

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 Ashton Mining (northwest Territories) Ltd.
- (b) A Boyles Brothers 45A heli-portable diamond drill rig will be used for drilling operations. It is anticipated that up to 10 holes of NQ sized core will be drilled.

Section 10.0 – Environmental Impact

Due to its small scale of operations and the seasonal nature of work it is anticipated that the drill program will have a minimal impact on the surrounding environment.

The drill rig will have a maximum footprint of 25m². This includes the drill hut and the pump shack. On average the drill holes are expected to take 1 day to complete. The drill rig will use a maximum of 60,000 litres in a 24 hour period. Normal operations of the drill produces 0.6m³ or 260 kg of cuttings for every 200 meters of drilling.

The above data indicated that a 10 hole program could have a maximum footprint of 250m². It is more likely however that Ashton will drill 3 to 4 holes from 3 locations thus producing a 75m² footprint. Drilling will occur over a three year period. Anticipated total water consumption is not expected to exceed 600,000 litres (60,000 x 10 days). Total maximum drill cutting a will not exceed 2600 kg of fines (260 kg x 10 holes). As Ashton is still in the process of evaluating potential drill targets the exact location of the drill holes is not known at this time.

Upon completion of operations, all material and equipment will be removed from the site. Any lands affected by drilling will be restored , to the most reasonable extent possible, to their original and natural state.

Ashton has been operating in the vicinity of Kiglicavik Lake since 1993 and during this time there have been sightings of caribou, musk-oxen, and fox. Personnel working in the project area have been instructed to maintain their distance and not interfere with these animals for both their own safety and in consideration of the wildlife.

Section 23.0 – Fuel Spill/ Containment Contingency Plan

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 the drill (while in operation). 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.

Containment Contingency Plan

- ◆ Fuel will be stored at a safe distances and whenever 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 leakage.
- ◆ Splash plans 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 equipment will be retained at the 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.