APPENDIX 6 (REVISION I)

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

INTRODUCTION

For this Abandonment and Restoration Plan, which is in respect of the proposed temporary fly-in exploration camp, "Kikerk/Knife Lake camp", to be located 1 hour by air from Kugluktuk and 2 hours by air from Yellowknife, it is assumed that the camp will be dismantled at the end of the spring 2006 programme and all associated equipment (including drilling equipment and shacks), tents, waste fuel and oil drums, and reusable scrap material transported off-site. The camp and programme will be in operation for a 6-week period only; if required, the tent camp would be re-established in 2007.

Once removed from site, usable items may be flown to a De Beers Canada facility, recycled and flown to another project, sold or returned to the supplier (if applicable). Unusable inventory which cannot be burned on-site, such as waste oil or filters, will be flown off site to Yellowknife for disposal via a waste-disposal contractor, in compliance with NWT Transportation of Dangerous Goods regulations. If treatable hazardous waste should exist at the time of closure, such material will be transported to Yellowknife, then to Newalta Recycling Facility in Redwater, AB, or similar 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

Indian and Northern Affairs (INAC) Class A Land-Use Permit #N2003C0037 is now in force and incorporates the camp and work activities as described in the Project Description. Should another season of fieldwork be required in 2007, a new INAC land-use permit will be obtained and the camp re-established. Any 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 INAC field inspectors (land and water), Nunavut Water Board (NWB) staff and local communities, principally the closest community, Kugluktuk, 140km 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 temporary camp is not yet erected, but is expected to accommodate up to 20 persons in 2006, and will be comprised of sleep tents (1 women's tent and 4 men's tents), a generator shed, core shack, first-aid tent, latrine, office, contractor's tent, kitchen and dry – all of which can be disassembled, removed and reused later. Use areas will include a fuel-drum storage area, burn area and helicopter-landing area. During the period of the 2006 programme, a drill shack and pump shack will be operational and moved from site to site, as required. In addition to drilling, a trenching programme is contemplated, and an excavator used at this location will be housed in a temporary tarped shelter supplied with a Herman Nelson for heating and a small generator. Sleep and work tents will be heated by oil stoves supplied with diesel fuel in 205L drums.

At closure, all tent structures and contents deemed reusable will be dismantled and the components transported off-site by plane. Non-reusable items will be dismantled and wooden components burned on site on a gravel area, with all débris such as nails, bolts, screws and plastic, raked up, bagged and removed off-site for disposal to the Yellowknife solid waste disposal facility. Should the camp be erected again in summer 2006, a removable electrified bear fence will be installed, then removed off-site at the end of the programme.

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 flown out for disposal with other solid waste.

The drill shack, pump shack, drilling equipment, any scrap, fuels, lubricants, additives and waste hydrocarbons associated with the drill programme will be flown off site at the end of the respective programme and prior to closure.

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 future re-use.

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 recycled 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. If necessary, the sump pit will be treated with lime or Javex to kill odours which might attract animals.

Either Pacto toilets or two pit privies will be used for this camp; neither system requires use of water.

Refuse Disposal Facilities

All combustible wastes will be burned on site at a burn barrel sited at the edge 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 at least daily, 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 Pactos 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. A similar cleanup operation would be performed, should pit privies be used.

Generator Shed Area

The shed will be inspected for any remaining hazardous materials (such as oil for generators and snowmachines), cleaned and dismantled for salvage or disposal, and the ground inspected. At De Beers Canada camps, used motor oil typically is collected in an empty drum and removed for recycling. Where practical, given the remote location, this practice will continue until final closure; where not practical, the waste oil will be flown out for proper disposal. 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 in summer 2006) and a helicopter landing pad (a level patch of gravel or other flat unobstructed area). 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 helicopter 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 2007 or a winter haul route is used between Kugluktuk and Knife Lake in 2007, most of the routing would be over frozen waterways to the extent possible; land portages and shorelines would 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).

It is anticipated that an excavator will be flown to site for use during the several weeks of the 2006 trenching programme. Although heavy equipment is not considered transportation, its movement to the worksite, or between the worksite and camp, will be monitored by project personnel, and no débris left behind at its use area. When stationary, the excavator will be parked over a drip pan to lessen the need for cleanup measures at camp closure.

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 and dry areas, and at the drill. At programme closure, it is likely that all drums and cylinders will be removed.

However, should some drums be left in the cache for later use, 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, if in small quantity, 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. At final closure, all fuels and empty drums will be removed; usable fuel will be transported to another project or returned with empties to the supplier.

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; partially-used containers will be removed for 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.

Materials for blasting will be under the control of the blasting contractor and not accessible to project personnel. If a storage magazine is required, this also will be under the control of the blasting contractor. When the blasting contractor leaves site at the end of the 2006 trenching programme, no blasting materials or devices will be left behind.

MOBILE AND FIXED EQUIPMENT

All mobile and fixed equipment will be removed from the site prior to closure. This inventory in 2006 will include generators, pumps, snow machines, power and hand tools, welder, and any drilling equipment, pipe or heavy machinery. 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. Before removal from site in 2006, the loader to be used for trenching will be employed in site cleanup, as required, with special emphasis on restoration of trenched areas by means of re-covering with the stockpiled overburden and recontouring to blend with surrounding terrain and ensure drainage away from nearby watercourses.

