Alyris Gold Corporation

Spill Contingency Plan

March, 2008

1.0 PREAMBLE

The Spill Contingency Plan is effective from April,15th, 2008 to December 1st, 2009 and applies to the Blue Caribou Project in the Kitikmeot District of Nunavut, north latitude 65° 15' and west longitude 106° 36' (Figure 1 appended). Land Use permits with the Kitikmeot Inuit Association (KIA) and Nunavut Water Board (NWB) are currently on application.

The locations of the Blue Caribou drilling area is shown on the accompanying topo map at 1:50,000 scale (Figures 2,3 appended).

The following distribution has been made of this plan: NWB, A. Drost, Managing Director of Alyris and will be distributed to KIA on approval.

2.0 INTRODUCTION

This Spill Contingency Plan is to provides a plan of action for reasonably foreseeable spill events at the Blue Caribou drill sites considering the nature of the fuels and other hazardous materials that will be handled during the Company's operations The plan defines the responsibilities of key response personnel and outlines the procedures for responding to spill in a way that will act to minimize potential health and safety hazards, environmental damage and remediation costs. The plan has been prepared to provide ready access to all the information needed in dealing with a spill.

It is Alyris Gold Corp. policy to comply with all existing laws and regulations to help ensure the protection of the environment, to provide such protection of the environment as is technically feasible, to cooperate with other groups working on protection of the environment and to keep employees, government officials and the public informed.

Personnel will be instructed on the plan upon arrival in the camp of Dundee Precious Metals at Goose Lake where they will stay and receive room and board. All core processing will take place at Goose Lake under the Goose Lake permits and certificates of authorization. Instruction will also be given on how to properly manipulate and store fuel and other hazardous substances and on the location of emergency equipment.

SITE DESCRIPTION

The drill sites are located at the Blue Caribou Project (Figure 1 appended), within 1km of 65°15'N, and 106°36'W, approximately 20km SSW of the main camp at Goose Lake owned by Dundee Precious Metals Inc. A map showing the drill setups within the Blue Caribou project area is provided on Figure 2 (Area 1) and Figure 3 (Area 2) appended.

Equipment

At the drill site will be located one helicopter transportable drill, a small shack for storage of materials pertinent to drilling, a supply pump (Bean—water), drill supplies (e.g. rods and casing) and diesel fuel and a heated temporary (tent) shelter with sleeping accommodation for 4 men and additional tent for drill foreman supplies. Fuel on site will amount to no more than ten 205lt drums and will be kept in a suitable location minimizing potential for contamination with a temporary containment berm.

