

1CL001.01

ABANDONMENT AND RESTORATION PLAN FOR THE JERICHO PROJECT, NUNAVUT

@003

ICL001.00

ABANHONMENT AND RESTORATION PLAN FOR THE JERICHO PROJECT, NUNAVUT

Prepared for:

LYTTON MINERALS LIMITED

1408 Crown Street North Vancouver, B.C. V7J 1G5

Prepared by:

STEFFEN ROBERTSON AND KIRSTEN (CANADA) INC.

Suite 800, 580 Homby Street Vancouver, RC V6C 3B6

Tel: (604) 681-4196 • Fax: (604) 687-5532

E-mail: vancouver@srk.com Web site: www.srk.com

PEBRUARY, 1999

From-

1CL001.01

ABANDONMENT AND RESTORATION PLAN FOR THE JERICHO PROJECT, NUNAVUT

TABLE OF CONTENTS

1.0 INTRODUCTION.	
2.0 LAYOUT AND SITE FEATURES	
3.0 RESTORATION ACTIVITIES3	
3.1 Fuel Tank Farm3	
3.1.1 Description	
3.1.2 Remediation4	
3.2 Portal Area	
3.2.1 Description4	
3 2.2 Remediation	
3.3 Carat Camp Site6	
3.3.1 Description6	
3.3 2. Remediation	
3.4 Service Roads7	
3.4.1 Description7	
3.4.2 Remediation7	
3.5 Borrow Areas8	
3.5.1 Description8	
3.5.2 Remediation8	
3.6 Airstrip and Turnaround Pad8	
3.6.1 Description8	
3.6.2 Remediation9	
3.7 Laydown Arcas9	
3.7.1 Description9	
3.7.2 Remediation 10	
3.8 Explosives Magazines10	
3.8.1 Description10	
3.8.2 Remediation10	
3.9 POST-CLOSURE MONITORING	
4.0 PROJECT SCHEDULE	

SRK Consulting February, 1999

ICL001.01

ABANDONMENT AND RESTORATION PLAN FOR THE JERICHO PROJECT, NUNAVUT

1.0 INTRODUCTION

This plan is submitted in compliance with License NWB1JER9801, Part H: Conditions Applying to Abandonment and Restoration. The license was granted to Lytton Minerals Limited in December, 1998. Since that date, Lytton has amalgamated with New Indigo Resources Inc. to form Tahera Corporation.

SRK Consulting has prepared this plan on the basis of information provided by Lytton staff, and documents prepared in 1998. SRK Consulting has not had a chance to inspect the site since January, 1998.

Although the License requires an "Abandonment" plan to be developed, Lytton wishes to emphasize that it has no intention of abandoning the Jericho site. The JD-01 pipe at the site has been shown to contain significant diamond values, and Lytton is actively pursuing other exploration targets in the vicinity.

Estimates of costs associated with the activities described herein are included in a separate report.

2.0 LAYOUT AND SITE FEATURES

The Jericho mine is adjacent to the northwest arm of Contwoyto Lake, approximately 25 km northwest of the Lupin Mine, and approximately 420 km northeast of Yellowknife. The site is approximately equidistant from the communities of Kugluktuk (Coppermine), Bathurst Inlet, and Snare Lakes.

Access to the site is provided by winter roads, or by air. A winter road is operated between Yellowknife and the Lupin Mine from mid January to mid March. From there, the Jericho site can be reached via a winter road on Contwoyto Lake. The Lupin mine offers year-round landing and freight handling services for 727 and Hercules or smaller aircraft. Aircraft can also use the landing strip on the eaker complex to the north of the Jericho site, or land on Carat Lake.

IGNI DE CONTROL DE CON

SRK Consulting Pebruary, 1999 This report outlines the general commitments to abandon and restore disturbed areas resulting from the exploratory program "Jericho Diamond Bulk Sample Project". The underground bulk sampling was initiated in March 1996, and involved the removal of approximately 14,500 tonnes of kimberlite. An estimated 25,000 m³ of waste rock was also generated. The waste rock was utilized on-site for the construction of the kimberlite storage pad. Following completion of a winter road from the Jericho site to the Lupin Mine, most of the kimberlite ore was hauled to the Lupin site for processing. Approximately 9400 tonnes were processed at the Lupin mill and the unprocessed ore is stockpiled at the Lupin site. Only several hundred kilograms of the bulk sample remain at the Jericho site.

Figure 1 shows the current layout of the site and the infrastructure remaining from the bulk sampling. The disturbed areas are grouped as follows:

- · Fuel Tank Farm:
- · Portal Area:
- · Carat Camp Site;
- · Scrvice Roads:
- Borrow Areas;
- · Airstrip & Turnaround Pad:
- Laydown Areas; and
- Explosives Magazines.

A fuel tank farm is located at Borrow Area A, off the main access road. It contains nine tanks in total in three bermed, lined containment cells.

The portal area is located at the south end of the kimberlite pipe. The area consists of surface facilities pad constructed of granular borrow material, a sample storage pad constructed from granite waste rock, surface facilities, and the portal. The total disturbed surface area is approximately 12,000 m². A portal for the decline was excavated in a granite bluff adjacent to the ore body. The decline extended through granite at a grade of 15% until kimberlite was encountered. The total advance of the decline was 799.5 m, and the total volume excavated was 11,650 m³. A shop, office and dry, and one 63,000 litre fuel tank are located immediately north of the surface ramp.

