KIVALLIQ ENERGY CORPORATION

ABANDONMENT & RESTORATION PLAN
ANGILAK PROJECT

KIVALLIQ REGION, NUNAVUT

Submitted To: NWB, INAC, KivIA
Submitted By: Jeff Ward, VP Exploration
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SUMMARY OF AMENDMENTS

PAGE #	DESCRIPTION	DATE
7	7. Emergency Contact Information, Additional contacts added	30/08/2009
3	1. Preamble, New camp coordinates	01/03/2009
Appendix I	New maps and photos for new camp location	01/03/2009

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Angilak Exploration Program/Remote Camp
Abandonment and Restoration Plan

1. Preamble

This Abandonment and Restoration (A&R) Plan has been amended because the original proposed location of the camp was less than ideal. In 2008 a small camp was established for a short period of time to support the sampling program. The area all around Yat Lake is low lying with significant willow vegetation cover. There are concerns that this area has the potential for high waters during freshet and heavy rainfalls. Following review of photos taken during the field program and maps of the area, two potential locations have been selected that would be more suitable to support an exploration camp.

In 2009 the camp will be moved to either UTM 6937404mN / 526312mE or 6937672mN / 528031mE (NAD83, Zone V14) pending approval from INAC and the Nunavut Water Board. The two sites are located approximately 1.5 kilometres apart and the final location will be determined by fixe wing access and ground suitability. A map showing this new proposed location and photographs of the two sites are included in Appendix I.

This Plan applies specifically to the Angilak Project. A property map is included in Appendix I. Kivalliq Energy Corp. endeavours to take every reasonable precaution toward ensuring the protection and conservation of the natural environment and the safety and health of all employees and contractors from any potential harmful effects of stored materials and operations. All plans, licences and permits will be reviewed with employees and contractors when hired and copies of the plans will be available in the office tent for reference.

2. Introduction

The work proposed for this project consists prospecting; staking; geological mapping; rock and soil/till sampling; grid establishment/line cutting; airborne geophysics; ground geophysics; drilling; possibility of trenching (non-mechanical); fuel transport (fixed- and rotary-wing, overland); establishment of fuel caches during winter months; and the establishment of a camp.

Although the camp is temporary, it is the company's desire to have the camp remain in position for the duration of the land use permits and water licence. No buildings, equipment or waste will remain once the project is complete.

3. Schedule

The final restoration of the future camp site will begin once the program is complete. All work under the Abandonment and Restoration Plan will be completed prior to the date of expiry of the land use permits and water licence unless a renewal is applied for. Empty

fuel drums will be removed from site regularly. Once a fuel cache is retired, a thorough inspection will be conducted. Any contamination will be cleaned up according to the Spill Contingency Plan and debris will be removed from the site.

4. Infrastructure – Fuel Caches

A fuel cache will be established at the camp. The maximum number of drums to be stored at the camp will be no more than:

- 100 drums of Aviation fuel
- 100 drums of diesel
- 5 gasoline
- 10 propane tanks

The fuel will be stored in neat, orderly rows with enough space between rows to allow for inspections. Bungs will face 3 and 9 o'clock. The fuel cache will be inspected daily. A spill kit will be located at the fuel cache.

The camp will consist of:

- 12 – 14' x 16' insulated tents on wood frames. These tents function as sleep tents, an office, core tent and first aid station
- 2 – 14' x 32' insulated tent on wood frames. These tents function as the kitchen mess and the dry
- An outhouse facility using "Pacto" toilets. The "Pacto" toilets do not require electricity or water. Instead a flush foil is used to encapsulate the waste
- A generator building to house a 20 kW diesel generator as well as a backup generator
- A helicopter landing area, and
- A garbage incineration area.

5. Seasonal Shutdown

Buildings and Contents

All tents will be dismantled and the canvas tents removed from site for drying and storage. Wood structures (generator and pacto toilet shacks) and wood floors will be kept secured. Wooden bed frames will be turned upside down and secured to the wooden floors for over-winter storage. The generator will be removed from site for servicing and storage.

Water system

Pumps and hoses will be drained and dismantled. Pumps and hoses will be removed from site for servicing and storage.

Fuel caches and Chemical Storage
An inventory will be conducted prior to leaving at the end of the field season. A thorough inspection of all fuel caches will be completed and empty fuel drums will be removed from site. Partially full fuel drums will be placed on an angle to ensure that snow and water do not enter the drum and no leakage from the drum occurs. Full fuel drums will be stored on their sides with the bungs in the 3:00 and 9:00 position.

Chemicals will not be stored on site over winter. All chemicals, including cleaning products, will be removed from site for storage and or disposal.

