



WATER USE INSPECTION REPORT

Date: August 7-8, 2010	Licensee Rep. (Name/Title): Sites inactive on inspection
Licensee: North Country Gold (formerly CBR Gold Corp, formerly Committee Bay Resources Ltd)	Licence No.: 2BE-CRA1015 (multiple sites, including Hayes Camp)

Multiple sites listed under the water licence or known to the Inspector were inspected this season; all sites were inactive at the time of inspection and include the following locations (NAD 83, degrees/minutes/seconds):

Peanut Fly Camp #1 (alternate air strip): N67° 14' 45.7", W89° 34' 03"

- 2 stakes visible; site clean/nothing there

Peanut Fly Camp #2: N67° 15' 06", W89° 33' 12.6"

- Esker airstrip
- Evidence of a camp at one time; site clean/nothing there

Crater/Inuk Camp: N67° 22' 12", W88° 51' 10.8"

- Camp structures in place; site has been inactive for some time and structural materials are deteriorating (namely the weather haven).
- Some uncontained waste and debris
- No fuel identified at the site
- Esker airstrip

Hayes Camp (Main Camp of Operations): N66° 39' 31.5", W91° 33' 10.5"

- Camp was in use earlier in the season (4 drills operational); site inactive/closed for the season at time of inspection.
- Fuel cache has increased substantially from last season; secondary containment (and covering) is to be added.
- Tent shacks boarded up/secured
- Many heating fuel drums were placed inside fully covered berm liners –seemed quite secure and prevent water from accumulating inside berms.
- Drip trays were placed under most pieces of heavy equipment

Three Bluffs (Drilling operation and fuel cache): N66° 38' 30.5", W91° 26' 18"

- Tent shacks, drilling supplies, fuel tanks and fuel cache identified at site
- Conditions very wet; substrate is quite boggy and susceptible to erosion and rutting.
- Fuel cached without secondary containment

Issues/Non-Compliance of Act or Licence:

Licencee is to provide an update as to their intentions of the Three Bluffs site (not included in the Water Licence), provide updated coordinates and confirm intentions and monitoring schedule for all inactive camps (including Crater, Buillion and Dore sites). The Licencee is to provide an updated reclamation and restoration plan for all inactive sites, and is reminded that progressive reclamation for components no longer required for operations is a requirement of the water licence.

Due to the large volume of fuel being used for operations, namely at Hayes Camp and Three Bluffs, the Inspector will provide to the NWB that the following condition be added to the water licence: “The Licensee shall store all barrelled fuel in secondary containment rather than relying on natural depressions to contain spills.” Please be aware that additional covering of large fuel caches is also recommended, to avoid dealing with water/snow accumulation within containment structures which must be treated/sampled (and notification provided to the Inspector) prior to discharge to the environment.

Melissa Joy

Inspector’s Name

Sent by E-mail

Inspector’s Signature