Committee Bay Project

AANDC Commercial Lease: 056J/11-1-2, 056J/12-1-2
AANDC Land Use Permit: N2014C0002, N2014C0005
Kitikmeot Inuit Association: Land Use Permit KTL314C003
NIRB Project Reference Number: 07EN021
NWB Licence: 2BE-CRA1520

Annual Report

2015

North Country Gold Corp.
October 2015

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2.0 **DISTRIBUTION**

Organization	Distribution Email
Aboriginal Affairs and Northern Development Canada (AANDC)	landsmining@aandc.gc.ca
Environment Canada (EC)	enviroinfo@ec.gc.ca
Government of Nunavut – Department of Environment (GN-DOE)	environment@gov.nu.ca
Kitikmeot Inuit Association (KIA)	landsofficerkia@qiniq.com
Nunavut Impact Review Board (NIRB)	info@nirb.ca
Nunavut Water Board (NWB)	licensing@nunavutwaterboard.org

3.0 **BACKGROUND**

Auryn Resources Inc. ('Auryn') is a Canadian based junior mineral exploration company focused on the acquisition and development of prospective mineral projects in established mining districts globally. The Company's management team is highly experienced with an impressive track record of success in discovery and development, including the advancement of two gold projects located in West Africa and Mexico.

In March of 2015, Auryn and North Country Gold Corp. ('NCGC') entered into a Joint Exploration Agreement ('JEA') wherein the Committee Bay Project ('CBP') would be co-explored in a cooperative, efficient manner[1].

On September 25th 2015, Auryn acquired 100% of the outstanding shares of NCGC. NCGC remains as the project operator and continues to hold the mineral tenures and relevant government permits, licenses, and authorizations as a wholly-owned subsidiary of Auryn[2]. As part of the acquisition, key NCGC project personnel have been retained to maintain operational continuity.

Auryn's exploration strategy for the CBP is to identify additional deposits within the Committee Bay Belt via regional grassroots exploration and further drill-testing of previously identified gold prospects in addition to advancing the existing Three Bluffs deposit towards eventual production. Innovative and cost-effective exploration techniques also form a large part of the exploration strategy for the CBP. This approach is typified by the use of a track-mounted, minimal environmental impact rotary air blast ('RAB') drill.

The CBP comprises mineral claims and leases located on both Crown Land and Inuit Owned (surface rights) land pursuant to the Nunavut Land Claims Agreement (NLCA). See Table 1 for NCGC permits and licences in place to support advanced exploration activities at the CBP.

[1] Please see Auryn Resources Inc. press release dated 20th March 2015 for further details concerning the terms of the Joint Exploration Agreement.

[2] Please see Auryn Resources Inc. press release dated 25th September 2015 for information regarding the acquisition of North Country Gold Corp.

Organization	Description	Permit/Licence #
Nunavut Impact Review Board	Project Reference Number	07EN021
Aboriginal Affairs and Northern Development Canada (AANDC)	Land Use Permit (Bullion camp)	N2014C0002
	Land Use Permit (Hayes camp)	N2014C0005
Kitikmeot Inuit Association	Land Use Licence for IOL (Ingot/Crater camps)	KTL314C003
Nunavut Water Board (NWB)	Water Licence	2BE-CRA1520
Aboriginal Affairs and Northern Development Canada (AANDC)	Commercial Leases	Lease 065J/11-1-2
		Lease 065J/12-1-2

Table 1: NCGC Permits and Licenses

4.0 PROJECT DESCRIPTION

The CBP currently comprises a land package[3] of 145 mineral claims, 44 active mineral leases, and 13 pending mineral leases occurring within a corridor originating at Committee Bay and extending approximately 300 km to the southwest towards Agnico Eagle's Meadowbank Mine, within the Eastern Kitikmeot region of Nunavut Territory (Figure 1).

The ~220,000 hectare CBP encompasses the Three Bluffs gold deposit, more than five advanced gold targets and a number of significant gold anomalies. NCGC operates four permitted camp sites, a number of fuel and equipment caches and a number of drill sites across the CBP. Camp and infrastructure locations are presented in Table 2.

Site	UTM Coordinates (NAD 83)			Latitude	Longitude
Name	*Zone*	*Easting (m)*	*Northing (m)*	*D°M'S"*	*D°M'S"*
Hayes Camp	15 N	564,613	7,394,173	66°39'30" N	091°32'11" W
Bullion Camp	15 N	494,850	7,363,850	66°23'39" N	093°06'55" W
Ingot Camp	15 N	516,500	7,386,100	66°35'40" N	092°37'34" W
Crater Camp *	16 N	677,781	7,478,788	67°22'19" N	088°51'24" W
Three Bluffs Drill Area	15 N	569,153	7,392,660	66°38'42" N	091°26'12" W
Waste Plains Cache	15 N	479,650	7,342,810	66°12'19" N	093°27'02" W

Table 2 – Camps and caches within the Committee Bay Project
* Crater camp buildings, fuel and infrastructure have been removed.

