

## Appendix 7 - 2018 AANDC Land Use and Water Licence Inspection



WATER LICENCE INSPECTION FORM

☒ Original  
☐ Follow-Up Report

Licensee		Licensee Representative	
North Country Gold/Auryn Resources		Bryan Atkinson	
Licence No. / Expiry		Representative's Title	
2BE-CRA1520		Exploration Manager	
Land / Other Authorizations		Land / Other Authorizations	
LUP N2014C0005		Lease 56J/11-1-2	
Date of Inspection		Inspector	
29 July 2018		Baba Pedersen	
Activities Inspected			
<input checked="" type="checkbox"/> Camp	<input checked="" type="checkbox"/> Drilling	<input type="checkbox"/> Mining	<input type="checkbox"/> Construction
<input type="checkbox"/> Roads/Hauling	<input type="checkbox"/> Other:	<input type="checkbox"/> Other:	<input checked="" type="checkbox"/> Reclamation
		<input checked="" type="checkbox"/> Fuel Storage	

Conditions:		A - Acceptable	C - Concern	U - Unacceptable	NA – Not Applicable	NI – Not Inspected	
Water Use		Condition	Comment	Site Conditions		Condition	Comment
Intake/Screen	A			Water Management Structures			
Flow Measure. Device	A			Culverts / Bridges			
Source:	A			Drainage			
Water Use:	A			Erosion / Sediment		A	3
Recirculation ( y /n)				Mitigation Measures		A	2
				Reclamation Activities		A	6
				Materials Storage		A	
Waste Disposal				Signage		A	
Waste Water	A						
Solid Waste	A			Monitoring		Other	
Hazardous Waste	A			Sample Collection / Analysis			
*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 (s. __)	<input type="checkbox"/> Non-Compliance with Act or Licence (s. __)	<input type="checkbox"/> Action Required (s. __)
I Inspected 3 locations belonging to North Country Gold/Auryn Resources on July 29, 2018. I Saw the Hayes Camp (Photos 1 to 12) @ N 66°39'30" W 91°32'11", the RAB Drill Site (Photos 13 to 16) @ 66°54'46.9" W 91°23'46.2" and the Diamond Drill Site (Photos 17 to 20) @ N 66°45'05.1" W 91°26'06.5". I was accompanied by Auryn Exploration Manager, Bryan Atkinson.			
SECTION 2	<input checked="" type="checkbox"/> Comments	<input type="checkbox"/> Non-Compliance with Act or Licence	<input type="checkbox"/> Action Required
At the Hayes Camp I saw 1. Two different Types of Secondary Containment (Photos 3 & 4) behind individual Cabins, 2. The Grease Trap (Photos 5 & 6) installed under the Kitchen Building, 3. The Coconut Matting (Photo 7) installed for Erosion Control, 4. The Fuel Drums and Secondary Containment used for the Incinerator (Photo 8), 5. Waste Drum Storage Berm #2 (Photos 9 & 10), 6. The old Quarry Area (Photos 11 & 12). 7. At the RAB Drill Site (Photos 13 to 16) I got to see how this type of System works. 8. At the Diamond Drill Sites (Photos 17 to 20) I saw 1 Drill in Operation, 1 Drill being Set-up and a 3 <sup>rd</sup> location being prepared to Set-up.			
SECTION 3	<input type="checkbox"/> Comments	<input type="checkbox"/> Non-Compliance with Act or Licence	<input checked="" type="checkbox"/> Action Required
1. Very Nice Secondary Containment on all Individual Drums, Thank you very much. 2. Thank you for Installing the Grease Trap as per a previous Inspection request. 3. Thank you for Installing the Coconut Matting for Erosion Control as per previous Inspection request. 4. The Secondary Containment under the 4 Drums used for the Incinerator MUST be changed to a larger one so it completely encloses the bottom, send photos to the Inspector once complete to verify this 5. The Waste Drum Berm #2 Secondary Containment MUST be repaired, send photos to the Inspector once complete to verify this. 6. It was mutually agreed that the reclamation of the old Quarry is a Long-Term Reclamation Project, the Proponent will fill in the low spots and channel the drainage to its original location. The Proponent is to Update the Progress of this Reclamation in each Annual Report. 7. All was well at the RAB Drill Site, I have no concerns. 8. All was well at the Diamond Drill Site, I have no concerns.			