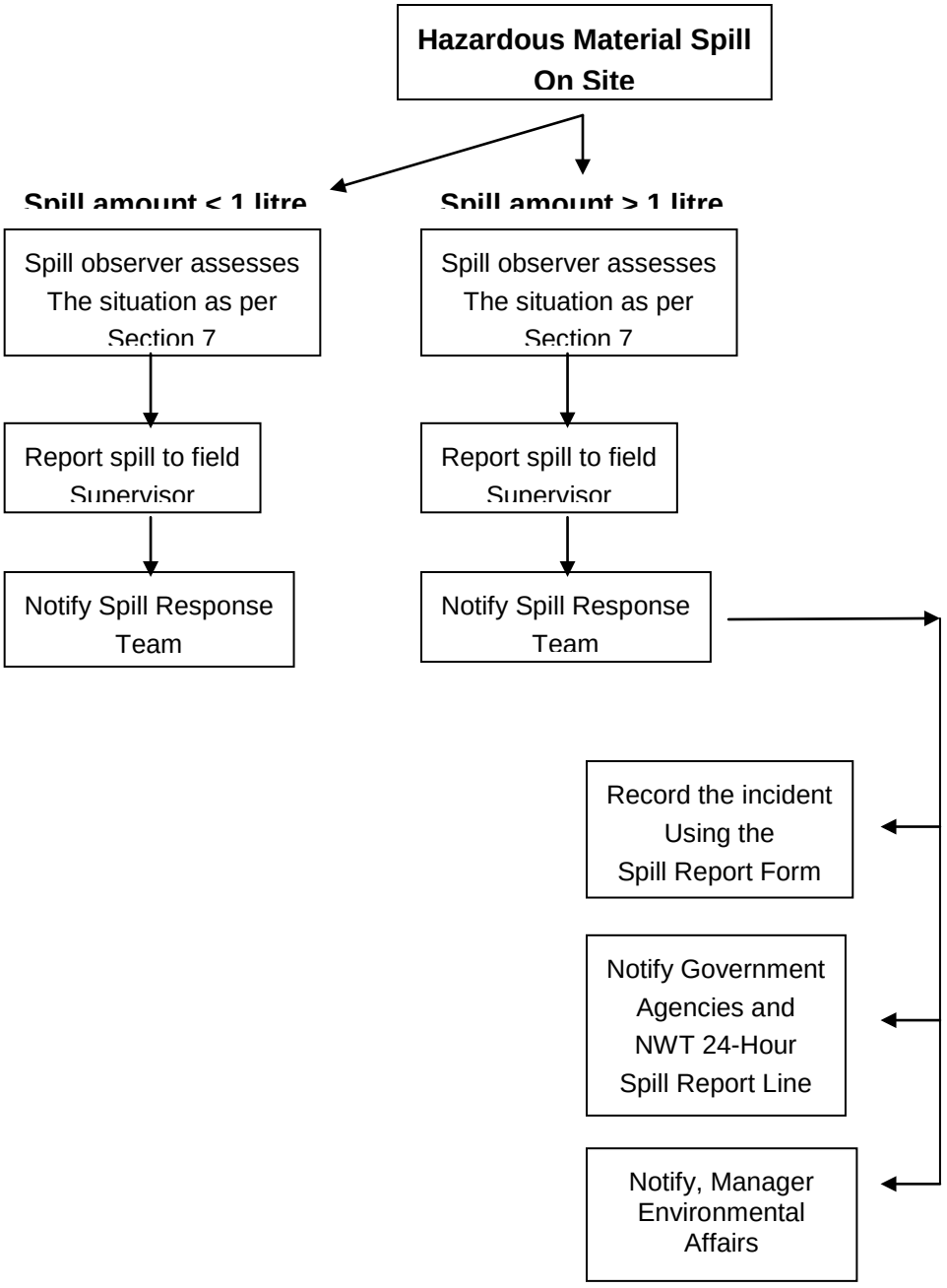
3.0 CONTACTS

People and organizations that can be contacted in the event of a spill:

VP Exploration	Iain Downie	807 472 8808or768 5061
Managing Director	Abraham Drost	807-252-7800
Alyris President	Ewan Downie	(807)-473 6723
Kitikmeot Inuit Association	Jack Kaniak	(867)-982-3310
Nunavut Water Board	Phyllis Beaulieu	(867)-360-6338 (867)-360-6369 (fax)
Spill Report Line (24 hr)		(867)-873-6924
Environment Canada		(867)-669-4644
WCB 24 Hour Accidents		(867)-873-7468
WCB Inspector	Peter Bengts	(867)-920-3888
Kugluktuk Health Center	Janet Carstairs	(867)-982-4531
Kugluktuk RCMP	Franco Radescho	(867)-982-1111 (867)-920-8130 (fax)
Indian and Northern Affairs Inspector	Andrew Keim	(867) 975-4289
NWT Contacts		
Wek'eezhii Land and Water Board	Regulatory Specialist	(867) 713-2500
Indian and Northern Affairs Inspector	Clint Ambrose	(867) 664-2794

4.0 RESPONSE ORGANIZATION

The following is a flow chart to illustrate the sequence of events if a hazardous material spill occurs at the Blue Caribou Project.


