APPENDIX 9

GENERAL GUIDELINES: KIKERK/KNIFE LAKE PROPERTY
Abandonment and Restoration of Camp Facilities

INTRODUCTION

For this Abandonment and Restoration Plan, which is in respect of the proposed fly-in exploration camp, "Kikerk/Knife Lake camp", located 30 minutes by air from Kugluktuk and 150 minutes by air from Yellowknife, it is assumed that all serviceable equipment, temporary buildings (tents and sheds) and scrap material will be transported off-site preparatory to closure. Once removed from site, usable items may be flown to the company's warehouse in Yellowknife, recycled and flown to another project, sold or returned to the supplier (if applicable). Unusable inventory which cannot be burned on-site, such as non-hazardous waste and industrial waste or scrap, will report to the Yellowknife solid waste disposal facility, or to such other facility which accepts non-hazardous wastes and manifested waste materials under the NWT Transportation of Dangerous Goods regulations. If treatable hazardous waste should exist at the time of closure, such material will be transported to Newalta Recycling Facility in Redwater, AB, which is a licensed facility for such waste. In the remote possibility that non-treatable hazardous waste should exist at the time of closure, such material will be transported to Swan Hills Disposal Facility in Swan Hills, AB, or other suitable licensed facility for such waste.

Validity of Land-Use Authorisation

Final abandonment and restoration shall occur whilst valid land- and water-use authorisations still are in place, and in consultation and co-operation with the designated Indian and Northern Affairs (INAC) field inspector, Nunavut Water Board (NWB) staff and local communities, principally the closest community, Kugluktuk, 150km northwest. If an archaeology permit is in place, notification also shall be provided to the Chief Archaeologist – Government of Nunavut. If a then-existing land- or water-use authorisation is due to lapse during the closure process, an extension or renewal will be sought, as appropriate.

BUILDINGS AND CONTENTS

The Kikerk/Knife Lake camp is not yet built, but is expected to accommodate up to 25 persons, and will be comprised of sleep tents, a generator shed, core shack, latrine, office, kitchen and dry, all of which can be disassembled, as well

as a wooden dock (if used in summer), fuel drum storage area and active bear fence, if required. Sleep and work tents will be heated by oil stoves supplied with diesel fuel in 205L drums.

At closure, all structures deemed reusable would be dismantled and the components air-lifted by Twin Otter off-site. Alternatively, non-reusable structures would be dismantled and wooden components (e.g., tent bases,

steps, tables) burned on site on a gravel area, with all débris such as nails, bolts, screws and plastic, raked up, bagged and removed to the Yellowknife solid waste disposal facility. If a bear fence is operational at closure, the fence will be removed and sold or recycled to another camp.

Any absorbent padding used where fuel is transferred, such as at the generator shed and at camp structures, will be bagged and removed to the Yellowknife disposal facility after burning has ceased at camp. The area around each diesel drum will be inspected and the soil beneath will be sampled, if necessary, for potential hydrocarbon contamination. Any contaminated soil will be bagged and disposed of properly off-site, or aerated on tarps. Used drip pans or pails will be disposed of in the same manner.

INFRASTRUCTURE SUPPORT

Freshwater Supply and Greywater System

Potable water for domestic camp use will be obtained from the area of the Tree River beside the camp. All lines associated with the water intake will be drained, dismantled and removed off-site for recycling.

The greywater system will likely consist of insulated pipe and a greywater sump which receives water from the camp kitchen and dry (showers, sinks). The greywater lines will be drained, dismantled and removed off-site for disposal or recycling to another project. The sumps and immediate environs will be examined, any remaining débris removed, the sumps backfilled/levelled/restored to prior condition, combustibles burned or bagged and remaining bagged materials transported off-site for disposal.

It is anticipated that Pacto toilets (which require no water) will be used for this camp.

Refuse Disposal Facilities

All combustible wastes will be burned on site at a burn barrel sited at the corner of the camp, or in a fuel-fired incinerator, if such is present. Particular care will be taken to secure and then burn all food wastes, to limit animal attraction. Non-combustibles will be flown off-site for disposal, as noted elsewhere in this

Plan. These practices will remain in effect until the camp is closed. At the point where burning is no longer required, i.e., at the completion of cleanup, the burn barrel or incinerator itself will be removed off-site.

The wooden latrine will be dismantled and components burned. The Pacto toilets will be cleaned and recycled to another project. The ground in the vicinity of the shed will be levelled and raked, if necessary, so that the site is restored to prior condition.

Generator Shed Area

The shed will be inspected for any remaining hazardous materials (such as oil for generators, snowmachines, boat, etc.), cleaned and dismantled for salvage or disposal, and the ground inspected. At De Beers camps, used motor oil is normally collected in an empty drum and removed for recycling; this practice will continue until final closure. Used materials such as floor-dry (vermiculite), drip pans and padding will be properly disposed of off-site. Any oil- or fuel-contaminated soil will be removed for proper disposal, or more likely, aerated on tarps. If necessary, the ground in the vicinity of the shed will be sampled for contamination. The use areas will be raked clean and restored to prior condition.