Waste
Combustible waste: All combustible waste will be incinerated.

Grey water sump: The grey water sump will be inspected and covered securely for the winter. Stakes will be placed around the sump so that it is easily identifiable when the camp is opened up again each year.

Black water: The camp uses Pacto toilets. Bags containing waste are removed from site.

Drill sites
The drill will be dismantled into its main components as per the drilling contractor procedure, packaged and secured along with its ancillary equipment and rods. The drill will be flown out by the drilling contractor.

All drill sites will be inspected for soil contamination. Any remaining waste will be taken to camp to be burned if possible or to be flown out to an approved disposal location. Greywater and sludge sumps will be filled and levelled.

As much as possible, drill sites will be restored immediately after the drill has been moved to the next site.

Contamination Clean Up
Any soil around camp that has become contaminated and gone unnoticed will be treated as per the Spill Contingency Plan. Before and after photos will be taken to document the contamination and the clean up. These photos will make up part of the final report to be submitted to the Water Resource Inspector and the Kivalliq Inuit Association following any spill and will also be attached as part of the Annual Report submitted to the Nunavut Water Board and the Kivalliq Inuit Association.

Inspection and Documentation
A complete inspection will be conducted of all areas prior to seasonal closure. Photos will be taken to document the conditions prior to leaving the site for the winter. A full inventory will be conducted.

6. Final Abandonment and Restoration

Buildings and Contents
All buildings will be dismantled and removed. All wooden structures including floors will either be burned or removed.

Equipment
All equipment, including pumps, will be dismantled and removed from the project area.

Fuel caches and Chemical Storage
All fuel drums will be removed. All areas where there have been fuel caches will be thoroughly inspected. Any contamination will be cleaned up as well as any debris removed. Contaminated soil will be handled as per the Spill Contingency Plan. Final photos will be taken of all fuel caches for inclusion in the final report.

All chemicals will be removed from site. Areas where chemicals have been stored will be inspected to ensure that there has been no contamination.

Sumps
All sumps will be inspected to ensure that there is no leaching or run-off. Sumps will be back-filled and levelled as required. Final photos will be taken.

Drill Sites
The drill will be dismantled into its main components as per the drilling contractor procedure, packaged and secured along with its ancillary equipment and rods. The drill will be flown out by the drilling contractor.

All drill sites will be inspected for soil contamination. Any remaining waste will be taken to camp to be burned if possible or to be flown out to an approved disposal location. Greywater and sludge sumps will be filled and levelled.

An inspection will be conducted to ensure that all drill sites are/have been restored and sumps have been covered and levelled.

Contamination Clean Up
Any contamination will be treated as per the Spill Contingency Plan. Before and after photos will be taken to document the contamination and the clean up. These photos will make up part of the final report to be submitted to the Water Resource Inspector and the Kivalliq Inuit Association following any spill and will also be attached as part of the Annual Report submitted to the Nunavut Water Board and the Kivalliq Inuit Association.

Inspection and Documentation
A complete inspection will be conducted of all areas prior to closure. Photos will be taken to document the conditions prior to leaving the site for use in the final plan. All appropriate agencies will be contacted and notified once the final clean up has been

conducted. The photos will make up part of the final closure reports to be submitted to DIAND, the Nunavut Water Board and the Kivalliq Inuit Association.

7. Emergency Contact Information

CONTACT	**TELEPHONE NUMBER**
INAC Water Resource Officer, Iqaluit	(867) 975-4295
Environment Canada	(867) 975-4644, 24hr page (867) 766-3737
Nunavut Department of Environment	(867) 975-7700
Manager Pollution Control/Air Quality	(867) 975-7748
Kivalliq Inuit Association – Land Use Inspector	(867) 645-2800
DFO	(867) 979-8007
Kivalliq Energy Corp., John Robins, President	(604) 646-4520
Air Tindi	(867) 669-8212
Yellowknife Fire Department	(867) 873-2222
Baker Lake RCMP	(867) 793-0123
Stanton Regional Hospital – Yellowknife	(867) 920-4111
Discovery Mining Services	(867) 920-4600

