

APPENDIX 7

Inspection Report

APPENDIX 1

2014 Water Licence Inspection Report and correspondence



WATER LICENCE INSPECTION FORM

☒ Original
☐ Follow-Up Report

Licensee	Licensee Representative
North Country Gold	-
Licence No. / Expiry	Representative's Title
2BE-CRA1015	-
Land / Other Authorizations	Land / Other Authorizations
Lease # 056J/11-1-2 and 056J/12-1-2	LUP N2009C0018 and N2009C0019
Date of Inspection	Inspector
20/07/2014	Eva Paul
Activities Inspected <input checked="" type="checkbox"/> Camp <input type="checkbox"/> Drilling <input type="checkbox"/> Mining <input type="checkbox"/> Construction <input type="checkbox"/> Reclamation <input checked="" type="checkbox"/> Fuel Storage <input type="checkbox"/> Roads/Hauling <input checked="" type="checkbox"/> Other: Drill laydown <input checked="" type="checkbox"/> Other: Airstrip	

Conditions:			A - Acceptable	C - Concern	U - Unacceptable	NA - Not Applicable	NI - Not Inspected
Water Use	Condition	Comment	Site Conditions		Condition	Comment	Haz/Mat Management
Intake/Screen	NA		Water Management Structures	U	2	Storage	U
Flow Measure. Device	NA		Culverts / Bridges	A		Spills	U
Source:	NA		Drainage	U	3	Spill Plan	U
Water Use:	NA		Erosion / Sediment	U	4		
Recirculation (y /n)	NA		Mitigation Measures	U	5	Administrative	
			Reclamation Activities	U	6	Records	NI
			Materials Storage	A		Reports	NI
Waste Disposal			Signage	A		Plans	NI
Waste Water	U	1				Notifications	NI
Solid Waste	U	1	Monitoring			Other	
Hazardous Waste	U	1	Sample Collection / Analysis	NI			
*The number in the comments field will correspond with specific comments provided below.							
Samples taken by Inspector:			Location(s):				
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No							

SECTION 1	<input checked="" type="checkbox"/> Comments (p.1-2)	<input checked="" type="checkbox"/> Non-Compliance with Act or Licence (s.2)	<input checked="" type="checkbox"/> Action Required (s.3)
<p>Bullion Camp and Hayes Camp were both inspected on July 20, 2014, as well as the Three Bluffs drill laydown/fuel storage area. Bullion Camp is weathered; some of the tents have torn. A few doors were open; I secured the doors as well as I could. Hayes Camp appears to have suffered a strong wind: one building at the airstrip is completely torn apart. Trash is blown into the wetlands east of the airstrip. It was noted during the file review that this water licence expires in April 2015; renewal documents should be submitted as early as possible to avoid expiry, and non-compliances addressed to facilitate the renewal process.</p> <ol style="list-style-type: none"> 1. Waste water, solid waste, and hazardous waste are accumulated in the Hayes lay-down area near camp. It does not appear that waste has been backhauled since my last inspection in 2012. Covers are becoming ripped and blowing off of stored waste. Waste barrels within camp still contain waste. Hazardous waste at the lay-down (waste hydrocarbons, contaminated water etc) is not held in secondary containment. 2. Two berms at Three Bluffs have collapsed (both berms with grey tarps). Most of the berms' tarps have blown off. These are clearly not being monitored frequently enough. Bullion Camp, where a second berm was used as a cover, has weathered the best of all the berms. Little water was in the berm and all sides were standing. The blue-tarped berm at Three Bluffs was also intact. 3. It does not appear that any work was done on the airstrip following the 2012 inspection. The sandbags put in place at right angles to the airstrip are still causing pooling and subsidence associated with permafrost melting. Cracks appear across the airstrip; and wash-outs off the sides. 4. Erosion control measures in place around camp are not being maintained. The drainage channel from camp has changed course and is bypassing the sandbags, allowing sand to be washed into the lake. 5. In general, the mitigation measures put in place will only be effective if the site is maintained. This includes the berms and the erosion control measures. Regular monitoring is required. The camp was not adequately prepared for a lengthy shut-down. Hazardous waste and camp waste should be removed from site. All fuels should be secured in covered secondary containment, and all garbage, foods and other wildlife attractants removed from site. 6. Drill site near the fuel berms has not been reclaimed – collars are to be pulled or cut for all drill holes. 7. The two 35,000L bulk fuel tanks at the airstrip are not to be put into use until they are installed in accordance with Environment Canada's current bulk storage tank regulations. Six full diesel drums were found at the airstrip with no containment. Four barrels were located at the incinerator on a pallet. The fuel tank at the Three Bluffs boiler is not in containment – leaks of the hose will result in a spill. Those materials that are stored in berms are not being monitored; two berms are collapsed, one of which is leaking clearly contaminated water to the tundra (grey tarped berm at the drill lay-down area near the blue-covered berm). I propped up the side with rocks to stop the flow of water, however if the rain continues this will soon overtop again. The airstrip berm is missing a cap, and water is dripping out the corner port. I noted Rain Drain filters around the site; those left with 			



