

APPENDIX 1

Inspection Reports completed during the 2015 CBP field season

Includes:

- 2015 AANDC Water License Inspection Report
- 2015 AANDC Lands Use Inspection Report
- 2015 Kitikmeot Inuit Association



WATER LICENCE INSPECTION FORM

☒ Original
☐ Follow-Up Report

Licensee North Country Gold/Auryn Resources		Licensee Representative Simeon Robinson, Jim Slayton	
Licence No. / Expiry 2BE-CRA1520		Representative's Title	
Land / Other Authorizations		Land / Other Authorizations	
Date of Inspection 21/07/2015		Inspector Eva Paul	
Activities Inspected ☒ Camp ☒ Drilling ☐ Mining ☐ Construction ☒ Reclamation ☒ Fuel Storage ☐ Roads/Hauling ☐ Other: ☐ Other:			

Conditions: **A - Acceptable** **C - Concern** **U - Unacceptable** **NA – Not Applicable** **NI – Not Inspected**

Water Use			Site Conditions			Haz/Mat Management		
Condition	Comment		Condition	Comment		Condition	Comment	
Intake/Screen	A		Water Management Structures	A		Storage	A	4
Flow Measure. Device	A		Culverts / Bridges	A		Spills	A	5
Source:	A		Drainage	A	3	Spill Plan	NI	4
Water Use:	A		Erosion / Sediment	A	3			
Recirculation (y / n)	A		Mitigation Measures	A	3	Administrative		
			Reclamation Activities	A		Records	A	
			Materials Storage	A		Reports	A	
Waste Disposal			Signage	A		Plans	NI	
Waste Water	A	1				Notifications	A	
Solid Waste	A	2	Monitoring			Other		
Hazardous Waste	A		Sample Collection / Analysis	NI		Drilling	A	6

**The number in the comments field will correspond with specific comments provided below.*

Samples taken by Inspector:

Location(s):

☐ Yes ☒ No

SECTION 1 ☒ **Comments (s.1)** ☐ **Non-Compliance with Act or Licence (s.2)** ☒ **Action Required (s.3)**

An inspection of 2BE-CRA1520 was conducted on July 21, 2015. I was accompanied on the inspection by Simeon Robinson of North Country Gold, and Jim Slayton of Auryn Resources. The following components were inspected:

- Bullion Camp (N66°23'39.0" W93°06'54.9")
- Hayes Camp (N66°39'34.8" W91°32'18.0")
- Three Bluffs Drilling Grid (N66°38'32.6" W91°26'49.9")
- Ingot Camp (N66°35'38.9" W92 37'34.9")
- Drill hole active at the time of the inspection (15WP009) (N66°05'27.7" W93°32'58.9")
- West Plains Cache (N66°07'37.3" W93°26'51.2")

Findings:

1. No grease trap was previously installed on the greywater discharge at Bullion Camp; this was being remedied while I was at camp. Please submit photos of the completed setup.
2. Waste streams are segregated at source, and waste from Bullion is brought back to Hayes Camp for management. The incinerator at Hayes Camp was temporarily O/S; the technician was expected within the week. Waste for incineration was temporarily stored in the sorting shack at Hayes Camp, where waste is weighed and logged prior to incineration.



3. Hayes Camp is located on a high sandy hill with sparse vegetation cover. Erosion and sediment control measures are in place at Hayes Camp in attempts to mitigate the effects of the activity. The sandbags were removed from along the airstrip following the 2014 Geotechnical Inspection, in attempts to lessen the water ponding along the strip, and work has begun on packing and grading the south end of the airstrip to improve drainage. The north end will be allowed to revegetate in to aid in stabilization of the sandy surface.
4. All hazardous materials were found in secondary containment, both indoors and out. Please verify whether Methyl Hydrate is included in the Spill Plan and submit an addendum if necessary.
5. Spill 14-289 (at Three Bluffs) was inspected and will be closed with the Spill Line (N66°38'30.1" W91°26'38.6").
6. It was very interesting to see the RAB drill setup. It appears to be as low-impact as was forecasted: the footprint is small, the components are easily contained, and the waste is controlled. No water is required in the process.