Licensee or Representative	Inspector's Name
	Baba Pedersen
Signature	Signature
	Signed Original on File
Date	Date
	19 September 2018

Office Use Only:	Follow-up report to be issued by Inspector	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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cc. CIRNAC, Manager Field Operations, Iqaluit, [justin.hack@canada.ca](mailto:justin.hack@canada.ca)

Nunavut Water Board, Manager of Licensing, Gjoa Haven, [licensing@nwb-oen.ca](mailto:licensing@nwb-oen.ca)

Gov't of Nunavut, Municipal Engineer, Cambridge Bay, [salam@gov.nu.ca](mailto:salam@gov.nu.ca)



PHOTO LOG

Date	Camera	Inspector	Authorization
29 July 2018	Sony DSC-HX50V	Baba Pedersen	2BE-CRA1520 & N2014C0005
Photo Log # DSC03556		Location Hayes Camp	

Photo 1



Description: Aerial View #1 of Hayes Camp

Photo Log # DSC03732

Location Hayes Camp

Photo 2



Description: Aerial View #2 of Hayes Camp





Photo Log # DSC03565

Location Hayes Camp

Photo 3



Description: Type 1 of Secondary Containment on Individual Drums behind each Cabin – VERY NICE!

Photo Log # DSC03566

Location Hayes Camp

Photo 4



Description: Type 2 of Secondary Containment on Individual Drums behind each Cabin – VERY NICE!





Photo Log # DSC03581

Location Hayes Camp

Photo 5



Description: Kitchen Grease Trap installed as per Inspector Eva Paul's direction from last Inspection – Thank You

Photo Log # DSC03580

Location Hayes Camp

Photo 6



Description: Close-up of Kitchen Grease Trap installed as per Inspector Eva Paul's direction from last Inspection – Thank You





Photo Log # DSC03583

Location Hayes Camp

Photo 7



Description: Coconut Matting installed for Erosion Control as per Eva Paul’s Direction from last Inspection – also visible in Photo #2

Photo Log # DSC03592

Location Hayes Camp

Photo 8



Description: Fuel Drums for Incinerator – Needs Larger Secondary Containment





Photo Log # DSC03610

Location Hayes Camp

Photo 9



Description: Waste Berm #2 – Needs Repairs on Secondary Containment

Photo Log # DSC03611

Location Hayes Camp

Photo 10



Description: Waste Berm #2 – Needs Repairs on Secondary Containment





Photo Log # DSC03631

Location Hayes Camp

Photo 11



Description: Old Quarry Area to be added to Long Term Reclamation Plan

Photo Log # DSC03644

Location Hayes Camp

Photo 12



Description: Old Quarry Area to be added to Long Term Reclamation Plan – Aerial View