Hazardous Material Spill On Site
Spill amount ≤ 1 litre
Spill amount ≥ 1 litre
Spill observer assesses The situation as per Section 7
Spill observer assesses The situation as per Section 7
Report spill to field Supervisor
Report spill to field Supervisor
Notify Spill Response Team
Notify Spill Response Team
Record the incident Using the Spill Report Form
Notify Government Agencies and NWT 24-Hour Spill Report Line
Notify, Manager Environmental Affairs

5.0 SPILL RESPONSE TEAM

All personnel will be informed of the contents of the Spill Contingency Plan and trained in the safe use of relevant spill prevention and clean up equipment. The Field Supervisor (the project geologist will fill this role on site, but an individual has not been elected to this position) will appoint and train two persons to be the Spill Response Team. They will also be responsible to carry out the daily inspections of the fuel storage areas and equipment.

Spill Response Team Responsibilities

- Perform daily inspections at the Camp fuel and chemical storage areas and fuel hoses.
- Report any spill to Exploration Manager or designate.
- Containment of the spill and site remediation.

Field Supervisor Responsibilities

- Assume complete authority over the spill scene and coordinate all personnel involved.
- Evaluate spill situation and develop overall plan of action.
- Activate the spill contingency plan
- Immediately report the spill to the NWT 24-Hour Spill Report Line and regulatory agencies. (For spill greater than 1 litre)
- Fill out the Spill Report Form (for spill greater than 1 litre)
- Report the spill to the Project Manager. (For spill greater than 1 litre)
- If required, obtain additional manpower, equipment, and material if not available on site for spill response.

Field Supervisor Responsibilities

- Provide regulatory agencies and Alyris Gold Corporation management with information regarding the status of the clean up activities.
- Prepare and submit a report on the spill incident to regulatory agencies within 30 days of the event.

6.0 INITIAL ACTION

These instructions are to be followed by the first person on the spill scene.

1. Always be alert and consider your safety first.
2. Wear personal protective equipment
3. Do not smoke and eliminate all source of ignition
4. Assess the hazard to people in the vicinity of the spill.
5. If possible control danger to human life
6. Do not touch, smell, taste or get close to unknown substance.
7. If substance has been identified and if possible and safe to do so, try to stop the flow of material.
   - If filling is in progress, stop at once
   - If seeping through a small hole, use a patch kit if practical to do so.
   - If necessary and practical, pump the fuel from the leaking container into a refuge container
8. Immediately report the spill to the Field Supervisor and Spill Response Team by radio, satellite phone or in person.
9. Resume any effective action to contain, mitigate, or terminate the flow of the spilled material.
10. If in doubt about cleaning procedures or for a very large spill, regulatory agencies can help.

7.0 REPORTING

The person who notices the spill must immediately notify the Field Supervisor. As soon as possible the Field Supervisor will report the spill to:

- The 24-Hour Spill Report Line Phone (867) 920-8130, Fax (867) 873-6924
- Fill out the NWT Spill Report Form NWT1752/0202
- Notify the VP Exploration for a spill greater than 1 litre.
- Notify permitting authorities (Nunavut Water Board, Kitikmeot Inuit Association)

8.0 RESOURCE INVENTORY

A spill kit with a capacity of 240 litres will be located at the fuel tank area and will contain:

1 – 360 litre/79 gallon polyethylene drum
4 – oil absorbent booms (5” X 10’)
100 – oil absorbent sheets (16.5” X 20” X 3/8”)
1 – drain cover (36” X 36” X 1/16”)
1 – Caution tape (3” X 500’)
1 – 1 lb plugging compound
2 – pair Nitrile gloves
2 – pair Safety goggles
2 – pair Tyvek coveralls
1 – instruction booklet
10 – printed disposable bags (24” X 48”)
1- shovel (in remote spill kit only)
1- plastic tarp

Shovels, water pump, plastic pails, garbage bags, extra absorbent pad, drip pans will be placed on the side of the wall at the main office and the kitchen. Fire extinguishers are available throughout the camp facility.