The main comp, called Carat Camp, is situated near the northeastern share of Carat Lake, and accommodates approximately 50 people.

ICL001,01 - Abandonmens and Restoration Plan for the Jaricha Project, Nunavas

Page 3

A 3.5 km long all-weather road connects the airstrip, camp and portal areas. A 1,075 m (3,500 ft) airstrip provides all-weather access to the project site for personnel and supplies. The runway is suitable for Twin Otter, DC-3, DC-4 and C-46 aircraft. The airstrip is also equipped with runway lights and a 10-m tower weather station.

Two of three identified granular borrow areas have been used to build the airstrip, site development area, and access road. The borrow areas have also been used for repairs to the road and airstrip, and other purposes as required.

There are three laydown areas: a laydown area upland of the north shore of Carat Lake, on the southern half of Borrow Area A; a second laydown area at the south end of the existing airstrip; and a third laydown area, west of Borrow Area A, which is referred to as the Thyssen Drop Site. A burn pit is located at the southern terminus of Bottow Area A.

The blasting caps magazine and powder magazine are empty and are located off the access road between the underground sampling site and the main camp. As is clear from Figure 1, these are the only facilities located on Inuit owned land.

3.0 RESTORATION ACTIVITIES

This section details the planned abandonment and restoration activities by area.

3.1 Fuel Tank Farm

3.1.1 Description

The fuel tank farm is located to the north of the all weather road, within the footprint of Borrow Area A. The nine fuel tanks are positioned within three lined and bermed cells, which are constructed so as to contain any potential spills and minimize environmental impact.

The following Items remain in the area:

- 9 fuel tanks (one 87,000 L gasoline tank and eight 63,000 L diesel tanks)
- 180,000 L fuel currently on site
- Secondary containment berms made of native material
- Liners
- · Fuel contaminated soil and
- · Miscellaneous small items, piping and plumbing

In addition, the disturbed undra and ground surfaces, minor rutting, and compacted areas need to be remediated.

3.1.2 Remediation

The following remedial activities are planned:

- · Decant excess fuel into tank muck and remove
- Remove empty fuel tanks
- Excavate and treat contaminated soil contaminated soils will be ignited to burn residual fuels, then covered with fill
- · Remove liners and burn if required, truck out to appropriate disposal facility
- Level berms and use as fill material where necessary
- Scarify and re-contour all compacted surfaces to reduce runoff and promote vegetation re-growth
- Truck all equipment and supplies away on winter road

3.2 Portal Area

3.2.1 Description

This area is south of Carat Lake and includes the immediate portal area, surface facilities and surface facilities pad, as well as the waste rock pad, used for storage of several hundred kilograms of kimberlite bulk samples. In total, it comprises a disturbed area of approximately 12,000 m². A temporary retainment beam, shown in Figure 1, was constructed to the north of the portal area in an effort to contain any suspended sediments or drill returns that might escape the surface facilities pad or waste rock pile and prevent them from entering Carat Lake. This berm is approximately 25 metres long and is approximately one metre high and one metre

ICL001.01 - Abandonment and Restoration Plan for the Jericko Project, Nunavut

Page 5

wide. In addition, several small spill-kit "sausages" were placed across small, ephemeral surface streams to further retain any suspended sediment.

The following items remain in the area:

- Surface facilities
- Shop
- Concrete shop floor constructed (over top of a sheet of plastic) to alleviate the concern of soil contamination while maintaining the heavy equipment used for the underground program
- 63,000 L fuel tank currently empty
- Kimberlite samples stored on wasterock pad several hundred kilograms
- · Generators and fuel supply
- Miscellaneous equipment and supplies
- Surface facilities and waste rock pad
- Retainment berm

3.2.2 Remediation

The following remedial activities are planned:

- Remove all equipment and supplies
- Remove any fuel and generators
- Dismantle and package all weatherhavens.
- Dismantle and burn any wooden attructures
- Dismantle concrete shop floor and place inside portal
- Scal portal with shotorete
- Excavate remaining kimberlite on wasterock pad
- Reduce any waste rock slopes to 2H:1V to minimize erosion and ensure slope stability
- Use suitable waste rock as rip-rap or fill material as needed elsewhere on site
- Cover remaining exposed wasterock pad with eaker or suitable native material.
 The pad should be contoured so as to prevent exosion and encourage revegetation
- Scarify and re-contour all compacted surfaces to reduce runoff and promote vegetation growth.

ICHILI CHI DI CHIMAN

SRK Consulting February, 1999

Page 6

- Use any granular borrow material from the surface facilities pad for fill or recontouring elsewhere on site.
- · Truck all equipment and supplies on winter road

The following remedial activities are anticipated for the retainment berm area, but subject to review after inspection this summer:

- · Remove berm, use material for re-contouring and capping elsewhere.
- Rip-rap any erosion prons areas with suitable rock.
- · Excevate any sediment or drill returns
- · Remove spill kit sausages.

