall be required to take any measures required by the Department to address those odours.

7. Surface Water

- a. The Approval Holder(s) shall direct all wastewater and surface water runoff associated with the bulk sample stockpile to the Settling Ponds by means of a ditch system with an impermeable layer, pumping system or alternate plan that is approved by the Department. The water shall be directed to the Settling Ponds by October 16, 2019.
- b. The Approval Holder(s) shall ensure that the following water quality limits are met in the water resource downstream of Site activities:
 - i. Total Suspended Solids, Clear Flows (Normal Background Conditions):
 - (a) Maximum increase of 25 mg/l from background levels for any short term exposure (24 hour or less);
 - (b) Maximum average increase of 5 mg/l from background levels for longer term exposure (inputs lasting between 24 hours and 30 days);
 - ii. Total Suspended Solids, High Flow (Spring Freshets and Storm Events):
 - (a) Maximum increase of 25 mg/l from background levels at any time when background levels are between 25 mg/l and 250 mg/l;
 - (b) Maximum increase of 10% over background levels when background is >250 mg/l;
 - iii. pH (Outfall):
 - (a) Maximum 5 to 9 in grab sample;

- (b) Maximum 6 to 9 as a Monthly Arithmetic Mean.
- iv. Petroleum Hydrocarbon:
 - (a) Nova Scotia Environment Tier 1 Environmental Quality Standards for Surface Water - Petroleum Hydrocarbons (PHC) Parameters.
- c. Additional surface water monitoring may be required at the request of the Department.
- d. No authority is granted by this Approval to enable the Approval Holder(s) to discharge surface water onto adjoining lands without the authorization of the affected landowner(s).
- e. The Approval Holder(s) shall install and maintain erosion and sedimentation controls in line with industry best practices (e.g., Nova Scotia Environment Erosion and Sediment Control Handbook for Construction Sites) as work progresses. The controls shall remain in place until areas disturbed by construction activities are stabilized so that the risk of release of sediment to a water resource has been mitigated.
- f. The Approval Holder(s) shall conduct all work in a manner that protects watercourses/wetlands and groundwater from siltation and disturbance to the adjacent and downstream areas. Silted water shall not be released into a watercourse/wetland.
- g. The Approval Holder(s) shall immediately contact the Department should sulphide bearing material be encountered on the Site.
- h. The Approval Holder(s) shall ensure that surface water runoff that may be impacted by petroleum hydrocarbons from the Site is collected and directed for necessary treatment prior to discharge from Site.
- i. Surface water compliance stations for in stream total suspended solids shall include:
 - i. Upstream Stations: #2 Beaver Pond Inlet and #4 Southern Gold Brook Lake
Downstream Stations: #3 Beaver Pond Outlet and #7 Gold Brook Creek.
 - ii. Sampling locations at the time of a release should be undertaken from within the watercourse/wetland, at the closest point possible to where the substance is entering the watercourse/wetland.
- j. The Approval Holder(s) shall conduct surface water monitoring identified in in the drawing titled " GOLDBORO GOLD MINES INC. (Signal Gold Inc.) GOLDBORO, NOVA SCOTIA FOURTH ANNUAL REPORT (2022), MONITORING LOCALITONS" dated April 18, 2024, in Figure 1 and described in Table 1 of this approval.
- k. The Approval Holder(s) shall monitor liquid effluent for toxicity at the request of the Department.

- l. The Approval Holder(s) shall retain the services of a third-party qualified professional to inspect, design, report and advise on the status of soil erosion and sedimentation controls if so directed by the Department.
- m. The Approval Holder(s) shall ensure that erosion control materials are clean, non-erodible, non-ore-bearing, non-watercourse derived and non-toxic.
- n. Any silted water pumped from work areas shall be directed to vegetated areas, settling ponds, or other treatment devices that mitigate the risk of release of sediment to a water resource.
- o. The Approval Holder(s) shall limit the size of the disturbed area and the removal of riparian vegetation to the area of construction activities as outlined in the supporting documentation.
- p. The Approval Holder(s) shall ensure that the following activities take place at a distance of a minimum of thirty (30) metres from a surface watercourse or wetland in an area such that a release will not enter a surface watercourse or wetland:
 - i. Fuel storage, refueling, and/or lubrication of equipment
 - ii. Washing of machinery or equipment
 - iii. Storage of equipment, excavated/stockpiled materials, and potential contaminants

8. Groundwater

- a. The Approval Holder(s) shall ensure the following criteria are met with groundwater quality monitoring for all wells downgradient of the Site:
 - i. Guidelines for Canadian Drinking Water Quality; or
 - ii. For areas where discharge of groundwater to surface water as defined by upward hydraulic gradients is occurring or may occur seasonally, the criteria is Canadian Council of the Ministers of Environment Canadian Environmental Guidelines for the Protection of Aquatic Life (CCME CEQGFAL); or
 - iii. Background, defined as 95th percentile of the statistically analysed baseline data, if this value exceeds the above listed criteria.
 - iv. The Approval Holder(s) shall ensure that any replacement water supplied for potable water use, to address the plan, shall meet the quantity and quality requirements of Health Canada drinking water, health and aesthetics objectives and be supplied in accordance with provincial regulations and guidelines.
- b. The monitoring well locations listed will be the project compliance monitoring points for groundwater for which the above listed criteria shall apply.