Appendix I

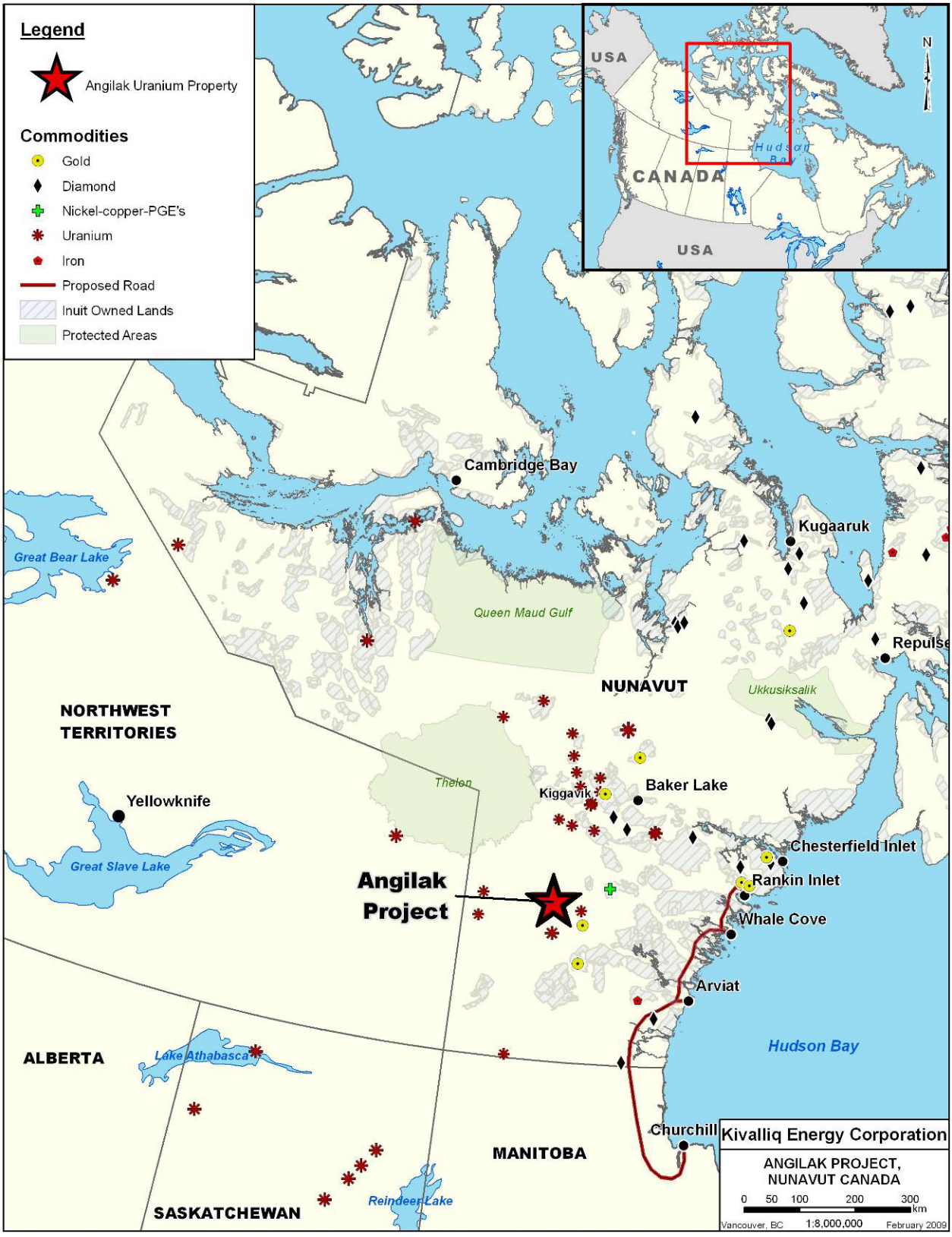
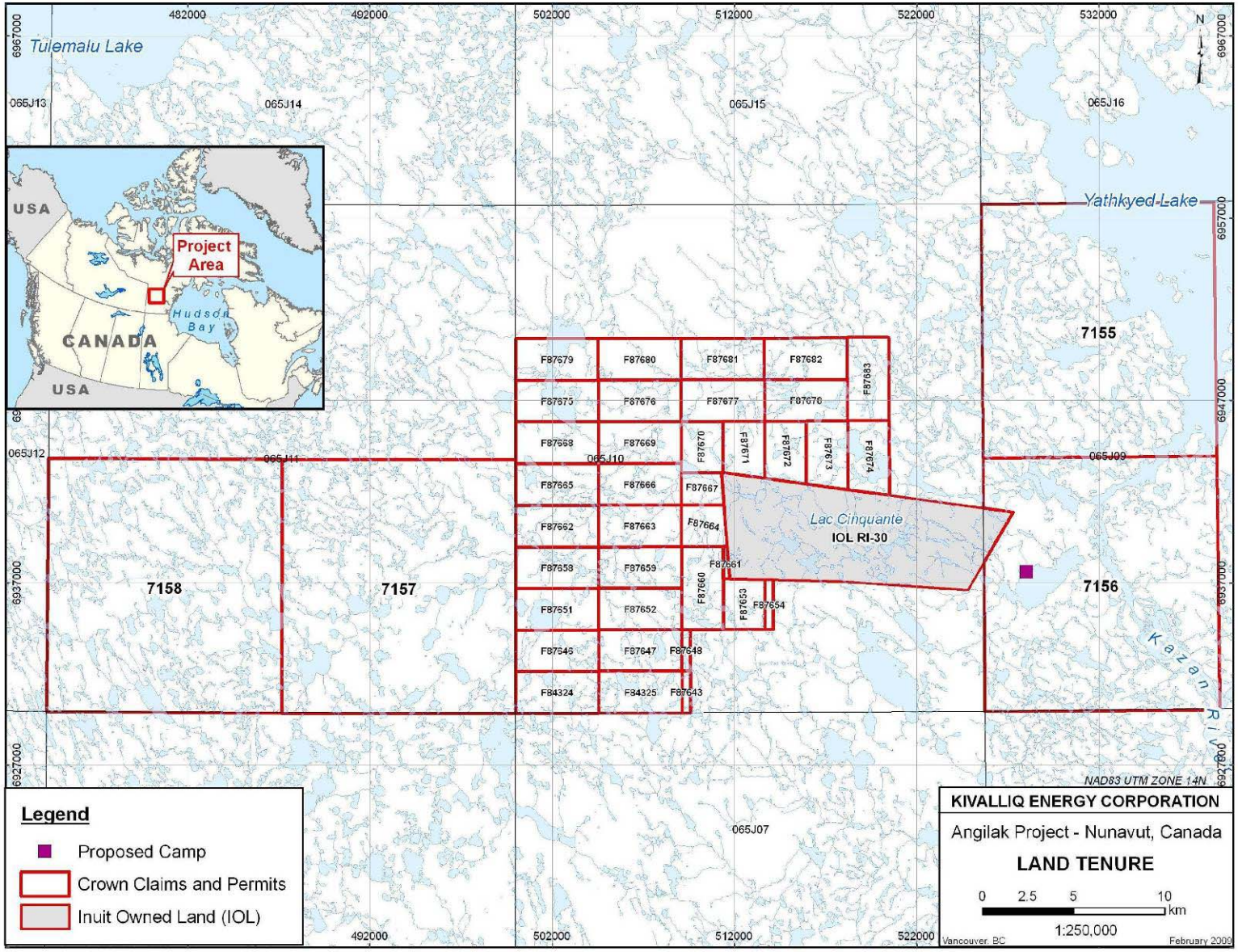