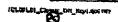
3.3 Carat Camp Site

3.3.1 Description

The camp and supporting facilities were constructed over top of unvegetated esker material. Therefore, there will be no fill or re-vegetation needed. For safety purposes the incinerator was placed approximately 50 m away from the main living quarters on a vegetated area.

The following items remain in the area:

- Weatherhaven tents (including dry tent)
- Wooden structures
- Vehicles
- Equipment
- Water tanks
- Biolets
- Miscellaucous camp supplies
- Incinerator
- Generator and generator fuel storage
- Lireywater sump
- · Contaminated soil
- Compacted areas



1CL001.01 - Abandonment and Restoration Plan for the Jericho Project, Nunavut

Page 7

3.3.2 Remediation

The following remedial activities are planned:

- · Dismantic and package the weatherhavens
- Dismantie wooden structures and burn in the Incincrator area
- Collect and package all equipment, biolets and miscellaneous supplies
- Excavate and remove all power lines
- Remove ashes and metal from burn area
- Cover burn area with 1 metre cap of esker sand or suitable fill material and recontour to minimize runoff and erosion
- Graywater sump backfill with eaker sand or suitable fill material and recontour to minimize runoff and erosion
- Remove water tanks
- Excavate and treat contaminated soil contaminated soils will be ignited to burn residual fuels, then covered with fill
- Scarify and re-contour all compacted surfaces to reduce runoff and promote vegetation re-growth
- Truck materials out on winter road

After incincrator removal, the affected area will be covered with adequate amounts of esker sand or suitable material to facilitate vegetation re-growth. The burning area will be capped with at least one foot of cover, and then will be contoured to eliminate pending, minimize runoff or erosion and prevent slumping.

3.4 Service Roads

3.4.1 Description

The all-weather road (3.5 kilometres) reaches from the airstrip to the portal.

3.4.2 Remediation

The following remedial activities are planned:

- Remove all onlyers, and re-grade any slopes to flatter than 2H:1V
- · Remove obstructions to drainage
- Rip-rap any sections in danger of erosion

ICLANIAN COMPANIAN TO A STATE OF THE PARTY O

Page 8

 Scarify the road surfaces and compacted areas to reduce runoff and promote vegetation re-growth

3.5 Borrow Areas

3.5.1 Description

The three granular borrow areas shown in Figure 1 were originally identified but apparently only two. Borrow Areas A and C, have been used to build and repair the airstrip, site development area, access road, and other purposes as required. Borrow Area A is located directly south of the airstrip on the eastern shore of Carat Lake. The main service road runs through the center of Borrow Area A. Borrow Area A has since become the site of the fuel tank farm to the north of the road and the site of a laydown area and a burn pit, on the southern half of the area.

3.5.2 Remediation

The following remedial action is planned for Borrow Area A:

- · Remove metal from burn pit and truck out
- · Cover burn area with 1 metre of esker sand or other suitable material
- Scarify any areas of compacted soil to reduce runoff and promote vegetation regrowth

There are no items for removal at Borrow Area B, located approximately 500 m east of the airstrip. It may only have been a proposed borrow area, as it does not ever appear to have been disturbed. Borrow Area C has no items for removal and has already been re-graded to a slope of 5H:1V.

3.6 Airstrip and Turnaround Pad

3.6.1 Description

In conversations with government regulators it is the general consensus that airstrips should not be reclaimed (unless they have significant environmental problems). Reclaiming an airstrip is a labour-intensive undertaking with unpredictable environmental results. In addition, the airstrip can be used by future exploration companies, tourist companies, aboriginal groups, and as a landing strip in emergency situations. The 1,075 metre airstrip will remain intact. The laydown area near the airstrip will be cleared of all equipment, supplies, and evidence of exploration work;

(OLASIAL CHANGE DICTION AND AND

SRK Consulting February, 1999 1CL001.01 - Ahandonment and Restorution Plan for the Jericko Project, Nunavut

Page 9

however, the area itself will remain intact. The airstrip could be available for future potential users.

3.6.2 Remediation

The following remedial action will be necessary at the airstrip and turnaround pad:

- Remove lights and generator
- · Remove weather station and tower from airstrip and Carat Lake
- Remove all equipment and supplies
- Dismantle and burn the storage buildings
- Excavate and remove any metal and ashes form burn area
- Excavate and treat contaminated soil. Contaminated soils will be ignited to burn residual fuels, then covered with fill
- Remove any culverts and attempt to restore natural drainage as best as possible
- Provide capping material on areas where permafrost stability is a concern and provide erosion protection where necessary
- Loave airstrip intact
- Leave turnaround area intact

During the construction of the airstrip in June 1996, a small trench was constructed to facilitate drainage release. This trench will be reclaimed so as to promote permafrost stability, and to restore the natural drainage pattern as best as possible.

3.7 Laydown Areas

3.7.1 Description

There are three laydown areas at the Jericho site:

- Laydown area on south half of Borrow Area A
- Thyssen Drop Site, west of Borrow Area A on the north shore of Carat Lake
- Storage pad at the south edge of the turnaround pad for the airstrip

The first two laydown areas are discussed below. The storage pad at the airstrip is mentioned above and will remain intact but will be cleared of equipment and structures.

