land use permit if more stringent conditions apply.

4.7.7 Rock chemistry

a. Where an exploration project shows high potential for production and progresses to a prefeasibility study, rock samples of every major rock type in the mineral deposit shall analyzed for acid / base generation and neutralization potential.

4.7.8 Underground Exploration

- a. Land surfaces in and around an underground exploration program subject to permanent disturbance shall be examined for the presence of artifacts of heritage and archaeological significance prior to any site work.
- b. Soil and overburden stripped to expose bedrock for pits and portal sites shall be stockpiled for future reclamation needs. Where significant organic soils are present these shall be stockpiled separately from mineral soils.
- c. Water for underground exploration work shall be used as sparingly as practical with recirculation used when ever and where ever possible. Water discharged from underground workings shall be contained in a sump designated to hold discharges for analyses prior to release to the environment.
- d. Spilled explosive shall be cleaned up prior to blasting and disposed of in an approved manner and not as debris for the waste rock dump or wastewater sump.
- e. Waste rock with acid generation potential (NP/AP ratio less than 3.0) shall be stored separately from other waste rock and remain accessible for future disposition.
- f. Ore with acid generating potential (NP/AP ratio less than 3.0) shall be stored separately and remain accessible for future disposition.
- g. A QA/QC (quality assurance / quality control) program shall be developed to test for water quality in the run off from waste rock and ore piles and disposal sites. The suite of analyses on QA/QC water samples shall be developed in consultation with the regulator (Nunavut Water Board).

4.8 CLOSURE AND ABANDONMENT

Preliminary Demobilization and Reclamation Plan Meliadine West Gold Project Camp

Introduction and Background

CMF and its partners has been conducting mineral exploration in the Meliadine West area since 1990. The lands in the exploration area are Inuit Owned Lands (IOL) pursuant to the Nunavut Land Claims Agreement (NLCA). Land use for the exploration activities has been authorized by

the Kivalliq Inuit Association (KIA), the regional Inuit Association who holds title to IOL in the Kivalliq Region of Nunavut. Rules and procedures for the management of IOL have been established by Nunavut Tungavik Inc. - the agency that negotiated the NLCA. These require that the intensively used lands in the exploration area like the camp and fuel storage areas be held be a surface lease. The lease requires that a "Reclamation Plan" for the lease area be developed.

A condition of the lease is that, on lease termination, CMF will return the area of the camp and fuel storage areas to a condition as near to its original natural state as practical and possible. This preliminary demobilisation and reclamation plan will be filed with KIA as required by the lease (Schedule C). A "Final Reclamation Plan" will be developed and filed with KIA prior to lease termination; in the meantime progressive reclamation practises will be undertaken to keep the environmental effects of local land use in the lease area to a practical minimum.

Demobilization

All equipment, structures and fuel containers will be removed from the area of the lease prior to lease termination. Buildings and materials with ongoing value to CMF will be salvaged by CMF; local persons and businesses will be given opportunity to salvage remaining buildings and materials that would otherwise be destroyed prior to CMF undertaking final land reclamation procedures. The only materials and structures remaining will be drill core stored in permanent racks on gravel pads.

Structures

Structures presently on the site include both soft sided Weatherhaven shelters, rigid "ATCO" type trailers, stick built shacks, stick built generator shelters, several fuel pump shelters, and several canvas tent frames. A rigid insulated and heated corridor network connects the main accommodations, kitchen/mess and shower structures. Weatherhaven units consist of four person "sleepers", sixteen person "sleepers", a kitchen / mess, a shower / laundry, an office, a TV/rec room, a core logging and sample processing lab, and a geotech office.

It is expected that all Weatherhaven units will be salvaged by CMF. The rigid structures and Weatherhaven bases may be salvaged by local interests. All unsalvaged materials will be burned on site with the non-combustible remainder collected and removed to the municipal land fill at Rankin Inlet.

Drilling materials and fuel

All fuel will be removed either to Rankin Inlet or to the minesite. Similarly all useful material like salt, drilling compounds, and surplus peat and fertilizer will be relocated to Rankin Inlet for local disposal or to the minesite. All fuel vaults and barrels will likewise be relocated.