[3] As of 21st October, 2015

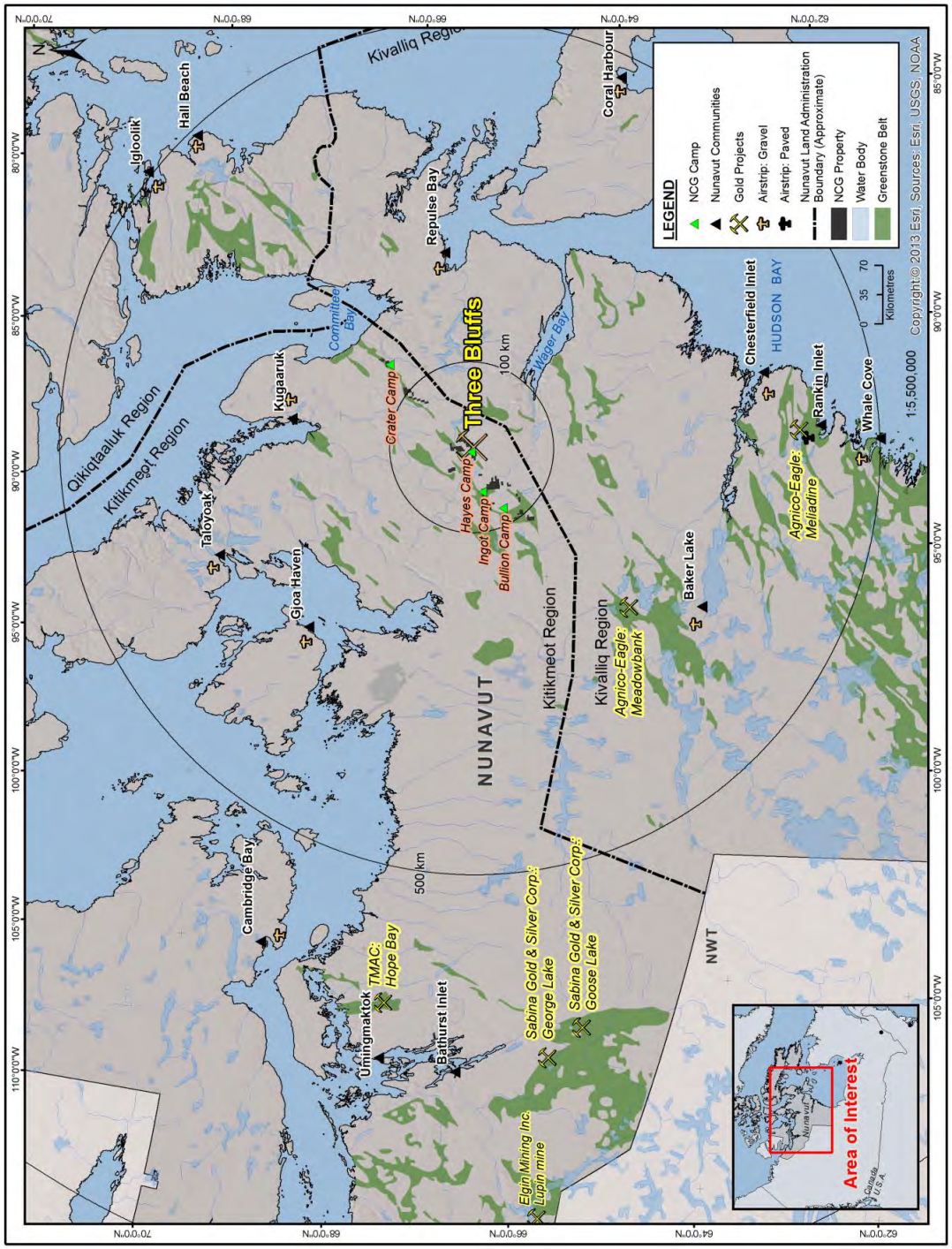

Figure 1 – Committee Bay Project Overview

4.1 Camps

4.1.1 Hayes Camp

Hayes Camp is located approximately central within the Committee Bay project, 335 km northeast of Baker Lake, 400 km north of Rankin Inlet and 220 km south of Kugaaruk. Hayes camp provides accommodation for up to 100 people. The camp is supported by a 3000' graded esker airstrip and a permitted, seasonally prepared 5200' winter ice airstrip which is constructed on the adjacent Sandspit Lake. Mobile equipment and earthmoving equipment, power generators, a dual chambered incinerator, fuel and oils are stored at Hayes camp. Quarrying operations occur at Hayes Camp on a seasonal campaign basis.