any water in the filters over winter must have the filters replaced prior to use. The red sea-can containing drill greases and oils is discharging oil-contaminated water out the door. Without adequate monitoring, those spills that occur are not addressed promptly and there is a failure to implement the spill plan. Remediation of the spill that occurred in 2012 near the boiler at the drill area has not been completed; spill pads are still spread around the area. Excavated areas should be backfilled to prevent water accumulation and permafrost degradation. In addition, all issues identified in the 2013 LUP inspection are to be addressed as committed to in the 2013 annual report.

SECTION 2	<input type="checkbox"/> Comments	<input checked="" type="checkbox"/> Non-Compliance with Act or Licence	<input type="checkbox"/> Action Required
Part C Item 7: Failure to maintain sediment and erosion control measures.			
Part D Item 6: Failure to remove and dispose of hazardous waste.			
Part E Item 4: Failure to undertake corrective actions with respect to effects on drainage caused by the construction of the airstrip.			
Part # Item 12: Failure to maintain containment and runoff control structures.			
Part H Item 6(a): Failure to implement the Spill Contingency Plan.			
Part I Item 2: Failure to remove waste annually.			
Part I Item 9: Failure to reclaim drill holes immediately upon completion of drilling.			
SECTION 3	<input type="checkbox"/> Comments	<input type="checkbox"/> Non-Compliance with Act or Licence	<input checked="" type="checkbox"/> Action Required
1. All hazardous waste and kitchen waste are to be backhauled by October 31, 2014.			
2. A spill report is to be filed with the Spill Line with respect to the contaminated water spilling from the berm at Three Bluffs.			
3. All water accumulated in fuel berms (including small berms for individual tanks) is to be treated and pumped out of the berms. Berms are to be repaired or replaced in order to provide secondary containment. Berms are to be covered to prevent filling with water or snow. This is to be carried out by August 15, 2014.			
4. A geotechnical inspection by a qualified engineer is to be carried out of the airstrip. The geotechnical inspection report is to be submitted to the Board with the 2014 Annual Report, along with a covering letter from the Licensee outlining an implementation plan with timelines to respond to the Engineer's recommendations.			
5. Erosion control measures throughout the site are to be improved by August 15, 2014, in order to prevent sediment deposition in the lake.			
6. All fuel that is not waste to be backhauled is to be located into covered secondary containment by August 15, 2014.			
7. Contaminated soil from fuel and oil spills is to be removed, and holes immediately backfilled; this includes the 2012 spill. This is to be completed by August 15, 2014.			
8. A report showing the completed actions 3, 5, 7, and 8 (including photographs) is to be submitted to the Inspector by August 31, 2014.			
9. Record of waste backhaul is to be submitted to the Inspector by November 15, 2014.			
10. Drill sites are to be reclaimed by removing the drill casings and anchors, or cutting and capping them. This work is to be carried in the Licensee's next snow-free period of activity.			

Licensee or Representative	Inspector's Name
-	Eva Paul
Signature	Signature
-	Submitted electronically
Date	Date
-	25/07/2014

Office Use Only: Follow-up report to be issued by Inspector	<input type="checkbox"/> Yes <input type="checkbox"/> No
-------------------------------------------------------------	----------------------------------------------------------

Attached: Appendix 1 - Photos of Inspection

CC: Phyllis Beaulieu, Manager of Licensing, NWB
Erik Allain, Manager of Field Operations, AANDC
Baba Pedersen, Resource Management Officer – Kitikmeot Region, AANDC



Figure 1. Bullion Camp. Berm is intact. Some tents are torn.



Figure 2. Lay-down at Hayes Camp. Building demolished.



Figure 3. Waste area at Hayes. Garbage barrels.



Figure 4. Barrels are no longer sealed.



Figure 5. Waste Hydrocarbons should have been removed from site.



Figure 6. Contaminated water should be removed from site.



Figure 7. Incinerator Ash should be removed from site.