Non-combustible Waste

All non-combustible waste will be removed to the Rankin Inlet municipal land fill. Material to be burned will be consolidated to reduce the number of sites and total area of the scorched tundra. All burning sites will be raked and remaining metal removed and placed in the municipal land fill.

Reclamation

The natural revegetation of the site generally will be slow due to the dry conditions that exist

atop this ridge. The use of fertilizers is generally most effective in moist sites and while it helps on drier sites, the response by the tundra plant community on the higher ground occupied by the camp will be significantly slower.

There will be four different surface conditions that will require reclamation on termination of activities at the present camp site:

• Areas of heavy traffic.

In these areas the total amount of vegetation on surface is diminished thereby reducing the insulative layer over the permafrost which has receded allowing surface settlement and so there appear to be more rocks protruding through the surface. These areas remain stable and reclamation will involve applications of fertilizer to accelerate natural revegetation. These sites will also receive applications of fertilizer in the interim to stimulate healthier plants and seed development on the margins of the disturbed areas.

Gravel pads and walkways.

Gravel has been placed on the lease area either to establish a level supporting surface under fuel tanks and buildings, or to replace wooden walkways in high foot traffic areas. The natural surface remains stable and is bordered by natural vegetation. The gravel will be mixed with peat and fertilizer and be dispersed; the original ground surface will be fertilized and allowed to revegetate naturally.

• Building and core rack bases.

The prolonged presence of a building has prevented plant growth by blocking light to the plants on the site. Similar conditions existed at the former camp site which was vacated in late winter 1996. The natural revegetation of those building sites is progressing but slow. The ground surface at building sites remains stable and time alone will allow plants to become established. This will be enhanced by limited scarification to improve the germination of seeds from adjacent plants responding to the application of fertilizer throughout the lease area generally.

• Burned sites.

Sites that have been used to burn remaining wood and other combustibles on demobilization will be few in number and limited in size. All live plant tissue in the soil will have be destroyed by the heat but the surface will be stable. Like former building sites discussed above, natural revegetation will be slow. The sites will be raked to remove metal, the ash scattered, and the sites fertilized.

Drill Core

There are over 120,000 metres of drill core in storage at the site. More, will likely be added prior to termination. Also, the core from the 1994 and 1995 drilling campaigns in storage at the former camp site will be consolidated at the current Meliadine West site. If, at lease termination there is no further activity in the Meliadine West area by CMF, the core will be restacked on more durable and stable gravel pads for long term storage and access.

APPENDIX ONE CMF LOSS CONTROL FUEL SPILL REPORTING FORM

(INTERNAL USE ONLY)

Non-Compliance Category:
Location:
Summary of Non-Compliance:
Law/Regulation Breached:
Status:
Progress on Resolving the Issue:
Expenditure:
Anticipated Compliance Date:
Officer(s) Responsible:

APPENDIX TWO

Camp Closure Checklist

Camp Closure Checklist

- 1. Incinerate all combustible garbage.
- 2. Salvage or incinerate all freezable/putrescible kitchen goods.
- 3. Drain all water lines and pumps.
- 4. Closer and lock all supply valves at fuel storage tanks.
- 5. Fill all fuel day tanks to 95% capacity.
- 6. Shut off and lock all fuel lines to heaters, furnaces and generators.
- 7. Drain fuel lines and dispose accumulated fluids in incinerator.
- 8. Set all partially used fuel barrels on end and slanted so that melt water can not seep into drum.
- 9. Check all bungs on drums with fuel.

APPENDIX THREE

Drill Site Rehab Procedure

Drill Site Rehab Procedure

- 1. Allow site to drain before initiating rehab efforts.
- 2. Remove all garbage and debris that may have emerged from cuttings during drainage and settling of mud cake.
- 3. Open bale of peat and distribute over mud cake and incorporate into mud by raking or stomping.
- 4. Check drill site completion form (attached).