4.1.2 Bullion Camp

Bullion Camp is a small, 20 to 40 person camp used to support seasonal exploration campaigns in the southern portion of the project. This camp is supported by a short 320m tundra airstrip, a small generator and a small drummed fuel cache.

4.1.3 Ingot Camp

Ingot Camp may accommodate up to 10 people, and is used to support seasonal exploration campaigns in the central southern portion of the project. This camp is supported by a 230m tundra airstrip. A small generator and limited quantities of fuel may be stored at this camp when active.

4.1.4 Crater Camp

All buildings, fuel and equipment were removed from the Crater Camp site in 2012 as part of ongoing reclamation activities.

4.2 Caches

4.2.1 Three Bluffs drill area and cache

The Three Bluffs drill area and cache is located approximately 5 km east-southeast of Hayes Camp. This area encompasses the Three Bluffs gold deposit, NCGC's drill water system and associated buildings, generators, boilers, piping and tanks and a single drummed fuel cache. Skid mounted drill shacks and drill support equipment is located in this area.

4.2.2 West Plains Cache

The West Plains Cache comprises a small cache of drilling equipment (drill rods, core trays, drill setup timbers and a survival tent). Small quantities of drummed diesel and jet fuel and salt may be stored at this cache.

4.3 Three Bluffs gold deposit

The Three Bluffs gold deposit is located approximately central to the CBP, 220 km south of Kugaaruk, 235 km west of Repulse Bay and approximately 300 km north east of Agnico Eagles' Meadowbank Mine.

The Three Bluffs gold deposit mineral resource[4] comprises:

- *An indicated mineral resource of 4.316 Mt at an average grade of 4.91 g/t Au (683,000 oz)*
- *An inferred mineral resource of 5.520 Mt at an average grade of 5.43 g/t Au (965,000 oz)*

This includes a high grade subset comprising[5]

- *An indicated mineral resource of 1.853 Mt at an average grade of 8.42 g/t Au (501,729 oz)*
- *An inferred mineral resource of 3.354 Mt at an average grade of 7.16 g/t Au (772,179 oz)*

Three Bluffs occupies a portion of a much larger scale mineralized structure referred to as the Walker Lake Trend. NCGC has presently defined high-grade gold mineralization along a 4 km portion of this structure and to depths in excess of 500 m vertically. All work to date suggests that high grade mineralization may continue both along the structure and to depth.

NCGC strongly believes that continued exploration has excellent potential to increase its mineral resource at Three Bluffs. Ongoing work at Three Bluffs is expected to comprise significant exploration work including diamond core drilling.

4.4 Regional Prospects

In addition to the Three Bluffs gold deposit, the CBP encompasses a number of other high grade gold targets. These highly prospective areas have been identified via prospecting, geophysics, and limited drilling completed along the 300 km long Committee Bay Greenstone Belt (Figure 2).

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[4] Please see Technical Report on the Three Bluffs Gold Project, Nunavut, Canada, August 20, 2015 filed on www.sedar.com. Resource estimation was completed in accordance with Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Estimation of Mineral Resource and Mineral Reserve Best Practice Guidelines and is reported in accordance with National Instrument 43-101. Mineral resource reported at 1.35 g/t block cut-off grade for material considered amenable to open pit mining and above 2.5 g/t block cut-off grade for material amenable to underground mining.