Overall, I was satisfied with the inspection and NCG's compliance with the water licence.

SECTION 2 ☐ **Comments** ☐ **Non-Compliance with Act or Licence** ☐ **Action Required**

No non-compliances were noted.

SECTION 3 ☐ **Comments** ☐ **Non-Compliance with Act or Licence** ☒ **Action Required**

1. Please submit photos of the completed grease trap at Bullion Camp.
2. Please verify whether Methyl Hydrate is included in the Spill Plan and submit an addendum if necessary.
3. Please ensure that proper documentation of the company name change and any change of contact information is submitted to the NWB.

Licensee or Representative Simeon Robinson	Inspector's Name Eva Paul
Signature 	Signature 
Date 22 JULY 2015	Date 22/07/2015

Office Use Only: Follow-up report to be issued by Inspector

☐ Yes ☐ No

ENVIRONMENTAL INSPECTION REPORT

Permittee: (complete name and address) NORTH COUNTRY GOLD

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

		Permit Expiry Date	Last Previous Inspection
Land Use Permit No.	N2014C0002	23 APRIL 2016	
Quarrying Permit No.			
Contractor:		Subcontractor:	

Location(s) Inspected: ① BULLION CAMP ② DRILL SITE

③ WASTE PLANT FUEL CATCH

Current Stage of Operation: ACTIVE - 30 PEOPLE IN CAMP

Program Modifications Approved:

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

	Operating Condition	Aspect Inspected			
		①	②	③	
A	Location as Permitted	A	A	A	
B	Timing as Permitted	A	A	A	
	Equipment as Approved	A	A		
D	Methods & Techniques		A		
E	Facilities	A			
F	Erosion				
G	Chemicals, Waste	A	A		
H	Wildlife & Fisheries Habitat				
I	Ecological Resource				
K	Fuel Storage	A	A	A	
L	Brush Disposal				
M	Matters Not Inconsistent				
N	Water Engineering				
O	Water Supply	A			
P	Restoration			A	
Q	Quarrying Methods				
R	Sections 12 to 19 T.L.U.R.	A			
S					
T					

Surveillance Network Program

Explanatory Remarks (attach page 2, if required) I HAVE NO CONCERNS AT THIS TIME, VERY NICE CLEAN AND ORGANIZED OPERATION.

Page 2 attached ☐ Yes ☒ No

Representative's Signature

RMO Initials

Inspector's Signature

District Mgr. Initials

Project Manager

Representative's Title

ENVIRONMENTAL INSPECTION REPORT

Permittee: (complete name and address) NORTH COUNTRY GOLD

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

	Permit Expiry Date	Last Previous Inspection
Land Use Permit No.	N2014C0005	28 APRIL 2016
Quarrying Permit No.		
LEASE	565/12-1	
Contractor:		Subcontractor:

Location(s) Inspected: ① HAYES CAMP ② 3 BLUFFS LAYDOWN AND FUEL CACHE AREA ③ INGOT CAMP

Current Stage of Operation: ACTIVE - 8 PEOPLE IN CAMP

Program Modifications Approved:

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

	Operating Condition	Aspect Inspected			
		①	②	③	
A	Location as Permitted	A	A	A	
B	Timing as Permitted	A	A	A	
	Equipment as Approved	A	A		
D	Methods & Techniques				
E	Facilities	A	A	U	TORN TENT FRAME
F	Erosion	A			COVERS NEED REPAIR
G	Chemicals, Waste	A	A		
H	Wildlife & Fisheries Habitat				
I	Ecological Resource				
K	Fuel Storage	A	A		
L	Brush Disposal				
M	Matters Not Inconsistent				
N	Water Engineering				
O	Water Supply	A			
P	Restoration	A	A	U	UNUSED CAMP
Q	Quarrying Methods				NEEDS CLEAN-UP
R	Sections 12 to 19 T.L.U.R.	A			
S					
T					

Surveillance Network Program

Explanatory Remarks (attach page 2, if required) 2 AREAS WHERE BERMS HAVE BEEN REMOVED AT #2 REQUIRE MONITORING AND REPORT REMEDIATION PROGRESS (NATURAL) TO RMO AND IN ANNUAL REPORT

Page 2 attached ☐ Yes ☒ No

Representative's Signature

B.P.