WATER MANAGEMENT

During fieldwork, water consumption figures will be kept and the total reported in the NWB Annual Report.

Water-quality sampling will occur as part of final abandonment and restoration activities and will be conducted in compliance 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. Seasonal water-quality monitoring will occur in association with the 2006 programme and again in 2007, if a programme occurs.

DRILL SITE MANAGEMENT AND CLOSURE

In compliance with its Environmental Management System and Exploration Checklist 015 (Completed Drillsite Checklist), De Beers Canada ensures that each drillsite is properly cleaned up when the hole is closed, not simply when the project closes. In compliance with the land-use permit, lake-based coreholes will be closed with grout plugs, any lake-based large-diameter holes will be capped with cement, and land-based holes cemented and casings cut. Locations of drillholes are recorded as GPS co-ordinates for future reference.

The proposed co-ordinates of the spring 2006 drilling and trenching sites are attached to this Plan as *Figure 1* (Drilling) and *Figure 2* (Trenching).

In addition to closure of the hole, and removal of all associated equipment and débris, sumps also are inspected. In almost all cases, the underflow material consists only of sandy/silty water. However, where necessary, sumps are backfilled; if this is not possible due to snowcover and frozen ground, then any sumps requiring backfill will be filled in summer conditions. Should additives be used in any holes, the associated sediments will be placed in poly-lined sumps and the liner material and contents disposed of as waste on flight backhauls. However, De Beers Canada promotes use only of environmentally-benign additives, as determined by Material Safety Data Sheets (MSDS). The drill contractor is required to supply MSDS prior to an additive being approved by De Beers Canada for delivery to site. Sumps for the 2006 programme and any subsequent programmes will be sited so as to lessen the possibility of flow of drill cuttings into Knife Lake and its streams, taking advantage of topographic features such as natural depressions and bedrock outcrops.

At final closure, old work sites will be re-inspected to ensure compliance and return of the sites to their natural condition.

Figure 1

DE BEERS CANADA INC. - EXPLORATION
PROPOSED SPRING 2006 DRILL PROGRAMME

HOLE #	EASTING	NORTHING	LATITUDE - N	LONGITUDE-W	ELEVATION	PROPOSED DEPTH (m)	AZIMUTH	DIP (°)
KIK-P1	406190	7434370	67° 00' 50"	113° 09' 10"	395	250	0	-90
KIK-P3	406190	7434370	67° 00' 50"	113° 09' 10"	395	150	70	-45
KIK-P2	406150	7434330	67° 00' 48"	113° 09' 13"	395	150	290	-45
KIK-P11	406150	7434330	67° 00' 48"	113° 09' 13"	395	250	0	-90
KIK-P4	406080	7434230	67° 00' 45"	113° 09' 19"	395	250	0	-90
KIK-P5	406080	7434230	67° 00' 45"	113° 09' 19"	395	150	270	-45
KIK-P6	406180	7434140	67° 00' 42"	113° 09' 10"	395	250	0	-90
KIK-P7	406180	7434140	67° 00' 42"	113° 09' 10"	395	100	190	-45
KIK-P8	406260	7434310	67° 00' 48"	113° 09' 04"	395	250	0	-90
KIK-P9	406260	7434310	67° 00' 48"	113° 09' 04"	395	100	60	-45
KIK-P10	406150	7434190	67° 00' 44"	113° 09' 13"	395	200	0	-90
KIK-P12	406350	7434200	67° 00' 44"	113° 08' 57"	395	200	0	-90
						2,300.00		

Datum is NAD 27, Zone 12N

Figure 2

DE BEERS CANADA INC. - EXPLORATION
PROPOSED SPRING 2006 TRENCHING PROGRAMME

TRENCH #	EASTING	NORTHING	LATITUDE -N	LONGITUDE-W
#1	406190	7434410	67° 00' 51"	113° 09' 11"
#2	406271	7434190	67° 00' 44"	113° 09' 04"
#3	406297	7434190	67° 00' 45"	113° 09' 01"

Anticipated trench size: 10m x 10m (actual excavation: 4m x 5m x 2m deep)

Datum is NAD 27, Zone 12N

SHORT-TERM SHUTDOWN

Since activity on the Kikerk/Knife Lake property remains at the exploration/evaluation 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, drilling or trenching is occurring. At the end of the spring 2006 programme, the tent camp will be removed, along with all fuels and equipment. Should another seasonal programme occur in 2007, a similar process would occur. Should a longer-term camp be required, and wall tents and wood structures be erected – for example, in 2007 – then a seasonal shutdown procedure would be activated. In that case, the camp would 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 would be drained, and all fuel and power sources would 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 could 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 seasonal closure, it will remain activated.

POST-CLOSURE INSPECTION AND/OR MONITORING

After the spring 2006 programme, the camp will be removed; inspectors will be notified of this event in advance, should they wish to visit the site. No drilling equipment will be left behind. At final closure, 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 also may occur, if required.

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. De Beers Canada continues to practice a good-neighbour policy in all its programme areas, and voluntarily removes abandoned drums or scrap that it encounters in connection with its own activities; where the unknown abandoned areas are extensive, the permitting authorities are supplied with co-ordinates.

If, in the judgement of regulators, it is deemed that monitoring is required in regard to some component of the Kikerk/Knife Lake camp, drilling 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
30 November 2005; revision I: 28 February 2006