Figure 8. Garbages within the camp were not emptied.



Figure 9. Aerial view of Hayes berms.



Figure 10. Hayes berm collapsed.



Figure 11. Berms at Three Bluffs.



Figure 12. Third berm at Three Bluffs.



Figure 13. Three Bluffs berm 1.



Figure 14. Three Bluffs berm 2.



Figure 15. Three Bluffs berm 3.



Figure 16. Pooling/ponding on the side of the airstrip; sediment evident in water flowing down-slope.



Figure 17. Permafrost degradation leading to deterioration of airstrip and sediment in the water.



Figure 18. Camp drainage: original flow on left, new channel on right.



Figure 19. Drill sites require reclamation.



Figure 20. Full diesel barrels at the airstrip.



Figure 21. Barrels out of containment at the incinerator.



Figure 22. While tank may be double-walled, the hoses and valves are not. Secondary containment is required.



Figure 23. Contaminated water in Three-Bluffs berm 2.



Figure 24. Collapsed side of Three Bluffs berm 2, leaking contaminated water.



Figure 25. I propped up the side for a temporary fix. More precipitation will cause further overflow of contaminated water.



Figure 26. Hayes Camp berm; corner dripping. No obvious contamination at this time.



Figure 27. Sea-can leaking oil-contaminated water; there is water coming into the sea-can and flowing through.



Figure 28. 2012 spill at the boiler. Spill pads are still widespread and holes have not been backfilled.



Figure 29. Covered drums of assumedly contaminated material at the boiler. Berm is destroyed, and barrel contents are exposed.



August 7th, 2014

VIA EMAIL

Eva Paul
Water Resources Officer
Aboriginal Affairs and Northern Development Canada
Nunavut Regional Office
PO BOX 100
IQALUIT, NUNAVUT XOA0H0

RE: 2014 Water License Inspection (Ref: 2BE-CRA1015)

Dear Ms. Paul,

North Country Gold Corp. ('NCG', 'the company') wishes to formally acknowledge receipt of AANDC's water license inspection that was carried out on the company's Committee Bay Project (Water License 2BE-CRA1015) the 20th July 2014.

NCG has reviewed AANDC's inspection report and is presently in the process of preparing necessary supplies and equipment, and engaging consultants and service companies to complete a field program designed specifically to address and remedy deficiencies identified, and action requested by AANDC. This field program will address both the 2014 '*Water license inspection report*' that you issued on 25th July 2014, and the '*Environmental inspection report*' issued by Mr. Baba Pederson to NCG in October 2013. Key action items are listed in tables 1 and 2 (attached).

NCG intends to initiate a field program at the Committee Bay Property sometime between the 11th and 18th of August (subject to the availability of aircraft). Whilst NCG acknowledges that expedient action is required to address high priority action items, the company respectfully requests that AANDC allow minor revisions to the mandated deadlines given the logistical and planning requirements necessary to complete a safe and effective stand-alone program in this remote location.

- NCG asks that the August 15th deadlines for high priority action items requested in the 2014 '*Water license inspection report*' (Section 3, Items 3, 5, 6, 7 - Fuel spills, repairing and covering fuel berms, and erosion control) be extended to 31st August. NCG personnel, once onsite, will be tasked with immediately addressing high priority action items.
- NCG requests that the reporting deadline be extended to the 30th September 2014. This will enable NCG to complete all field based remedial work.
- NCG also requests that the backhaul of hazardous waste and kitchen waste (action items 1 and 9) be deferred until such time as the company next constructs its permitted 5200 foot ice airstrip and is able to remove waste using heavy lift freight aircraft (C130



Hercules or equivalent). NCG's Hayes Camp gravel airstrip presently only facilitates small single/twin otter aircraft with limited cargo capacities and payloads which are not a practical means of moving large quantities of material.

In the interim, NCG proposes that all hazardous waste products be moved from their present location and stored in secondary containment within one of the two quonset structures at the site. This will provide protection from snow, rain and wind until such time as waste can be backhauled.

NCG would like to reiterate that we acknowledge the identified deficiencies and remain committed to rectifying and maintaining the terms and conditions of all of the company's applicable licenses. We trust that these minor amendments to the requested action plan are reasonable and will be found acceptable in light of timing constraints and logistical challenges. We look forward to your positive response to our proposed amendments prior initiating our work plan.

NCG remains committed to maintaining good working relationships with all regulatory bodies.

Yours sincerely,

North Country Gold Corp.