RMO Initials

Inspector's Signature

Project Manager

Representative's Title

District Mgr. Initials



Kitikmeot Inuit Association
Department of Lands & Environment
2015 Inspection Report
For
North Country Gold Corp's
Crater & Ingot Camps KTL314C003



Project: Crater Camp & Ingot Camp

License: KTL314C003

Project Owner: North Country Gold Corp
Suite 1440-625 Howe Street
Vancouver, BC V6C 2T6

Site Location: PB-02 (Crater Camp), PB-12 (Ingot Camp)

Date of Inspection: July 29 - 30, 2015

Contact: Jo Price
Simeon Robinson, Project Manager

Conducted By: Tannis Bolt, Project Officer
Keisha Westwood, Summer Student

Site History and Brief Introduction of the Crater & Ingot Camps:

The Crater & Ingot campsites are situated on Inuit Owned Land (IOL) located in the Kitikmeot region of Nunavut, as part of the North Country Gold Corp.'s exploration project, approximately 250km south of Kugaaruk, Nunavut.

On May 5, 2015, the Kitikmeot Inuit Association (KitIA) Department of Lands and Environment renewed and issued License Number KTL314C003 to North Country Gold Corp. The current license allows camp infrastructure on IOL parcels PB-02 and PB-12. The license also allows the following activities on IOL parcels PB-02, PB-06 to PB-13, PB-20 and PB-21; staking, prospecting, exploration (geophys-grid/air), drilling (diamond/ice etc.) and fly camps.

Objectives and Purpose of the 2015 Site Inspection:

Pursuant to the issued Terms and Conditions, the KitIA is responsible to monitor compliance of the Project in accordance with Inuit Owned Land Use License KTL314C003. As part of the monitoring, the objective of the KitIA's 2015 site inspection was to determine the current condition of the sites and to identify issues of concern and areas of focus for future inspections.

2015 Inspection Comments:

The 2015 inspection of Crater and Ingot camps was accompanied by Simeon Robinson of North Country Gold Corp.

The results of the site inspection are as follows:

Crater Camp:

The Crater camp was demobilized in 2011-2012 and the KitIA commends North Country Gold Corp.'s efforts in ensuring that the area has been restored to the conditions as observed prior to any North Country Gold Corp. activity.

Ingot Camp:

The Ingot camp was last utilized in 2005 and is in the process of being cleaned up. The remaining structures appear to be in stable condition with a few exceptions that are highlighted in the recommendations section below.

Drill Sites:

Although there was no drilling activity on IOL in 2015, the KitIA visited reclaimed sites located on IOL as well as an active GT Probe on Crown land. The KitIA acknowledges North Country Gold Corp.'s efforts in ensuring that old drill sites were left with very minimal to no visible impact.

KitIA Recommendations based on the 2015 Site Inspection:

Based on the 2015 site inspection, the KitIA is requesting that North Country Gold Corp. carry out the following activities to ensure compliance pursuant to the terms and conditions associated with Inuit Owned Land Use License KTL314C003:

- Backhaul all wastes from inside the generator shack and kitchen facility;
- Remove and/or repair all degraded roofing on tent frame structures;
- Remove and/or repair the wooden wire-casing and insulation between tent frames; and
- Ensure general cleanliness of the site by picking up remaining inert wastes.

Prepared by: Tannis Bolt
Title: Project Officer

Signature: 