Page 10

3.7.2 Remediation

The following remedial activities are planned at the Borrow Area A laydown area:

- Remove fuel and petroleum products burn if not useful
- · Remove debris and burn

The following remedial activities are planned for the Thyssen Drop Site:

- Drain fuel bladder and remove fuel bladder, supplies and shotcrete
- Remove fuel and petroleum products burn if not useful
- Remove debris and burn
- Remove culverts and protect areas with rip-rap if necessary
- Compact and cap any areas of damaged fundra with suitable material to protect permafrost layer

3.8 Explosives Magazines.

3.8.1 Description

The explosives magazines are located immediately off the access road, between the portal area and the Carat Camp site. Two short roads, each approximately 40 metres long, connect the magazine areas to the main road. The magazines are empty and the containers can be removed at any time. The roads can also be rehabilitated at any time. These items, along with the section of roadway shown in Figure 1, are the only items currently on Inuit Owned Land. It is intended that the following items could be restored as part of the planned activities on site this summer.

3.8.2 Remediation

The following remedial activities are planned:

- Remove empty magazines to Yellowknife
- Scarify entrance road to magazines and any compacted areas, to encourage the re-growth of vegetation

1CL001.01 - Abandonment and Restoration Plan for the Jericho Project, Nunavut

Page 11

3.9 POST-CLOSURE MONITORING

The post-closure monitoring program will include sampling of water and soil. The intent of the program is to ensure that watercourses are returned to their original capability, or are left in stable condition (i.e., protected from erosion and contamination). The program will also ensure that proper draining patterns are reestablished and maintained, and will monitor and report on the progress of revegetation.

The planned monitoring program would consist of the following components:

- Normal water samples as part of established water license requirements, during closure activities
- · A water sample from lake north of fuel farm at end of tank farm restoration
- Water samples from portal area during late summer in Year 1 and Year 5. (Three sites near the portal area have been identified as potential water sampling sites during previous work. These sites would be sampled twice, once during the spring freshet and once in late fall. It is intended that the location of these sites will be reviewed during the upcoming summer field season)
- Use of a field screening kit to test soil at the camp, portal, and laydown areas if staining is visible, and at the fuel tank farm;
- Confirmation soil samples will be taken once the contaminated soil is incinerated and before on-site burial
- Visual inspection of restored areas to note revegetation and any areas of tundra damage, erosion, slumping or instability.

4.0 PROJECT SCHEDULE

Lytton is actively engaged in exploration activities in the area. There is currently no target date for abandonment and restoration of the Jericho site. However, the intention is that Lytton will begin progressive restoration of non-essential areas of the site as early as this summer.

When and if abandonment and restoration become necessary, on site activities could be completed within three months. Disassembled material and equipment would be stored until winter, when a winter road would be constructed and hauling would

1CL001.01 - Abandonment and Restoration Plan for the Jericho Project, Nunova

Page 12

commence. Only items that can be taken out by airplane or helicopter would remain and those would be stockpiled as near to the airstrip as possible.

This report, 1CL001,01 - Abandonment and Restoration Plan for the Jericho Project, Nunavut, has been prepared by:

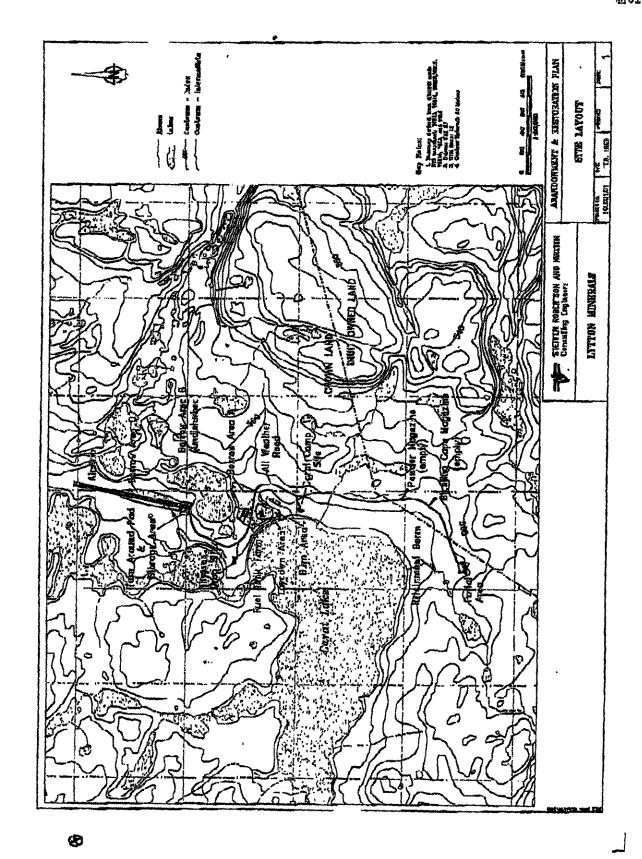
STEFFEN, ROBERTSON AND KIRSTEN (CANADA) INC.

ohn Poyser, B.A.Sc., BIT

Project Engineer

Daryl Rockley M.Eng., P.Eng.