[5] Please see www.aurynresources.com

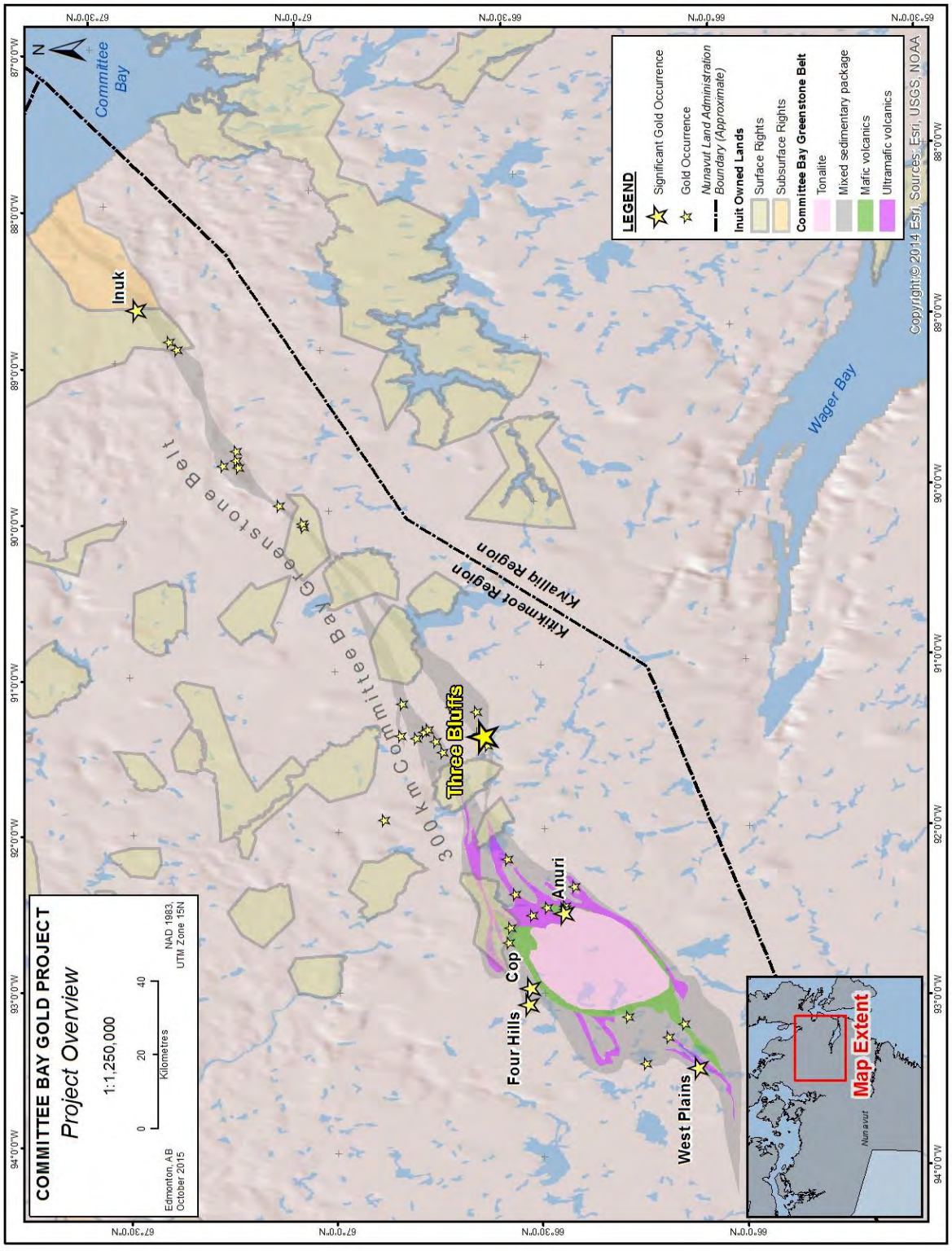

Figure 2 – Committee Bay Project Mineral Occurrences

5.0 2015 WORK ACTIVITIES

2015 work at the CBP comprised an office based data synthesis, compilation and reinterpretation 'framework' study occurring in conjunction with two phases of field based activities.

Field based work included a spring mobilization and demobilization program throughout April and early May followed by a separate summer exploration program from late June through to mid-August.

5.1 Mineral Exploration Activities

2015 exploration activities at the CBP were completed as a single campaign between June 30th and August 18th. Mineral exploration activities completed during this time included Rotary-Air-Blast ('RAB') drilling, ground-based IP geophysical surveying, extensive till geochemical sampling, geological mapping, aerial drone imagery, and claim surveying. Activities occurred on mineral claims and leases on both crown and Inuit Owned surface lands.

5.1.1 RAB Drilling

An innovative, track-mounted RAB drill (Figure 3) was used at the CBP in an effort to reduce drilling cost while providing good depth sampling coverage of prospective areas identified by an intensive framework study. The 2015 field season comprised 33 RAB drill holes totalling 3079.92 metres on the West Plains and Four Hills prospects, with no drilling occurring on Inuit Owned Lands ('IOL'). The 2015 drill program proved the efficacy and low environmental impact of RAB drilling while confirming previously identified mineralization at the West Plains and Four Hills prospects. A breakdown of drill coverage is summarized in Table 3 below.

Prospect	# of Holes	Total Metres Drilled
West Plains	29	2733.98
Four Hills	4	345.94

Table 3 – 2015 RAB Drilling Activity

Figure 3 – Track mounted RAB drill

5.1.2 IP Geophysical Surveying

The 2015 summer program saw a significant tranche of IP geophysical surveying performed in order to develop and/or delineate prospective drilling targets for 2015 and beyond. A total of 44.45 line-km of IP surveys was conducted on 20 lines. This survey identified several interesting anomalies requiring follow-up. No IP surveying took place on IOL.