Photo Log # DSC03650

Location RAB Drill Site

Photo 13

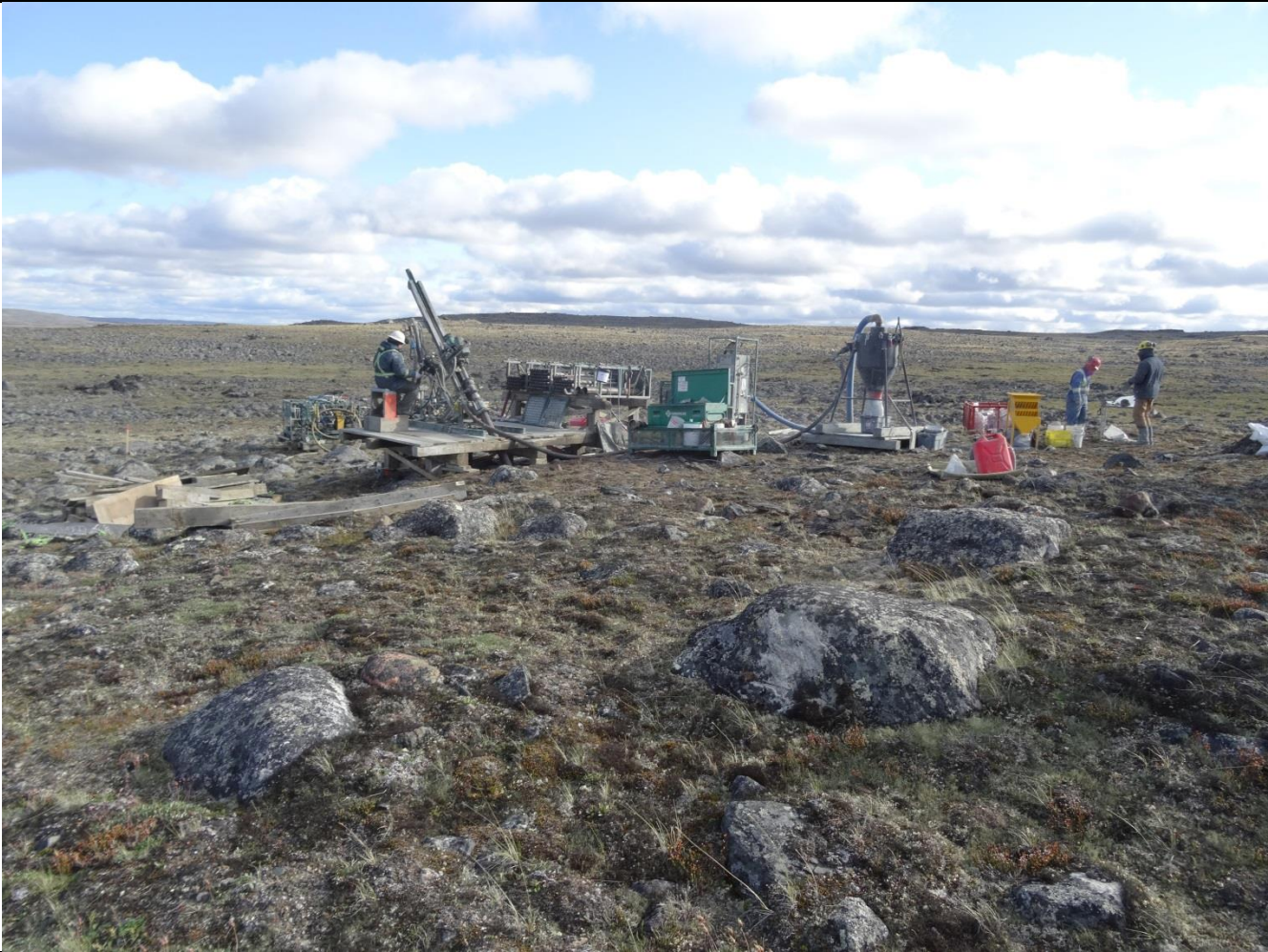


Description: Aerial View of RAB Drill Site

Photo Log # DSC03655

Location RAB Drill Site

Photo 14



Description: RAB Drill Site showing compact Foot Print





Photo Log # DSC03670

Location RAB Drill Site

Photo 15



Description: RAB Drills produce Dust (not Core) which is poured through this Sifter into Bags

Photo Log # DSC03672

Location RAB Drill Site

Photo 16



Description: These Bags of Powder are what is produced by the RAB Drill Process





Photo Log # DSC03691

Location Diamond Drill Site

Photo 17



Description: Aerial View of 2 Diamond Drill Rigs side-by-side with Water Source shown in the top right

Photo Log # DSC03695

Location Diamond Drill Site

Photo 18



Description: Aerial View of Water Pump at Source





Photo Log # DSC03727

Location Diamond Drill Site

Photo 19



Description: Close-up of Sump in Natural Depression in Rock Pile

Photo Log # DSC03729

Location Diamond Drill Site

Photo 20



Description: Sump Line from Diamond Drill Rig in background