Drill Spill Kits with a capacity of 25 L will contain the following:

10- Pads (17”x19”x2/8”)
3 - Socks (3”x4’)
1 - Pair of Gloves
1 - Disposal Bags
1 - Warning Sign
1 - Literature (Inventory List, MSDS, Instructions)

9.0 HAZARDOUS MATERIAL INVENTORY

This following section lists for each hazardous substance present on the project area, health hazards, spill procedure and disposal procedures. For more detailed information, refer to the MSDS sheets.

9.1. DIESEL FUEL, JET-B, GASOLINE

DIESEL, JET-B AND GASOLINE ARE HIGHLY FLAMMABLE

9.1.1. GENERAL PRECAUTIONS

- Do not smoke
- Will be easily ignited by heat, sparks or flames
- Gasoline and Jet-B are more volatile than diesel
- Explosion hazard indoors, in confined spaces and outdoors
- Vapours may form explosive mixtures with air
- Vapours may travel to source of ignition and flash back
- Most vapours are heavier than air. They will spread along ground and collect in low or confined areas.
- Keep pump or electrical equipment far away, be very careful with metallic tools that could sparks on rocks, wait for vapours to dissipate
- Inhalation may cause central nervous effects
- Aspiration into lungs may cause pneumonitis which can be fatal
- Eye and skin irritation
- Prolonged exposure has caused cancers in laboratory animals

9.1.2. SPILL ON LAND

- Build a containment berm, downslope, using, peat, moss, and soil material, bags filled with sand or rocks and place a plastic tarp at the foot of the berm to pool the spill. Spill can be pumped if in a large amount
- Soak up spilled substance by using absorbent pads
- Excavate the surface soil if necessary. If large excavation is needed, first contact regulatory agencies for approval.
- Remove spill substance splashed on vegetation by applying a thin dusting of Spag-zorb or other ultra-dry absorbent.
- Dispose hydrocarbons, absorbent pad, contaminated soil and cleaning material in an empty drum, seal it and label it.
- On marshy zones, don’t destroy vegetal cover, limit personnel and equipment. Remove pooled oil with absorbent pads and/or skimmer.

9.1.3. SPILL ON WATER

- Contain spill as close to release point as possible
- On small spill, deploy hydrophobic absorbent pads
- On larger spill and weather conditions permitting, use containment boom to limit fuel dispersion. Use a skimmer, pump or hydrophobic absorbent pads to remove fuel inside the boom.
- Dispose hydrocarbons, absorbent pad, contaminated soil and cleaning material in an empty drum, seal it and label it.

9.1.4. SPILL ON RIVERS AND STREAMS

- Prevent entry into water, if possible, by building a berm or trench.
- Intercept moving slicks in quiet areas using (absorbent) booms.
- Do not use absorbent booms/pads in fast currents and turbulent water.

9.1.5. SPILL ON ICE AND SNOW

- Build a containment berm of compacted snow around spill.
- If hydrocarbons are pooling on ice, pump large amount or use hydrophobic absorbent pads.
- Don't delay removing the spill as hydrocarbons could seep through cracks into the water.
- Scrape ice, shovel all contaminated snow in plastic buckets with lids or in drums. Dispose absorbent pads and other contaminated equipment in separated containers. Label and seal the containers.

9.1.6. SPILL DISPOSAL

- Contact Federal and Territorial regulatory agencies to identify appropriate disposal methods before disposing of contaminated material.

9.2. PROPANE

EXTREMELY FLAMMABLE

9.2.1. GENERAL PRECAUTIONS

- Do not smoke
- Cylinders may explode when heated
- Cylinders may rocket if ruptured
- Will be easily ignited by heat, sparks or flames
- Explosion hazard indoors, in confined spaces and outdoors
- Vapours may form explosive mixtures with air
- Vapours may travel to source of ignition and flash back