Transportation Facilities

It is expected that transportation facilities at the camp will be minimal, consisting of a wooden dock at shoreline (if a dock is constructed) and 1-2 helicopter landing pads (either patches of gravel or plywood platforms). If a dock is present at closure, the dock will be taken apart and burned, unless a floating dock is used, in which case the dock would be recycled to another project. If a gravel pad is used rather than a plywood landing platform, the pad area will be checked and any contaminated soil will be bagged and disposed of properly off-site, or aerated on tarps. If necessary, ground in the vicinity of the pad will be sampled for hydrocarbon contamination. The use areas will be raked clean and restored to prior condition.

If a winter-access route is constructed on the Knife Lake peninsula away from camp in 2005 or thereafter, most of the routing would be over frozen waterways, where possible; however, land portages and shorelines will be checked following use and again in summer conditions prior to end of operations to remove any scrap materials which had been obliterated by winter

snows (e.g., bits of insulation, plastic, lath, rubber, etc.)

FUEL STORAGE AREAS

The camp fuel storage area will consist of segregated groups of drums, with empties separated from full drums of diesel and Jet-B. Waste fuel will be kept for burning garbage, or sent out as Class 9 waste on backhauls. Propane, as standard 45kg cylinders, will be stored beside the kitchen. Upon closure, a fuel inventory will be completed to assess the quantity and type of fuel remaining, and the storage areas inspected. Any contaminated soil will be bagged and removed for proper disposal in a landfill, or aerated on tarps. If necessary, the ground in the storage areas will be sampled for contamination. The use areas will be restored to prior condition. All remaining fuel will be flown out, except the minimal amount required during closure. Ultimately, all fuels and empty drums will be removed; usable fuel will be transported to another project, and empties returned to the respective fuel outlets.

CHEMICAL STORAGE

The chemicals to be used on site will be limited to household-strength cleaning supplies such as Javex, ammonia-based window/countertop sprays, wash soaps, degreasers and the like, and limited miscellaneous items such as antifreeze, insect repellent and aerosols. These will be stored in their original containers in their respective use areas, and removed off-site with routine garbage backhauls. When drilling is under way, the contractor responsible will store the required drilling muds, additives, oils and lubricants in a temporary shed at drillsite; these materials would not be present on site at closure. Upon closure of the camp, any unused inventory will be recycled to another project, returned to the supplier or properly disposed of in a landfill; partially-used containers will be removed for landfill disposal. As part of closure activities, areas in the immediate vicinity of chemical storage areas, such as the kitchen, dry and generator shed, will be inspected, any soil so requiring will be collected, bagged and removed off-site for disposal. If necessary, ground at chemical storage areas will be sampled for contamination.

MOBILE AND FIXED EQUIPMENT

All mobile and fixed equipment will be removed from the site prior to final closure. This inventory might include generators, pumps, boat, snow machines, power and hand tools, welder, and any drilling equipment or heavy machinery, should such be stored at the camp at the time of

camp closure. Any equipment required for abandonment and restoration, such as shovels, chainsaw, a generator for power tools, etc., will remain on site until all activities are completed.

WATER MANAGEMENT

Water-quality monitoring will occur as part of the abandonment and restoration activities and will be done in accordance with the NWB water licence then in effect. Grab samples will be collected from the camp water source (river) for analysis of standard parameters by an accredited laboratory (Enviro-Test Laboratories of Edmonton) to ensure minimal degradation from the demobilisation and abandonment of the campsite.

SHORT-TERM SHUTDOWN

Since activity on the Kikerk/Knife Lake claimblock remains at the exploration stage, there will continue to be periods of short-term shutdown, i.e., periods when the camp is inactive and no geophysical surveying, sediment sampling or drilling is occurring. In preparation for each such seasonal shutdown, the camp will be cleaned up and secured, an inventory taken, personal and unnecessary office items removed, and empty drums and garbage removed off site for proper disposal, thus ensuring public and wildlife safety. All fuel and water lines will be drained, and all fuel and power sources will be shut off and disconnected. However, the camp will be left in such a way that all equipment, buildings and utilities remain in serviceable and safe condition, such that startup can be effected safely and efficiently, and in consonance with the terms and intent of the governing authorisations.

If there is a bear fence in operation at closure, it will remain activated.

POST-CLOSURE INSPECTION AND/OR MONITORING

Final inspection, documentation and one or more site visits by community representatives, conducted by the permitholder in co-operation and consultation with NWB staff, the designated INAC field inspector and local land users will ensure successful closure of this exploration camp. One or more community visits (e.g., to Kugluktuk and Cambridge Bay) also may occur.

Some past abandonment incidents by others (non-De Beers) at campsites and fuel caches in the NWT and Nunavut have been unfortunate, and are not condoned by this permitholder or its agents.

If, in the judgement of Regulators, it is deemed that monitoring is required in regard to some component of the Kikerk/Knife Lake Camp or associated facilities, this will

be carried out by the permitholder in such form and manner, and for such duration, as is best able to ensure successful abandonment and restoration of the property and its future benefit to other land users.

-- Shirley Standafer-Pfister-YK-De Beers Canada
28 October 2003