Associate Principal



2009

TAHERA CORPORATION

CONTINGENCY PLAN



CONTINGENCY PLAN FOR EXPLORATION WORK ASSOCIATED WITH THE JERICHO DIAMOND PROJECT

JULY 2003

PAGEI

CONTINGENCY PLAN

TABLE OF CONTENTS

1.0 INTRODUCTION AND STATEMENT OF POLICY
2.0 PROJECT FACILITIES
2.1 Domestic sewage
2.2 Solid Waste
2.3 Puel Storage
2.4 Chemicals2
2.5 Bxplosives2
3.0 SYSTEM FAILURES AND PREVENTATIVE MEASURES3
3.1 Potential Runoff from Ore Stockpiles3
3.2 Potential Runoff from Kimberlite Storage Pad3
3.3 Discharge from Underground Sumps3
4.0 SOURCES OF POTENTIAL FAILURE4
4.1 Domestic Sewage4
1.2 Solid Waste4
4.3 Fuel
4.4 Chemicals5
5.0 RESPONSE TO SYSTEM FAILURES AND SPILLS
5.1 Initial Actions5
5.2 Discharge from Settling Ponds
5.3 Domestic Sawage6
5.4 Fuel Spill6
5.4.1 Fuel Spills tu Laud
5 4 7 Fuel Spills on Snow

TAHERA CORPORATION	CONTINGENCY PLAN
5.4.3 Fuel Spills on Water	
5.4.4 Fuel Spills on Ica	
5.5 Chemical Spills	
6.0 RESPONSE ORGANIZATION	
6.1 Responsibilities	8
7.0 REPORTING PROCEDURES	, ####################################
8.0 RESPONSE EQUIPMENT	
8.1 General Equipment	12
8.2 Spill Kite	
8.3 Mobile Environmental Response Unit	
9.0 TRAINING AND SPILL EXERCISES	
9.1 Training	13
9.2 Spill Report	14
9.3 Employee Confirmation Review of Spill Contain	ment Plan15

CUNTINGENCY PLAN

1.0 INTRODUCTION AND STATEMENT OF POLICY

The following combined spill and general contingency plan, for the Jericho Diamond Project and other exploration work in the area, is intended to demonstrate the preparedness of Tahera Corporation for environmental emergencies that may occur due to unforeseen events. Bulk sampling of the Jericho Pipe was completed during the summer and fall of 1996 and generated approximately 15,000 tonnes of ore and 25,000 cubic metres of waste rock. Throughout this project Tahera Corporation maintained a high level of safety standards and intends to continue these standards. Although, there is no underground work being carried out at the present time, Tahera Corporation has plans for ongoing exploration work in the Northwest Contwoyto Lake area. The company fiels it is important to maintain a contingency plan for all the work it conducts regardless of the scale of the operation.

The following Contingency Plan describes potential causes for spills or accidents, material releases from the decline, waste rock, waste water, fuel or chemical storage areas and defines the authority for emergency decision making and the chain of command to be followed. The plan will continually be updated and amended according to changes to onsite personnel and/or site activities.

It is the policy of Tahera Corporation to initiate clean up activity when, in the opinion of its management, it is associated with the spilled product. It is also the policy of both Tahera Corporation to comply with existing regulations, ensure protection of the environment and to keep employees, government officials and the public informed.

2.0 PROJECT FACILITIES

2.1 Domestic sewage

Biolets are place on-site for the disposal of solid fecal matter. The biolet functions with a minimal quantity of water. The biolet is used primarily for the disposal of solid fecal matter and facilitates the biodegradation of the fecal matter to a soil-like material within a few weeks. The soil-like material will be removed from the biolets biweekly for incineration on site. Grey water generated at the camp will be discharged to the environment.

2.2 Solid Waste

Solid municipal wasts generated at the camp facility is currently being flown off-site. Two incinerators are on site and all burnable products are incinerated. Non-humable items and ash are drummed and flown off-site to the appropriate disposal facilities.

Ø 008

TAHERA CORPORATION

CONTINGENCY PLAN

2.3 Fuel Storage

Gasoline and diesel fuel will be required during any exploration work conducted in the area. Diesel will be required for machinery at camp and the drill site and gusoline will be required for small machinery. Fuel has been transported to the project site in the past via the winter road in fuel tankers and in 45 gallon barrels by fixed-wing aircraft. Diesel fuel is periodically stored on site in 10 aboveground storage tanks. In addition, there is one 63,000 L diesel tank at the project site, on the pad where bulk sampling facilities are located. The 63,000 L tanks will be filled to a capacity of 57,000 L to allow for 10% volume expansion.

The tank storage areas are surrounded by a lined containment facility constructed in accordance to the National Fire Code of Canada, and capable of containing more than 110% capacity of the total tank volume, plus 10% of the total volume of the remaining tanks. As the containment area was built to accommodate twenty-three of these tanks, there will be no risk of the containment area being filled should a spill occur.

A large quantity of scaled 200 litre barrels of fuel are kept on-site for use at drill sites, or for use with in the camp. These smaller barrels will contain diesel fuel, gasoline, and Jet-B. Fuel spill kits are located at each fuel cache, and contain absorbent materials and other safety equipment that may be needed to contain a spill.

This Contingency Plan will be posted on-site for easy reference in the event of an unplanned discharge of hydrocarbons.

2.4 Chemicals

The use of reagents on-site will be very limited, as the ore will be processed off-site. Material Safety Data Sheets (MSDS) will be kept with all chemicals and fuel products brought on sight and proper storage and handling of these products will be undertaken.