Simeon Robinson, P.Geo.
Project Manager

cc:

Baba Pedersen, Resource Management Officer – Kitikmeot Region, AANDC
Phyllis Beaulieu, Manager of Licensing, NWB
Erik Allain, Manager of Field Operations, AANDC
Tracey McCaie, Manager of Land Administration, AANDC
Peter Kleespies, Vice President - Exploration (NCG)
Jo Price (NCG)



Table 1 – 2014 AANDC requested “Action items” and NCG proposed work plan

Item #	Action Item	Requested time line	NCG Action plan
2014: Item 1	All hazardous waste and kitchen waste to be backhauled	October 31, 2014	Waste to be moved from present location and placed in secondary containment within existing quonset structure by 10th September 2014 . Backhaul pending ice airstrip and larger aircraft.
2014: Item 2	A spill report is to be filed with the Spill line with respect to the contaminated water spilling from the berm at Three Bluffs		A Spill report was filed with the NT-NU 24 hour spill line on the 7 th August 2014.
2014: Item 3	All water accumulated in fuel berms (including small berms for individual tanks) is to be treated and pumped out of the berms. Berms are to be repaired or replaced in order to provide secondary containment. Berms are to be covered to prevent filling with water or snow.	August 15, 2014	Once onsite, personnel inspect and repair all secondary fuel containment as warranted. Water will be removed from containment structures and treated prior to discharge. Fuel drums will be inspected and leaking drums rectified. All secondary containment covers will be repaired and secured. This will occur by 31st August 2014 .
2014: Item 4	A geotechnical inspection by a qualified engineer is to be carried out on the airstrip. The geotechnical inspection report is to be submitted to the Board with the 2014 Annual Report, along with a covering letter from the licensee outlining an implementation plan with timelines to respond to the Engineer's recommendation		NCG is presently engaging a geotechnical engineer. A site visit by a geotechnical engineer is tentatively planned for early September 2014 .
2014: Item 5	Erosion control measures throughout the site are to be improved in order to prevent sediment deposition into the lake.	August 15, 2014	Once onsite, personnel will inspect and repair erosion control measures. Silt fences and or sand bags will be established where necessary to prevent sediment deposition into the lake. This will be completed by 31st August 2014 .
2014: Item 6	All fuel that is not waste to be backhauled is to be located in covered secondary containment.	August 15, 2014	Once onsite, all fuel will be located in secondary containment by 31st August 2014 .
2014: Item 7	Contaminated soil from fuel and oil spills is to be removed, and all holes immediately backfilled (including 2012 spill).	August 15, 2014	Once onsite, hydrocarbon spills will be addressed according to NCG Spill plan. Hydrocarbon contaminated soils will be removed and holes will be backfilled. This will be completed by 31st August 2014 .
2014: Item 8	A report showing the completed action items 3, 5, 7 to be submitted to the inspector by the 31 st August 2014.	August 31, 2014	NCG requests that the deadline for a detailed remedial action report be extended until 30th September 2014 .
2014: Item 9	Record of waste backhaul to be submitted to inspector	November 15, 2014	Waste to be moved from present location and placed in secondary containment within existing quonset structure by 10th September 2014 .
2014: Item 10	Drill sites are to be reclaimed by removing the drill casings and anchors, or cutting and capping them.	Within licensee's next snow free period of activity.	This will be completed during next operating season.



Table 2 – 2013 AANDC requested “Action items”

- **Bullion Camp**

Issue	Action required	Comments
Six structures have sustained extensive weather damage	Structures need to be repaired and secured	All damaged tent canvasses will be removed. Frames will be secured.

- **Hayes Camp**

Issue	Action required	Comments
Garbage around the incinerator	Garbage needs to be cleaned up and disposed of.	All garbage on site will be collected and removed or incinerated as appropriate.
Valve on large red tank is unsecure	Valve needs to be covered and locked	Please note that this tank is for water storage only.
Water is accumulating on top of cover of secondary containment and pulling cover off	Cover needs to be secured. Any water in berm to be treated to remove any hydrocarbons then discharged	All secondary containment structures will be inspected and repaired as necessary. Water will be removed from containment structures and treated prior to discharge. Fuel drums will be inspected and leaking drums rectified. All secondary containment covers will be repaired and secured to prevent water pooling on cover.