- c. The Approval Holder(s) shall replace, at their expense, any water supply which has been lost or damaged as a result of the designated activity, as authorized and required by the Department.
- d. The Approval Holder(s) shall conduct groundwater monitoring identified in the drawing titled "GOLDBORO GOLD MINES INC. (Signal Gold Inc.) GOLDBORO, NOVA SCOTIA FOURTH ANNUAL REPORT (2022), MONITORING LOCALITONS" date April 18, 2024, in Figure 1 and described in Table 1 of this approval.
- e. The Approval Holder(s) shall conduct additional groundwater monitoring if so directed by the Department.

9. Releases

- a. Releases shall be reported in accordance with the Act.
- b. Spills or releases shall be cleaned up in accordance with the Act.

10. Construction

- a. All work operations shall be conducted in a manner to protect the watercourses/wetlands and groundwater from siltation and disturbance to the adjacent and downstream areas. Silted water is not to be released directly into a watercourse/wetland.
- b. Separate watercourse/wetland alteration Approval(s) shall be obtained by the Approval Holder(s) from the Department prior to causing alteration or disturbance of a watercourse/wetland.

11. Blasting

- a. The Approval Holder(s) shall secure an approval amendment from the Department prior to blasting.

12. Reporting

- a. The Approval Holder(s) shall immediately notify the Department of any non-compliance with terms and conditions of the Approval.
- b. The Approval Holder(s) shall prepare and submit an Annual Report to the Department by April 30 of each year. The first Annual Report will cover the period from the end of the 6,100 tonne bulk sample removal date to the end of that calendar year. Subsequent Annual Reports will cover the calendar year. Two copies of the report, plus an electronic copy, shall be provided. The Annual Report shall:
 - i. Contain an Executive Summary with a general description of on the status of operations and environmental compliance.
 - ii. Details of the surface water, groundwater and effluent monitoring program. This section of the report shall be prepared by, or under the direction of, an

independent qualified professional. This section shall include, but is not limited to, the following details:

- (a) A review of field methodologies, including sampling techniques;
- (b) A description of the monitoring networks;
- (c) A review of the current monitoring programs and recommendations for modifications, as applicable;
- (d) Current and historical water quality data in chronological tabular Excel spreadsheet format; in comparison to relevant criteria and background results, with exceedances highlighted;
- (e) Current and historical surface water and groundwater measurement/elevation data in chronological tabular format;
- (f) Digital format spreadsheet files for the surface water and groundwater quantity (water level measurements/elevations) and quality data.
- (g) A detailed interpretation of the water quality data including an analysis of spatial and temporal trends, a statistical trend analysis for each parameter (e.g., Mann-Kendall), graphical representation of relevant parameters in relation to background and baseline data and relevant criteria;
- (h) A detailed interpretation of the groundwater elevation data including graphical representation and an analysis of trends;
- (i) The identification of any adverse impacts and developing risks to water resources (quality and quantity), including watercourses, wetlands, and aquatic life, third party properties, or human health as a result of site activities and associated recommendations, as applicable; and
- (j) Laboratory certificates of analysis.