5.1.3 Till Sampling

An extensive till geochemical sampling program was performed during the 2015 field season in order to identify anomalous footprints for use in vectoring to prospective areas. Several coherent till anomalies were identified that require follow-up. The program comprised 1399 samples; the majority were completed on Crown Lands with the balance obtained from IOL surface parcels PB-11 and PB-12.

5.1.4 Geological Mapping

A systematic program was undertaken in 2015 which included both regional and prospect scale geological mapping. No mapping activities were performed on IOL during the 2015 field season.

- Regional mapping traverses were conducted to validate magnetic mapping completed offsite, obtain physical property data (e.g. magnetic susceptibility values at varied outcrops) to improve mapping and/or modeling performed offsite, and to provide a good base of regional geological knowledge for subsequent exploration activities.

- Prospect scale mapping was executed to get a better sense of mineralization controls locally, including delineating significant geological structures and/or alteration haloes. This mapping occurred at the West Plains, Four Hills, and Cop prospects.

5.1.5 Aerial Drone Imagery

An expansive, systematic drone survey was undertaken during the 2015 field season to provide high resolution imagery and digital terrain models covering the entire Committee Bay project area. During the summer program 1600km^2 of imagery and digital elevation data was collected at a resolution of approximately 10cm.

Figure 4 – Drone coming in to land

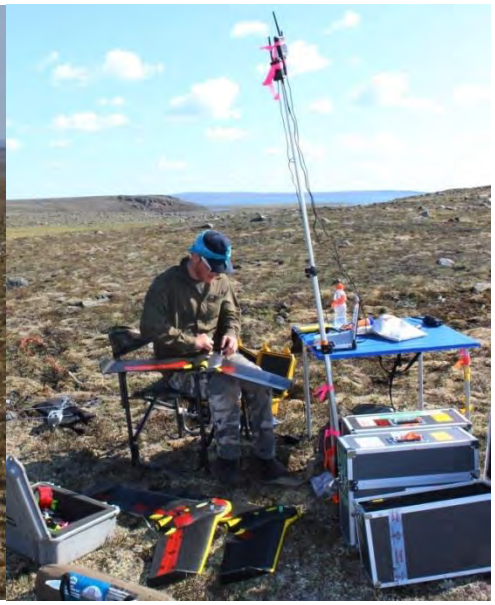

Figure 5 - Drone remote control

5.1.6 Claim Surveying

Legal surveying was completed on nine existing mineral claims during late July. Survey plans have subsequently been submitted to the Mining Recorder and Surveyor General. Lease applications are presently pending.

5.2 Other Work Activities

Other Work Activities includes all non-exploration activities that occurred at the CBP.

5.2.1 *Spring Program – April 5th to May 8th*

A spring mobilization program was conducted in order to supply Hayes Camp with fuel and other materials necessary for the summer exploration program. Per the amended

2014 Water License Inspection Report, this program was also utilized to address outstanding action items.

A summary of work completed during the 2015 spring program is presented below.

- Construction of a 5200' ice airstrip on Sandspit Lake (Hayes Camp) to facilitate mobilization of fuel and equipment via heavy lift aircraft
- Hazardous waste backhauled per 2014 Water License Inspection Report (Action Items 1 & 9)
- Fuel contained within 2 berms at the Three Bluffs Drill Grid was consolidated and moved to Hayes Camp for storage
- Ongoing sorting, consolidation, packaging and backhauling of both hazardous and inert waste materials

5.2.2 *Summer Program – June 29th to August 18th*

Hayes Camp

- Inspection and general maintenance of camp, infrastructure and equipment was completed
- Hazardous waste products were sorted, consolidated and stored in secondary containment within covered Quonset structure ready for back haul.
- Fuel containment was inspected, repaired, covered and secured.
- The airstrip was re-graded and contoured, and sandbags along its margins were removed, per the 2014 Geotechnical Inspection Report (required as an action item in response to the 2014 Water License Inspection Report)
- Erosion control measures were repaired and improved
- Damaged buildings were repaired
- General camp clean-up was completed
- Waste generated in Bullion Camp by summer exploration activities was transported to Hayes Camp for incineration and storage for next available back haul with heavy lift aircraft
- Water samples were collected from sampling sites CRA1, CRA2 and CRA 3

Three Bluffs Drill Grid

- Inspection of infrastructure and equipment was completed
- Fuel containment was inspected, repaired, covered and secured.
- Fuel berm sites at the Three Bluffs drilling area which were removed during the spring program were cleaned up and inspected for fuel leaks. These berm locations have been staked for ongoing site monitoring.