- **Three Bluffs drill grid, fuel cache and drill laydown**

Issue	Action required	Comments
Tent frame weather damaged	Tent needs repair	Tent structure will be repaired.
Fuel cache has large pool of standing water on cover	Water needs to be drained off	All secondary containment structures will be inspected and repaired as necessary. Water will be removed from containment structures and treated prior to discharge. Fuel drums will be inspected and leaking drums rectified. All secondary containment covers will be repaired and secured to prevent water pooling on cover.
Fuel cache has part of cover blown off.	Cover needs to be secured	All secondary containment structures will be inspected and repaired as necessary. Water will be removed from containment structures and treated prior to discharge. Fuel drums will be inspected and leaking drums rectified. All secondary containment covers will be repaired and secured to prevent water pooling on cover.

Simeon Robinson

From: Eva Paul <Eva.Paul@aandc-aadnc.gc.ca>
Sent: August-10-14 5:06 PM
To: Robinson, Simeon
Cc: Allain, Erik; Contact, Jo Price; Kleespies', 'Peter; Licensing Department; McCaie, Tracey; Pedersen, Baba; Phyllis Beaulieu; licensing@nunavutwaterboard.org
Subject: RE: 2BE-CRA1015 Inspection of July 20 2014

Hi Simeon,

Thank you for this document and the prompt response from NCG with respect to the action items identified in the 2014 inspection report. By way of this e-mail I acknowledge and approve your request to amend the deadlines as follows:

- Item 1 - Hazardous waste to be moved from present location and placed in secondary containment within the quonset - may be carried out by **September 10th**.
- The work required for items 3,5,6, and 7 by August 15th may be extended to **August 31st**.
- The report required by item 8 may be extended to **September 30th**, and will also include a description (*including type and quantity of waste*) and photographs of the fulfilment of Item 1.

I cannot, however, waive the requirement to backhaul hazardous waste. This condition forms part of the licence, and NCG is now in the second year of contravention. This item may be deferred until an agreed-upon date this coming winter, however, it is to be undertaken prior to the expiry of the licence.

- NCG is to determine a date, prior to the expiry date of the existing licence, by which all hazardous waste will be removed from site and a report with records of backhaul submitted to the Inspector.

Regards,

Eva Paul

Water Resources Officer | Agent des ressources en eau
Aboriginal Affairs and Northern Development Canada | Affaires autochtones et Développement du Nord Canada
Nunavut Regional Office | Bureau régional du Nunavut
Building 969, PO Box 2200 | Édifice 969, CP 2200
Iqaluit, NU X0A 0H0

Phone | Tél. : 867-975-4548
Cell | Mobile: 867-222-6490
Fax | Téléc. : 867-979-6445
Eva.Paul@aandc-aadnc.gc.ca

>>> "Simeon Robinson" <simeonr@northcountrygold.com> 8/8/2014 4:55 PM >>>

Hi Eva,

Please find attached to this email a letter detailing NCG's proposed work plan to address the deficiencies and respectfully request minor amendments to timeframes noted in your inspection report of the Committee Bay Project.

APPENDIX 2

2013 Environmental Inspection Report and correspondence



October 24, 2013

North Country Gold
220 – 9797 45th Ave
Edmonton, AB T6E – 5V8

RE: Land Use Permit # N2009C0018 Hayes Camp and Drill Laydown Area & Fuel Cache

On July 25, 2013, I conducted Field Inspections at the above mentioned locations. A copy of my Environmental Inspection Report and 2 Photo Sheets are attached.

Issues identified during the Inspection:

This LUP expired on March 20, 2013 but I do acknowledge that your application for renewal has already been submitted to AANDC.

As per photo sheet #1 of the Hayes Camp, there was some garbage found around the Incinerator that needs to be cleaned up and disposed of, the valve on the large red tank is unsecure and needs to be covered or locked, and the secondary containment on 1 of the 2 fuel caches needs attending to as water has accumulated on top causing other areas to be exposed. The covered secondary containment for individual drums behind each structure is very nice thank you.

As per photo sheet #2 of the Drill Laydown area and Fuel Cache, 1 Tent Frame is weather damaged and needs repairing and 1 Fuel Cache has a large pool of standing water that needs to be drained off and the other Fuel Cache has had part of the cover blown off and a section of the containment wall has collapsed from the support strings coming off.

The above deficiencies need to be fixed and “before” and “after” photos shall be provided to me to show compliance. These sites will be Inspected again in 2014 to ensure compliance.

Please do not hesitate to contact me should you have any questions or concerns.