Legend
Angilak Uranium Property
Commodities
Gold
Diamond
Nickel-copper-PGE's
Uranium
Iron
Proposed Road
Inuit Owned Lands
Protected Areas
USA
CANADA
USA
N
Hudson Bay
Cambridge Bay
Kugaaruk
Great Bear Lake
Queen Maud Gulf
Repulse
NUNAVUT
Ukkusiksalik
NORTHWEST TERRITORIES
Thelon
Kiggavik
Baker Lake
Yellowknife
Great Slave Lake
Chesterfield Inlet
Angilak Project
Rankin Inlet
Whale Cove
Arviat
Hudson Bay
ALBERTA
Lake Athabasca
Churchill
MANITOBA
Reindeer Lake
SASKATCHEWAN
Kivalliq Energy Corporation
ANGILAK PROJECT, NUNAVUT CANADA
0 50 100 200 300 km
Vancouver, BC 1:8,000,000 February 2009

FIGURE 1


Tulemalu Lake
Yathkyed Lake
Lac Cinquante
IOL RI-30
Kazan River
Project Area
USA
CANADA
Hudson Bay
7155
7156
7157
7158
065J07
065J09
065J10
065J11
065J12
065J13
065J14
065J15
065J16
F87679
F87680
F87681
F87682
F87683
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F87652
F87646
F87647
F87648
F84324
F84325
F87643
482000
492000
502000
512000
522000
532000
6967000
6957000
6947000
6937000
6927000
N
NAD83 UTM ZONE 14N
Legend
Proposed Camp
Crown Claims and Permits
Inuit Owned Land (IOL)
KIVALLIQ ENERGY CORPORATION
Angilak Project - Nunavut, Canada
LAND TENURE
0 2.5 5 10
km
1:250,000
Vancouver, BC
February 2009

FIGURE 2

A

B

Proposed New Camp Locations:

A. UTM 6937404mN / 526312mE

B. UTM 6937672mN / 528031mE