2.5 Explosives

As there is no underground work being carried out at this time we do not anticipate the need for explosives. However, should Tahera require the use of explosives, the following standards will be followed. In accordance with the Explosives Use Act and Schedule C of Minu Safety Regulations all explosives will be kept 1050m from all living dwelling areas. The explosive magazines will be kept 1050m from camp.

Page 2

•

TAHERA CORPORATION

CONTINGENCY PLAN

3.0 SYSTEM FAILURES AND PREVENTATIVE MEASURES

3.1 Potential Runoff from Ore Stockpiles

There is currently no kimberlitic ore being stockpiled at the Jericho site. However, should one be stockpiled during periods of warmer temperatures, samples of run-off water will be collected and analyzed following heavy rains.

3.2 Potential Runoff from Kimberlite Storage Pad

Any runoff will be sampled from the kimberlite storage pad after any heavy rainfall and during freshet.

3.3 Discharge from Underground Sumps

If excessive ground water is encountered underground the ground water will be pumped into the lined, berned containment facility adjacent to the portal entrance. The following is a list of potential reasons to cause water discharge from the containment facility:

- High precipitation;
- Occurrence of more ground water than anticipated;
- Reduction in suspension time for the suspended load to settle;
- Underground sump system failure.

Functionality of the underground sump system will be monitored regularly as well as continuous monitoring and maintenance of adequate depths for settling purposes at the discharge.

CONTINGENCY PLAN

4.0 SOURCES OF POTENTIAL FAILURE

4.1 Domestic Sewage

4.1.1 Greywater

The following failures may occur in the domestic sewage system:

- · Pump failure;
- · Pailure due to greater volumes than design load;
- Improper maintenance;
- Pipelins worn or broken;
- Freezing;
- Pipeline blockage; and / or
- Subsidence of pipeline supporting structure.

Visual inspection of the domestic sewage system will be completed regularly.

4.1.2 Biolets

Biolets are used as self-contained, biological toilets, where human waste (feces and urine) are collected, excess liquid is evaporated and solid material is decomposed to a soil-like, hygienically safe product (humus) without producing an unpleasant odour. Biolets need no water or chemicals, and there is no wastewater discharge from the unit, which eliminates the need for a sewer of septic tank system. Biolets utilize the naturally occurring aerobic decomposition. The soil-like material will be removed from the biolets bi-weekly for on-site incineration. The manual for biolets will be adhered to. Therefore the only other domestic sewage is grey water, which will be discharged to the environment.

4.2 Solid Waste

Failures in solid waste removal may occur as a result of:

- Improper maintenance of the incinerator, and / or
- Accidental damage to the incinerator and its workings.

Regular visual inspection of the incinerator will be maintained. The operations manual for the incinerator will be adhered to. Because there are two incinerators on site, the likelihood of failure of both at the same time is negligible.

Page 4

CONTINGENCY PLAN

4.3 Fuel

Potential fuel spills could be a result of the following:

- Accidental damage to the storage tanks;
- · Pumping of firel from the fuel tanker trucks to the storage tanks;
- · Vehicles involved in accidents;
- Broken or damaged pipeline; and/or
- Damaged pumping system.

These scenarios will be minimized by regular visual inspection, proper training for fuel handling and spill response training for all personnel associated with fuel handling.

4.4 Chemicals

All Chemicals on site will be stored in secure containers with all necessary Material Safety Data Sheets (MSDS). Chemical spills may occur during handling, storage or accidental breakage of containers.

Ensuring the safe handling, proper storage, and regular visual inspection of chemicals will minimize chemical spills. The responsibility for storage and handling of chemicals will be shared between the company and any contractors that work on site.

5.0 RESPONSE TO SYSTEM FAILURES AND SPILLS

5.1 Initial Actions

In the event of a spill or system failure, personnel at the spill site will follow the following procedures.

- 1) Ensure safety of yourself and others.
- 2) Assess any hazards to persons in the vicinity of the spill.
- 3) Control danger to human life.
- 4) Assess if spill can be readily stopped or brought under control.
- 5) If safe to do so, contain and stop flow of spilled material.
- Gather information on the status of the situation.
- 7) Report spill or system failure to the On-Scene Coordinator immediately so they can susure the responsible regulator is notified by contacting the NWT 24 hour Spill Line.
- 8) If safe, resume action for blosmup and containment.

5.2 Discharge from Settling Ponds

In the event that excessive ground water is encountered it may be necessary to use the settling pend to the west of the main portal. If the sump water discharged from the surface sump exceeds the permissible level of total suspended solids, the water will be pumped to Tailings Lake and the water discharge monitored from there.

CONTINGENCY PLAN

5.3 Domestic Sawage

In the event that there is a system failure with the biolets, either in the form of improper operation or system failure of a biolet, the On-Scene Coordinator will be notified immediately. In case of a power outage the stand by generator will immediately be turned on.

5.4 Fuel Spill

The following steps are to be taken in the event of a fuel spill, a leak at a storage facility, or a vehicle accident.