Koana,

Baba Pedersen
Resource Management Officer
Aboriginal Affairs and Northern Development Canada
P.O. Box 278
Kugluktuk, NU X0B – 0E0
Phone 867-982-4306
Fax 867-982-4307
Email baba.pedersen@aandc.gc.ca

cc. Land Administrator, AANDC, Iqaluit, NU

(4) N 7009 C0018



25 JULY 2013



HAYES CAMP



N 66° 39' 34.3"

W 91° 33' 10.3"

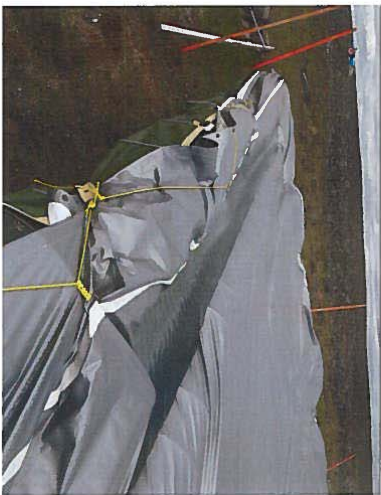
(#2) N8009C0018



25 JULY 2013



PALE LAYDOWN & FUEL CACHE



N 66° 32' 30.9"

W 91° 26' 27.7"



ENVIRONMENTAL INSPECTION REPORT

Permittee: (complete name and address)

NORTH COUNTRY GOLD

220-9797 45TH AVE, EDMONTON, AB T6E-5V8

		Permit Expiry Date	Last Previous Inspection
Land Use Permit No.	N2009C0018	20 MARCH 2013	16 JULY 2011
Quarrying Permit No.			
WATER LICENCE	2BE-CRA1015	1 APRIL 2015	
Contractor:		Subcontractor:	

Location(s) Inspected: #1 - HAYES CAMP N 66°39'34.3" W 91°33'10.3"
#2 - DRILL LAYDOWN/FUEL CACHE N 66°38'30.9" W 91°26'37.7"

Current Stage of Operation:

IN - ACTIVE

Program Modifications Approved:

Condition of Operation "A" - Acceptable "U" - Unacceptable "N/A" - Not Applicable

	Operating Condition	#1	Aspect Inspected	#2	
A	Location as Permitted	A		A	
B	Timing as Permitted	A		A	
	Equipment as Approved				EXPIRED LUP APPLICATION FOR RENEWAL
D	Methods & Techniques				ALREADY SUBMITTED
E	Facilities	A		U	WEATHER DAMAGE
F	Erosion				
G	Chemicals, Waste	U		A	GARBAGE AROUND WRECKER
H	Wildlife & Fisheries Habitat				INCINERATOR
I	Ecological Resource				
K	Fuel Storage	U		U	SECONDARY CONTAINMENT
L	Brush Disposal				NEEDS ATTENDING TOO
M	Matters Not Inconsistent				
N	Water Engineering				
O	Water Supply				
P	Restoration				
Q	Quarrying Methods				
R	Sections 12 to 19 T.L.U.R.				
S					
T					

Surveillance Network Program

Explanatory Remarks (attach page 2, if required)

AT BOTH LOCATIONS THE COVERED
SECONDARY CONTAINMENT NEEDS ATTENDING TOO FOR
STANDING WATER AND TIE DOWN STRINGS HAVE
COME OFF

Page 2 attached ☐ Yes ☒ No

Representative's Signature

BP.

RMO Initials

Inspector's Signature

[Signature]

Representative's Title

District Mgr. Initials



October 24, 2013

North Country Gold
220 – 9797 45th Ave
Edmonton, AB T6E – 5V8

RE: Land Use Permit # N2009C0019 (associated with Water Licence 2BE-CRA1015) Boullion Camp

On July 25, 2013, I conducted a Field Inspection at the above mentioned location. A copy of my Environmental Inspection Report and 2 Photo Sheets are attached.

Issues identified during the Inspection:

This LUP expired on March 20, 2013 but I do acknowledge that your application for renewal has already been submitted to AANDC.

As per photo sheet #2, at least 6 structures in the camp have sustained extensive weather damage. These must all be repaired and all structures must be secure. You shall provide me with “before” and “after” photos of your repairs to ensure compliance.

As per photo sheet #1, all fuel stored on site is in Covered Secondary Containment, thank you very much for this. That is how we require all Secondary Containment that is unattended for more than 24 hours at a time.

Please do not hesitate to contact me should you have any questions or concerns.