Bullion Camp

- Inspection of camp and infrastructure was completed
- Fuel containment berm was inspected
- Camp buildings assessed, repaired, and reinforced to better withstand harsh conditions
- A building was constructed to store drill equipment and other gear out of the elements during shut down periods

Ingot Camp

- Inspection of camp and infrastructure was completed
- General cleanup of inert wastes and repair of damaged structures

5.3 Camp Usage

Bullion and Hayes Camps were used in support of the 2015 programs. Exploration activities were based primarily out of Bullion Camp, whereas activity in Hayes camp consisted of maintenance, support of Bullion Camp and addressing action items identified in prior environmental inspection reports. Table 4 summarizes camp usage.

Camp	Season	Date In	Date Out	Person Days	Activity
Hayes Camp	Spring	5 April 2015	8 May 2015	261	Fuel mobilization and waste backhaul
	Summer	14 Jul 2015	18 Aug 2015	161	Camp and infrastructure maintenance
Bullion Camp	Spring	N/A	N/A	0	No work activities during Spring program
	Summer	30 Jun 2015	18 Aug 2015	1157	Exploration – drilling, IP, mapping, till sampling, drone imaging
Crater Camp	Spring	N/A	N/A	0	No work activities at Crater Camp. Camp was decommissioned in 2011.
	Summer	N/A	N/A	0	
Ingot Camp	Spring	N/A	N/A	0	No work activities at Ingot Camp during 2015 calendar year.
	Summer	N/A	N/A	0	

Table 4 – Camps usage at the Committee Bay Project during 2015

Figure 6 - Bullion Camp – 2015

5.4 Local Hiring

Project implementation included the hiring of 3 workers from local communities as part of executing the spring and summer programs.

NCGC considers its workforce of local personnel hired from nearby communities to be an integral part of its exploration operations. Local workers have been employed for a number of positions during exploration activities during previous work programs. This has included positions such as camp support managers and assistants, equipment operators, drill helpers, geological technicians, surveyors, core cutters and splitters, incinerator operators, carpenters, mechanics and kitchen helpers. NCGC provides both practical 'on the job' training and certificate based training for local workers.

5.5 Community Engagement

NCGC's 2015 community communication took the form of an update letter that was sent to community members, local stakeholders and relevant government organizations. The letter provided an update on the 2015 joint operations at the CBP and the potential impact benefit to the residents of Nunavut and the North. Auryn and NCGC look forward to a more comprehensive community engagement program in 2016 starting with the Round-up conference to be held in Vancouver; further details will be available as the program progresses.

5.6 Expenditure

Expenditures for the 2015 program totalled approximately $4.9 million, of which $2.2 million (~46%) went to northern businesses. Northern businesses involved in the 2015 program included:

- Aurora Geosciences
- Baker Lake Contracting and Supplies Ltd.
- Baker Lake Lodge
- Bobby Saluk Translation
- Calm Air
- Canadian North
- CasCom Ltd.
- Discovery Mining Services Ltd.
- First Air
- Great Slave Helicopters Ltd.
- Ground Truth Exploration Ltd.
- M & T Enterprises Ltd.
- Northern Comm and Nav Systems Ltd.
- Ollerhead & Associates Ltd.
- Ookpik Aviation Inc.
- Sarliaq Holdings Ltd.
- SK Construction
- The North West Company LP
- Umingmak Supply

6.0 LAND USE INSPECTIONS

6.1 2015 Inspections

NCGC was inspected by three regulatory bodies during the 2015 field season, listed below:

1. An AANDC Water License Inspection performed by Water Resources Officer Eva Paul
2. AN AANDC Land Use Inspection performed by Resource Management Officer Baba Pedersen
3. A Kitikmeot Inuit Association Lands Inspection performed by Project Officer Tannis Bolt and Summer Student Keisha Westward

No significant issues were identified through the course of the 2015 inspections, copies of which are attached as Appendix 1. All minor action items identified by the aforementioned inspections are detailed below.

6.1.1 2015 Inspections – Action Items

Minor action items identified during 2015 inspections are outlined in Table 5, with reference to the appropriate inspection report.