- 1) Identify the source of the leak or spill.
- 2) Contain the spill and the source if possible.
- Leaks from a tank or barrel can be stopped by:
 - O Turning off valves;
 - Utilizing patching kits to seal leaks; and placing plastic sheeting at the foot of the tank or barrel to prevent seepage into the ground.
 - In the worst case, the contents of the leaking tank can be pumped to the empty refuge tank.
- Contact the Spill Response Coordinator.

5.4.1 Fuel Spills on Land

- Contact the Spill Response Coordinator.
- Hydrocarbon on rock will be soaked up with absorbent sheeting. The hydrocarbon saturated sheeting will be placed in empty drums for disposal.
- Contaminated soil and vegetation may have to be removed and disposed of. The Spill
 Response Coordinator will contact the government authority identified by the 24-Hour
 Spill Reporting Line for approval before undertaking this.

5.4.2 Fuel Spills on Snow

- Show works well as a natural absorbent and collects spilled fuel.
- Berms can be made from snow by compacting it and lining the snow-berm with plastic.
- The snow-fuel mixture will be scraped up and stored in a lined area or in drums for future disposal, or humed with approval (contact the NWT 24-Hour Spill Line).
 Remaining contaminated snow will be placed in drums or on a lined berm (on land).

5.4.3 Fuel Spills on Water

It is important to immediately limit the area of the spill on water. The following steps should be followed.

GONTINGENCY PLAN

- Booms will be deployed to contain the spill area. Winds, waves, and other factors will limit the effectiveness of this action.
- Absorbent pads and similar majorials will be used to capture small spills on water.
 The absorbent pads are hydrophobic (absorb hydrocarbons and repel water).

5.4.4 Fuel Spills on Ice

- Where a spill occurs on ice, snow will be compacted around the edge of the spill to serve as a berm. The ice will prevent (or reduce the rate of) seepage of fuel into the water, but the contaminated snow/ice must be immediately scraped up. Permission may be given from the government to burn off fuel, as with fuel spills on snow (contact the NWT 24-Hour Spill Line).
- Fuel that escapes under the ice through breaks or cracks is extremely difficult to collect. Expertise will be sought immediately. A Mobile Environmental Response Unit can be made available in a matter of hours.

5.5 Chemical Spills

The following actions should be taken in the event of a chemical spill:

- · Assess the hazard of the spilled material;
- If the chemical is hazardous, ensure protective personal equipment is appropriately utilized (latex gloves, eye protection, etc.) before approaching the spill;
- Use absorbents to soak up spilled liquids;
- · Plastic sheeting will be utilized to prevent solid chemicals from being blown around;
- Neutralize acids or caustics; and / or
- Place spilled material, absorbents, and rags in an open-top drum and seal for temporary storage (the drum will be disposed of in a licensed treatment facility)

TAHERA CORP.

Ø1012

TAHERA CORPORATION

CONTINGENCY PLAN

6.0 RESPONSE ORGANIZATION

Listed below are the members of the Spill Response Team and their duties (names and phone numbers will be provided prior to project start date).

Fuel and non-fuel Spills:

On-Scene Coordinator (Senior Project Geologist):

Mike Johnson, Carat Camp

Phone:

(600) 881-6712

Fax:

(604) 881-8310

Yellowknife Coordinator: •

G & G Expediting PO Box 1046 YK, NWT X1A 2N8

Phone:

(600) 881-6712

Fax:

(604) 881-8310

Vice President, Nunavut Affairs:

Gregory Missal

Tahera Corporation, Suite 803, 121 Richmond St. West

M5H 2K1

Phone:

(416) 777-1998

Fax:

(416) 777-1898

Personnel:

Carat Camp, 400 km NNE of Yellowknife, 65° 59' 50" N; 111° 28' 30" W.

Phone:

(600) 881-6712

Fax:

(604) 881-8310

Ø013

TAHERA CORPORATION

CONTINGENCY PLAN

6.1 Responsibilities

On-Scene Coordinator

- Has complete authority over the gleanup personnel and the spill scene;
- Reports the spill to the Director of Exploration;
- Reports the spill to the NWT 24 hour Spill Report Line at (403) 920-8130;
- · Evaluates the initial situation and assesses the magnitude of the problem;
- Activates the response plan and calls out the key personnel in the response team, as
 desired appropriate, to meet the situation;
- Develops the overall plan of action for containment and cleanup of the specific incident and directs the implementation of the plan;
- Ensures that the assigned responsibilities are carried out and that coordination exists between supervisory team members,
- Assesses the requirements for men, equipment, materials, and tools to contain the spill
 in light of what resources are immediately available (the urgency will depend on the
 nature of the spill);
- Ensures that all spill response personnel receive adequate training in order to fulfill
 their responsibilities as part of the Spill Response Team; and
- Ensures re-stocking of used cleanup equipment (pads, etc.)
- Ensures all emergency response and spill equipment, materials and tools are stored and maintained on-site.

Vice President of Nunavut Affairs

- Provides liaison within Tahera Corporation and will keep them informed on the cleanup activities; and
- Acts as spokes person with the public, media and government agencies.

Yellowknife Coordinator

 Assists in obtaining any additional resource not available on-site for spill response and cleanup.

7.0 REPORTING PROCEDURES

The Spill Response Team must be notified immediately of any spill. The following chain of command must be followed in reporting process.