Koana,

Baba Pedersen
Resource Management Officer
Aboriginal Affairs and Northern Development Canada
P.O. Box 278
Kugluktuk, NU X0B – 0E0
Phone 867-982-4306
Fax 867-982-4307
Email baba.pedersen@aandc.gc.ca

cc. Land Administrator, AANDC, Iqaluit, NU

(E1)

N7009C0019

25 JULY 2013

BOULDER CAMP



N 66° 23' 48.8"

W 93° 07' 42.9"

#27 N 2004 C0019



25 JULY 2013



BOULDER CAMP



N 66° 23' 48.8"

W 93° 07' 42.9"



ENVIRONMENTAL INSPECTION REPORT

Permittee: (complete name and address)

NORTH COUNTRY GOLD

220-9797 45TH AVE, EDMONTON, AB T6E-5V8

Land Use Permit No.	N2009C0019	Permit Expiry Date	20 MARCH 2013	Last Previous Inspection
Quarrying Permit No.				
WATER LICENCE	28E-CRA1015		1 APRIL 2015	
Contractor:		Subcontractor:		

Location(s) Inspected:

BOULLION CAMP
N 66°23'48.8" W 93°07'42.9"

Current Stage of Operation:

IN - ACTIVE

Program Modifications Approved:

Condition of Operation "A" - Acceptable "U" - Unacceptable "N/A" - Not Applicable

	Operating Condition	Aspect Inspected			
A	Location as Permitted	A			
B	Timing as Permitted	A			
	Equipment as Approved				EXPIRED LUP APPLICATION FOR RENEWAL ALREADY SUBMITTED
D	Methods & Techniques				
E	Facilities	U			EXTENSIVE WEATHER DAMAGE
F	Erosion				
G	Chemicals, Waste				
H	Wildlife & Fisheries Habitat				
I	Ecological Resource				
K	Fuel Storage	A			COVERED SECONDARY CONTAINMENT
L	Brush Disposal				
M	Matters Not Inconsistent				
N	Water Engineering				
O	Water Supply				
P	Restoration				
Q	Quarrying Methods				
R	Sections 12 to 19 T.L.U.R.				
S					
T					

Surveillance Network Program

Explanatory Remarks (attach page 2, if required)

AT LEAST 6 STRUCTURES HAVE EXTENSIVE WEATHER
DAMAGE, THESE ALL NEED TO BE REPAIRED

Page 2 attached ☐ Yes ☒ No

Representative's Signature

Inspector's Signature

RMO Initials

Representative's Title

District Mgr. Initials



via email

31st December 2013

Baba Pederson
Resource Management Officer
Aboriginal Affairs and Northern Development Canada
PO BOX 278
Kugluktuk, Nunavut, X0B0E0

RE: 2013 Land use permits inspections: N2009C0018 (Hayes Camp) and N2009C0019 (Bullion Camp)

Dear Mr. Pederson,

On behalf of North Country Gold Corp. ('NCG', 'the company') I would like to acknowledge the receipt of your field inspection reports for Land Use Permits N2009C0018 (Hayes Camp) and N2009C0019 (Bullion Camp) dated October 24, 2013.

NCG acknowledges that the following issues need to be rectified:

- Bullion Camp**

Issue	Action required	Comments
Six structures have sustained extensive weather damage	Structures need to be repaired and secured	Scheduled for 2014

- Hayes Camp**

Issue	Action required	Comments
Garbage around the incinerator	Garbage needs to be cleaned up and disposed of.	Scheduled for 2014
Valve on large red tank is unsecure	Valve needs to be covered and locked	Please note that this tank is for water storage only. This will be addressed in 2014.
Water is accumulating on top of cover of secondary containment and pulling cover off	Cover needs to be secured. Any water in berm to be treated to remove any hydrocarbons then discharged	Scheduled for 2014. NCG will address this issue so that it does not reoccur.

North Country Gold Corp.

EDMONTON CORPORATE OFFICE:
SUITE 220-9797 45TH AVENUE | EDMONTON | AB | T6E 5V8
PHONE: 780-437-6624 | FAX: 780-439-7308

VANCOUVER OFFICE:
SUITE 1440-625 HOWE STREET | VANCOUVER | BC | V6C 2T6
PHONE: 604-646-4524 | FAX: 604-646-4526

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- **Three Bluffs drill grid, fuel cache and drill laydown**

Issue	Action required	Comments
Tent frame weather damaged	Tent needs repair	Scheduled for 2014
Fuel cache has large pool of standing water on cover	Water needs to be drained off	Scheduled for 2014. NCG will address this issue so that it does not reoccur.
Fuel cache has part of cover blown off.	Cover needs to be secured	Scheduled for 2014. NCG will address this issue so that it does not reoccur.