13. Records

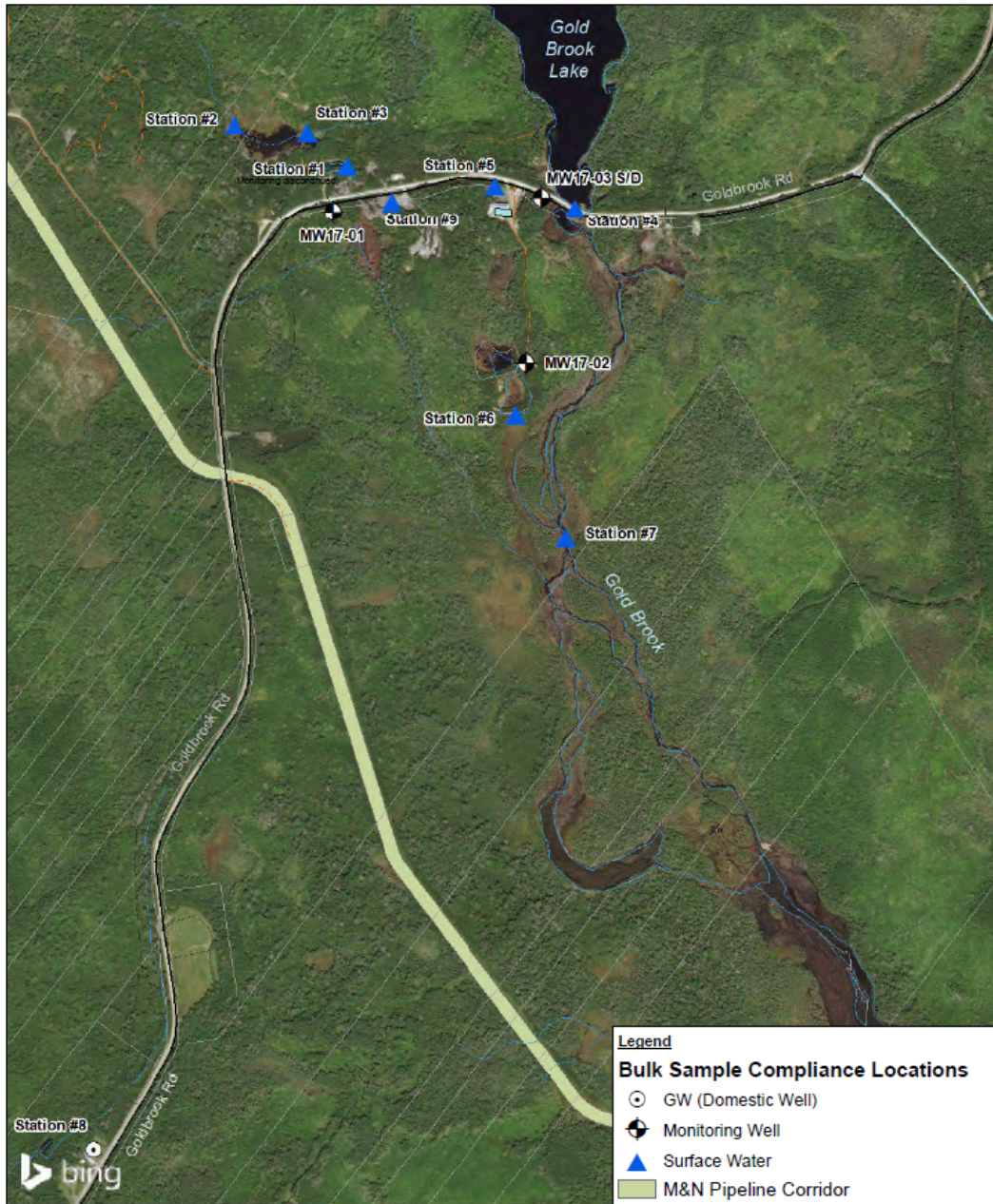
- a. The Approval Holder(s) shall maintain records of all monitoring reports for inspection by the Department, including:
 - i. Blast vibration and date and times of blasting.
 - ii. Surface water monitoring and date of monitoring.
 - iii. Groundwater monitoring and date of monitoring.
 - iv. Volumes, dates and rate of mine dewatering.
 - v. Dates of effluent discharge from settling ponds.

- vi. Volume of ore sample stockpiled on Site and volume transported off Site.
- vii. Records of complaints and company response to complaints.
- b. Records of all on-going project reviews conducted by independent qualified professional(s).
- c. Results of monitoring shall be made available to the Department upon request.

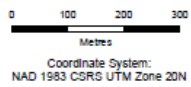
14. Reclamation

- a. Notification is required upon change/activation of the Reclamation Plan.
- b. The Approval Holder(s) shall reclaim the Site in accordance with the latest reclamation plan as per direction of the Department.
- c. The Approval Holder(s) shall submit and maintain a financial reclamation security with the Province in an amount and form acceptable to the Department.

FIGURE 1



Source: Service Nova Scotia, Anacosta Mining, © 2020 Microsoft Corporation © 2020 DigitalGlobe ©CNE6 (2020) Distribution Airbus DS



GOLDBORO GOLD MINES INC.
(Signal Gold Inc.) GOLDBORO,
NOVA SCOTIA FOURTH ANNUAL
REPORT (2022)

April 18, 2024

MONITORING LOCATIONS

FIGURE 3

TABLE 1: Surface Water and Groundwater Monitoring Program

Monitoring Station	Station Description	Static Water Level	Flow Measure	General Chemistry (RCAP)	Metal Scan	TSS	pH
#1	Mine Extraction Point	NA*	NA*	NA*	NA*	NA*	NA*
#2	Beaver Pond-Inflow	Monthly		Quarterly	Quarterly	Quarterly	Quarterly
#3	Beaver Pond - Outflow	Monthly		Quarterly	Quarterly	Quarterly	Quarterly
#4	Goldbrook Lake South	Monthly		Quarterly	Quarterly	Quarterly	Quarterly
#5	Boston-Richardson Shaft	Monthly		Quarterly	Quarterly	Quarterly	Quarterly
#6	Settling Pond Outflow	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly
#7	Gold Brook Creek	Monthly		Quarterly	Quarterly	Quarterly	Quarterly
#8	Domestic Well	Monthly		Quarterly	Quarterly	Quarterly	Quarterly
#9	Drainage from Ore Stockpile	Monthly		Quarterly	Quarterly	Quarterly	Quarterly
MW 17-1, MW 17-2, MW17-3	Monitoring Well	Monthly		Quarterly	Quarterly	Quarterly	Quarterly

*Not Applicable