CONTINGENCY PLAN

Immediate Contact Person

Fuel and Non-Fuel Spills

On-Scene Coordinator:

Mike Johnson, Carat Camp

Phone: (600) 881-6712 Pax

(604) 881-8310

Camp Manager:

Kevin Osmond, Carat Camp

Phone: (600) 881-6712 Fax: (604) 881-8310

Vice President, Nunavut Affairs:

Gregory Missal Tahera Corporation, Suite 803, 121-Richmond St. West MSH 2KI

Phone:

(416) 777-1998 (416) 777-1898

Fax:

Yellowknife Coordinator:

G & G Expediting PO Box 1046 YK, NWT X1A 2N8

Phone:

(600) 881-6712

Fax:

(604) 881-8310

TAHKRA CURP.

TAHERA CORPORATION

CONTINGENCY PLAN

Alternate Contact Person (if unable to reach site):

Gregory Missal Tahera Corporation,

Suite 803, 121 Richmond St. West M5H 2K1

Phone:

(416) 777-1998

Fax:

(416) 777-1898

Government 24-Hour Spill Reporting Line (Yellowknife):

Phone:

(867) 920-8130

Fux:

(867) 873-6924

Additional Information and Assistance

Environment and Safety Advice

Gregory Missal Tahera Corporation. Suite 803, 121 Richmond St. West M5H 2K1

Phone:

(416) 777-1998

Fax:

(416) 777-1898

Mobile Environmental Response Unit

Shell Canada Ltd. (Vellowknife)

Matthew Wasserman

Agent, Canadian Northern Oil

Phone:

(867) 873-3337

Government of the Northwest Territories Dept. of Resources, Wildlife and Economic Development Environmental Protection Division

Phone (Yellowknife):

(867) 873-7654

Environment Canada

Phone (Yellowknife):

(867) 873-3456

Fax:

(867) 873-8185

CONTINGENCY PLAN

Department of Indian Affairs and Northern Development

Carl McLean

Manager, Land Administration

Phone (Iqabit):

(867) 975-4280

Nunavut Water Board

Dionne Filiatrault

Senior Technical Advisor

Phone (Gjoa Haven):

(867) 360-6338

Kitikment Inuit Association

Jack Kaniak

Kitia Lands Manager

Phone (Kuginkink):

(867) 982-3311

RCMP

Phone (Yellowknife):

(867) 920-8311

Lupin Mine (Echo Bay Mines Ltd.)

Phone (Lupin):

(867) 920-7000

8.0 RESPONSE EQUIPMENT

8.1 General Equipment

A large loader, a D-6 car, vehicles, snowmobiles, and a bombadier are available on-site for emergency use and to attend to spill responses.

8.2 Spill Kits

Spill Kits (Table 1) will be kept on location at Jericho Diamond Project, NWT storage/transfer facilities:

- i at camp
- I at helicopter pad
- I at tank farm
- 1 near portal entrance
- 1 at airstrip
- others as required

CONTINGENCY PLAN

Table 1: Items Contained in Each Spill Kit

1-45 gal, 16-Gauge Open Top Drum, c/w bolting ring and gasket

1 - 48" x 48" x 1/16" Neoprene Pad (Drain Stop)

Plug N Dike Granular, 1 gal U.S. (3.8 litres)

Splash protection Goggles

2 - PVC Oil Resistant Gloves

1 Pkg. Polyethylene Disposable Bags (5 ml) 10/Pkg.

1 Shovel (Spark Proof)

1 Case T-12 3" x 12' Mini Boom, 4 Booms/Case

1 Bale 11P 256 17" x 19" x 1/2" Pads, 100 Pads/Bail

8.3 Mobile Environmental Response Unit

A Mobile Environmental Response Unit will be available to Tahera Corporation from one of the major fuel suppliers in Yellowknife or Cambridge Bay. This unit can be transported to the site from Yellowknife or Cambridge Bay in less than three hours, weather permitting.

9.0 TRAINING AND SPILL EXERCISES

9.1 Training

All worker at the camp will be familiar with the spill response resources (including their location and access), the Spill Contingency Plan and appropriate spill response methodologies.

All personnel at the Jericho Diamond Property will be familiar with spill reporting requirements. Fuel handling crews will be fully trained in the safe operation of these facilities, spill prevention techniques and initial spill response. Similarly, the staff involved in process and wastewater systems will be trained in their safe operation.

TAHERA CORPORATION	CONTINGENCY PLAI
All significant releases or discharges of hydro carb to the Spill Line by calling 867 920-8130.	on fucls must be reported immediate
9.2 SPILL REPORT:	
A) Name of the reporter and telephone number:	
B) Name of person causing spill and telephone num	ber:
C) Location of spill: Time of spill:	
D) Substance spilled:	
Quantity:	
F) Measures taken to stop/contain/minimize spill:	
G) Description of spill location and surrounding area	
H) Details of further action required:	-
I) Names of agencies on site:	
J) Names of others advised of spill:	
## · **********************************	n / I
Date:	
Report Completed By:	

GONTINGENCY PLAN

9.3 Employee Confirmation Review of Spill Containment Plan

PRINT NAME:	SIGNATURE:	DATE:
		·
	,	
		and the second s