Unfortunately NCG was unable to address the deficiencies noted in your report during the latter portion of the 2013 field season. The company plans to address these issues during the 2014 field season, and as requested will document remedial actions taken and provide you with before and after photos. NCG will notify you once the details and schedule for the 2014 work program are finalized.

Please do not hesitate to contact myself (email: simeonr@northcountrygold.com; telephone 780-616-9459) should you have additional questions or concerns.

Yours sincerely,

Simeon Robinson
Project Manager
North Country Gold Corp.

cc:

Jo Price – North Country Gold Corp.
Phyllis Beaulieu – Nunavut Water Board
Wynter Kuliktana – Kitikmeot Inuit Association

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APPENDIX 3

NT-NU Spill Report



Canada

NT-NU SPILL REPORT

OIL, GASOLINE, CHEMICALS AND OTHER HAZARDOUS MATERIALS

NT-NU 24-HOUR SPILL REPORT LINE

TEL: (867) 920-8130

FAX: (867) 873-6924

EMAIL: spills@gov.nt.ca

REPORT LINE USE ONLY

A	REPORT DATE: MONTH – DAY – YEAR		REPORT TIME		<input type="checkbox"/> ORIGINAL SPILL REPORT, OR <input type="checkbox"/> UPDATE # _____ TO THE ORIGINAL SPILL REPORT	REPORT NUMBER _____-_____
	B OCCURRENCE DATE: MONTH – DAY – YEAR		OCCURRENCE TIME			
C	LAND USE PERMIT NUMBER (IF APPLICABLE)			WATER LICENCE NUMBER (IF APPLICABLE)		
	D GEOGRAPHIC PLACE NAME OR DISTANCE AND DIRECTION FROM NAMED LOCATION				REGION <input type="checkbox"/> NWT <input type="checkbox"/> NUNAVUT <input type="checkbox"/> ADJACENT JURISDICTION OR OCEAN	
E	LATITUDE			LONGITUDE		
	DEGREES	MINUTES	SECONDS	DEGREES	MINUTES	SECONDS
F	RESPONSIBLE PARTY OR VESSEL NAME		RESPONSIBLE PARTY ADDRESS OR OFFICE LOCATION			
G	ANY CONTRACTOR INVOLVED		CONTRACTOR ADDRESS OR OFFICE LOCATION			
H	PRODUCT SPILLED		QUANTITY IN LITRES, KILOGRAMS OR CUBIC METRES	U.N. NUMBER		
	SECOND PRODUCT SPILLED (IF APPLICABLE)		QUANTITY IN LITRES, KILOGRAMS OR CUBIC METRES	U.N. NUMBER		
I	SPILL SOURCE		SPILL CAUSE		AREA OF CONTAMINATION IN SQUARE METRES	
J	FACTORS AFFECTING SPILL OR RECOVERY		DESCRIBE ANY ASSISTANCE REQUIRED		HAZARDS TO PERSONS, PROPERTY OR ENVIRONMENT	
K	ADDITIONAL INFORMATION, COMMENTS, ACTIONS PROPOSED OR TAKEN TO CONTAIN, RECOVER OR DISPOSE OF SPILLED PRODUCT AND CONTAMINATED MATERIALS					
L	REPORTED TO SPILL LINE BY	POSITION	EMPLOYER	LOCATION CALLING FROM	TELEPHONE	
M	ANY ALTERNATE CONTACT	POSITION	EMPLOYER	ALTERNATE CONTACT LOCATION	ALTERNATE TELEPHONE	

REPORT LINE USE ONLY

N	RECEIVED AT SPILL LINE BY	POSITION	EMPLOYER	LOCATION CALLED	REPORT LINE NUMBER
		STATION OPERATOR		YELLOWKNIFE, NT	(867) 920-8130
LEAD AGENCY <input type="checkbox"/> EC <input type="checkbox"/> CCG <input type="checkbox"/> GNWT <input type="checkbox"/> GN <input type="checkbox"/> ILA <input type="checkbox"/> INAC <input type="checkbox"/> NEB <input type="checkbox"/> TC			SIGNIFICANCE <input type="checkbox"/> MINOR <input type="checkbox"/> MAJOR <input type="checkbox"/> UNKNOWN		FILE STATUS <input type="checkbox"/> OPEN <input type="checkbox"/> CLOSED
AGENCY		CONTACT NAME	CONTACT TIME	REMARKS	
LEAD AGENCY					
FIRST SUPPORT AGENCY					
SECOND SUPPORT AGENCY					
THIRD SUPPORT AGENCY					