

**APPENDIX "B"**

◆ Detailed Summary ◆

#### Section 4.0 – Description of Undertaking

- (a) The purpose of the Land Use Operation is to conduct a drilling program on mineral claims held by Caledonia Mining Corporation and establish a base camp to support these operations.
- (b) A Boyles Brothers 25A heli-portable diamond drill rig will be used for drilling operations. It is anticipated that eight to ten holes of NQ sized core (2.37 inches) will be drilled from a maximum of four different setups.
- (c) The camp will consist of 5 canvas prospector tents. Of these tents, 3 will be used as sleeping quarters, 1 as a kitchen, 1 as a dry tent and 1 as an office. The camp will be established on the eastern shore of an unnamed lake on the north western edge of the property. The camp will be supported by float/ski based twin engine Otter aircraft on a regular basis. In addition, a Bell 206 Jet Ranger helicopter will be stationed at the camp during use.

#### Section 10.0 – Environmental Impact

The drill rig will have a maximum footprint of 25m<sup>2</sup>. This includes the drill hut and the pump shack. On average the anticipated drill holes are expected to take 2 days to complete. The drill rig will use a maximum of 60,000 litres of water in a 24-hour period. Normal operation of the drill produces 0.6m<sup>3</sup> or 260 kg of cuttings for every 200 meters of drilling.

The above data indicates that a 10 hole program from four setups will have a total footprint of 100m<sup>2</sup> (25m<sup>2</sup> x 4 sites). Anticipated total water consumption is not expected to exceed 1,200,000 litres (60,000 litres x 20 days). Total maximum drill cuttings will not exceed 2600 kg of fines (260 kg x 9 holes).

Due to its small scale and limited use, it is anticipated that the campsite will have a minimal impact on the surrounding environment. Each tent has a footprint of approximately 20m<sup>2</sup> so the total "footprint" of the campsite should not exceed 100m<sup>2</sup>.

As this is initially a "fly in / fly out" operation, no large scale or long-term storage of petroleum fuels will be required. In reference to section 11 the fuel required to support exploration activities will be stored at both the drill (while in operation) and campsite. All fuel will be stored at safe distances at least 30 meters away from the normal high water mark. Fuel containers will be marked with the name of the program operator Ashton Mining (Northwest Territories) Ltd.

Upon completion of the campsite's operations, all material and equipment will be removed from the site. Any lands affected by the campsite and drilling will be restored, to the most reasonable extent possible, to their original and natural state. All sumps will be restored to the natural contours of the land prior to expiry of the permit.

#### Section 23.0 - Fuel Spill / Containment Contingency Plan

- Fuel will be stored at safe distances and wherever possible in natural sumps away from drainage systems and bodies of water.
- All fuel cache storage sites will be monitored on a regular basis for possible spills and or leakage.
- Splash pans will be employed where practical around all machinery and during any fuel transfers.
- Ashton personnel will be instructed in spill response and cleanup procedures.
- Fuel spill cleanup equipment will be retained at each base camp and drill operation site.
- Any spill will be reported in accordance with the instructions contained within the "Spills Report, NWT 1086 (10/79)" immediately.

Should there be any material change to the facts described above relating to Ashton's Land Use Operations, Ashton will advise DIAND of these changes and, if appropriate, request permit modification.