- Vapours from liquefied gas are initially heavier than air and spread along ground.
- Contact with gas or liquefied gas may cause burns, severe injuries and/or frostbite
- Keep pump or electrical equipment far away, be very careful with metallic tools that could sparks on rocks, wait for vapours to dissipate
- Liquid may cause frostbites and blisters
- Blurred vision if goes in the eyes
- Narcotic aphyxiant
- Dizziness, disorientation, excitation, headache, vomiting, unconsciousness if inhaled

9.2.2. SPILL ON LAND, WATER, ICE AND SNOW

- Eliminate all source of ignition
- Do not attempt to contain the propane release if not absolutely sure on what to do.
- Do not touch or walk through spilled material
- Stop leak if can be done without risk
- If possible, turn container so that gas escapes rather than liquid.
- Water spray can be used to knock down vapours but don't direct water at spill or source of leak
- Prevent spreading of vapours in confined areas
- If or when possible, confine spill with confinement berm. Throw absorbent pads into spill, retrieved them with gaffs or pitchforks.
- Small fire can be extinguished with dry chemical or CO_2.
- Dispose contaminated materials in a labeled drum.

9.2.3. SPILL DISPOSAL

- Contact Federal and Territorial regulatory agencies to identify appropriate disposal methods for detective equipment that resulted in the release.

9.3. MOTOR OIL, HYDRAULIC OIL, TRANSMISSION FLUID

9.3.1. GENERAL PRECAUTIONS

- Avoid breathing mists, may cause lung irritation
- On skin may cause mild irritation

9.3.2. SPILL ACTION

Soak up with absorbent material

- Disposed contaminated soil and material in sealed and labeled container
- Small amount can be incinerated
- Large amount to be disposed as hazardous waste.

9.4. ANTIFREEZE

9.4.1. GENERAL PRECAUTIONS

- Respiratory irritation with prolonged exposure.
- Kidney, liver and bladder problems reported in animals

9.4.2. SPILL ON LAND

- Soak up by using absorbent pads
- Dispose antifreeze, absorbent pad, contaminated soil and cleaning material in an empty drum, seal it and label it.
- On marshy zones, don't destroy vegetal cover, limit personnel and equipment. If possible remove pooled antifreeze with absorbent pads.

9.4.3. SPILL ON RIVERS AND STREAMS

- Prevent entry into water, if possible, by building a berm or trench.

9.4.4. SPILL ON ICE AND SNOW

- Build a containment berm of compacted snow around spill.
- If pooling on ice, pump large amount or use absorbent pads.
- Don't delay removing the spill as it can seep through cracks into the water.
- Scrape ice, shovel all contaminated snow into plastic buckets with lids or in drums.
- Dispose absorbent pads and other contaminated equipment in separated containers. Label and seal the containers.

9.4.5. SPILL DISPOSAL

- Contact Federal and Territorial regulatory agencies to identify appropriate disposal methods before disposing of contaminated material.

9.5. BATTERY ACID

9.5.1. GENERAL PRECAUTIONS

- Fire and explosion hazard
- Can be extinguished with dry chemical fire extinguisher.
- Ventilate area
- Remove combustible materials
- Mist inhalation hazard when being charged or spilled
- Acid burns to skin and eyes irritation

9.5.2. SPILL ACTION

- Neutralize with soda or lime

- Dispose battery and neutralized contaminated material in a sealed and labeled container
- Dispose as an hazardous waste

9.6. POLY-DRILL DR-133

9.6.1. GENERAL PRECAUTIONS

- May cause skin and eye irritation

9.6.2. SPILL ACTION

- Soak up with absorbent pad
- Dispose residue, contaminated soil and material in labeled containers. Solidify with sand.
- Small amount can be incinerated, otherwise dispose as hazardous waste.

9.7. 550-X POLYMER

9.7.1. GENERAL PRECAUTIONS

- Prolonged skin contact may cause irritation
- Possible eye irritation
- Ingestion may cause nausea, vomiting, cramps, diarrhea

9.7.2. SPILL ACTION

- Clean up spill with gloves. Scrape soil or surface and disposed in labeled containers
- Dispose as hazardous waste

MSDS Sheets
(appended under separate cover)