Location	Action Required	Inspection	Status
General	"…verify whether Methyl Hydrate is included in the Spill Plan, and submit an addendum if necessary."	AANDC Water*	Complete. Letter send to inspector/relevant agencies (Appendix 2)
Bullion Camp	"…submit photos of the completed grease trap at Bullion Camp." (AANDC Water License Inspection)	AANDC Water	Complete. Letter send to inspector/relevant agencies (Appendix 2)
Three Bluffs Drill Grid	"Two areas where berms have been removed at [Three Bluffs Drill Grid] require monitoring and report remediation progress…in annual report"	AANDC Land**	Ongoing
Ingot Camp	"Backhaul all wastes from inside generator shack and kitchen facility"	KIA Land***	Ongoing – to be completed 2016
	"Remove and/or repair degraded roofing on tent frame structures"	AANDC Land / KIA Land	Complete
	"Remove/repair wooden wire-casing and insulation between tent frames." (Kitikmeot Inuit Association Lands Inspection)	KIA Land	Ongoing – to be completed 2016
	General clean-up of inert wastes at Ingot Camp	AANDC Land / KIA Land	Complete.

Table 5 – Action Items by Inspection

* AANDC Water – Aboriginal Affairs and Northern Development Canada Water Licence Inspection
** AANDC Land - Aboriginal Affairs and Northern Development Canada Land Use Inspection
*** KIA Land – Kitikmeot Inuit Association Land Use Inspection

6.1.2 2015 Inspections – Remedial Actions

NCGC moved to rectify all issues identified during inspections as quickly as possible. Photos of the newly constructed grease trap in Bullion camp have been submitted, and Methyl Hydrate has been added to the updated NCGC Spill Plan (Appendix 2). Tundra previously covered by fuel berms at the Three Bluffs Drill Grid has been inspected for fuel spills and marked by stakes for ongoing site monitoring while it is allowed to recover naturally. A general clean-up was performed at Ingot Camp; removing the contents of the generator shack and kitchen is all that remains of the Action Items identified by the 2015 inspections.

6.2 2014 Inspection

NCGC remains committed to conducting exploration in an environmentally responsible manner. Prior to the 2015 spring mobilization program, two action items identified in the 2014 Water License Inspection Report were outstanding. NCGC is pleased to report:

- In accordance with Action Items 1 and 9 of the 2014 Water License Inspection Report and subsequent correspondence with AANDC, all hazardous waste material stored in Hayes Camp was backhauled via air to Churchill, rail to Winnipeg and disposed of at an approved waste disposal facility. Waste backhaul records (Appendix 3) and the 2014 Water License Inspection Report with AANDC correspondence (Appendix 4) are attached.

- In accordance with Action Item 4 of the 2014 Water License Inspection Report and the corresponding 2014 Geotechnical Inspection Report, NCGC has commenced stabilization and rehabilitation of the Hayes Camp Airstrip and borrow areas, and continued implementation of erosion control measures in camp-proximal drainage areas. Please see Table 6 for a summary of progress.

Area	Recommendations	Status
Three Bluffs Airstrip	Allow the north end of the airstrip to revegetate naturally.	Ongoing. Progress appears good.
	Remove the degraded sandbag filter dykes installed within the drainage ditches on either side of the airstrip and replace them with silt fencing.	Sandbags removed. Sediment control measures ongoing.
	Re-grade the edges of the airstrip to allow for a gentle transition from the airstrip to drainage ditches. Establish a crown along the centre line of the airstrip to reduce the volume of surface water runoff forming erosion channels.	Commenced. Ongoing work required over next several field seasons.
	Backfill and compact the apron to prevent the ponding of water. The backfill material should be sourced from re-grading the edges of the airstrip and should be placed in 0.3m thick lifts and compacted with the 10T drum compactor. When completing the final grading, grade the apron so that surface water runoff is shed away from the airstrip.	Commenced. Ongoing work required over next several field seasons.
	Backfill and compact the depressions and troughs caused by melted ice wedges within the exposed area south of the apron and along the east side of the airstrip. The backfill material is to be sourced from re-grading the edges of the airstrip and should be placed in 0.3m thick lifts and compacted with a 10T drum compactor. When completing final re-grading, ensure the surface runoff is towards the east away from the airstrip.	Commenced. Ongoing work required over next several field seasons.
Hayes Camp	The sediment retained by the sandbag filter dykes should be removed to ensure that they remain functional. To improve future functionality of this system, a series of additional silt fences should be installed upstream of the sandbag filter dykes.	Complete. Annual maintenance to be performed to ensure continued functionality.
Borrow Area #1	Re-establish the outlet to permit surface water runoff to drain naturally from Borrow Area #1 into the gully and into Sandspit Lake.	Commenced. Ongoing work required over next several field seasons.
	The sediment retained by the sandbag filter dykes should be removed to ensure that they remain functional. To improve future functionality of this system, a series of additional silt fences should be installed upstream of the sandbag filter dykes.	Complete. Annual maintenance to be performed to ensure continued functionality.
Borrow Area #2	Bring in fill material, sourced from re-grading the airstrip, to fill in depressions. The fill should be placed in 0.3m thick lifts and compacted with a 10T drum compactor. The finished grade should be contoured to promote surface water runoff towards the east, away from the twin otter airstrip.	Commenced. Ongoing work required over next several field seasons.
Borrow Area #3	Maintain silt fencing and sandbag filter dykes, on either side of the stream, to prevent any sediment transport into the stream.	Complete. Annual maintenance to be performed to ensure continued functionality.

Table 6 – SRK Recommended Remedial Actions

6.3 Progressive Reclamation

NCGC strives to execute exploration programs with minimal environmental impact. As such, progressive reclamation forms an integral part of normal field operations. During the course of the 2015 Spring and Summer field programs, NCGC effected the following examples of progressive reclamation:

1. Two historic fuel berms and accompanying fuel were transported back to Hayes Camp from the Three Bluffs Drill Grid. Hayes Camp provides a superior storage option for fuel due to the proximity to better equipment and facilities, and a more accessible location. The areas of flattened tundra remaining after removal of the fuel berms have been marked with posts and site rehabilitation will be monitored closely moving forward (Figure 7).

Berm 1 from 2014 Remedial Action Report

Berm 3 from 2014 Remedial Action Report

Figure 7 – Flattened tundra at Three Bluffs Drill Grid

2. Actions recommended by the 2014 Geotechnical Inspection Report have been implemented in the rehabilitation of the Hayes Camp airstrip and associated borrow areas. Continuing execution of the recommended actions over the next few field seasons is fully expected to stabilize the affected area(s). See Figure 8 for photos of re-graded airstrip.

Hayes airstrip looking north – airstrip graded to promote natural drainage and prevent water ponding

Hayes airstrip looking south – airstrip graded to promote natural drainage and prevent water ponding

Figure 8 – Re-graded Hayes Camp airstrip

3. Non-critical equipment and materials have been removed from the West Plains cache for storage in Bullion as part of a pre-emptive measure to minimize environmental risk associated with materials and equipment storage outside of CBP camps.

7.0 WATER

7.1 Water Use

A grand total of 134.0 cubic metres of water was used during field operations between April 5th and August 18th. Water usage during field operations in 2015 was solely for camp and kitchen use purposes; no water was used for drilling. Table 7 details water usage by camp and season. Complete water usage logs are attached as Appendix 5.

Camp	Season	Total (m^3)
Hayes Camp	Spring	23.9
	Summer	18.9
Bullion Camp	Spring	Camp not in use
	Summer	91.2

Table 7 – Water usage by camp during 2015

7.2 Water Sampling

Water samples were taken from Water Monitoring Stations CRA1, CRA2 and CRA3 during the 2015 program. Water samples were also obtained from the Bullion Camp draw point. Water sampling analytical results are presented in Appendix 6.

Figure 9 – Water Monitoring Station Locations

8.0 WILDLIFE

NCGC observed a small number of wildlife in the Hayes and Bullion camp areas and away from camp on NCGC mineral claims during the 2015 field programs. Wildlife logs are attached as Appendix 7.

Wildlife observed included:

- Approximately 2 dozen caribou (both sexes) viewed from afar in a helicopter
- 6 large wolves observed along northern edge of Hayes Camp airstrip
- A lone caribou sheltering beneath the single otter on the Bullion airstrip during a rainfall
- A small group of muskox, including a single calf, viewed from afar in a helicopter on the west side of a grassy slope

9.0 SPILLS

No spills of hazardous materials and/or fuels occurred during implementation of the spring and summer programs. NCGC maintains a record of all spills of deleterious materials, including those below reportable thresholds, in the form of internal Spill Report forms. Where such instances occur, spills are addressed in accordance with NCGC's Spill Contingency Plan.

10.0 ADDITIONAL

10.1 ARD / Metal leach testing of quarry sites (Hayes Camp)

In accordance with previous commitments, NCGC collected representative samples of material from the two quarry sites at Hayes Camp during the summer 2015 program. These samples were sent to ALS Laboratories (Vancouver) for Acid-Rock-Drainage testing per the "Quarrying" section of the 2015 Water License renewal[6]. ARD testing has demonstrated a low potential for acid generation coupled with a high ratio of neutralization potential to acid generating potential. Analytical results are attached as Appendix 8.

[6] Part E, Item 14: "The Licensee shall ensure that all fill material used during the construction is from an approved potentially non-acid generating and non-metal leaching source and is free of contaminants. The Licensee shall include with subsequent Annual Reports geochemical sampling to complement the QDP."