

Committee Bay Project

Fuel Management Plan

Revision 1

North Country Gold Corp. October 2014

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1.0 DOCUMENT CONTROL

Version	Date	Section	Pages	Revision
1	24/10/2014	all	all	Rewrite existing 2012 NCGC Fuel Management Plan

2.0 COMPANY AND PROJECT BACKGROUND

North Country Gold Corp. ('NCGC') is a publically listed, Canadian based exploration company conducting mineral exploration within the Committee Bay area in the eastern portion of the Kitikmeot Region, Nunavut Territory, Canada.

The Committee Bay Project ('CBP') comprises mineral claims and leases located on both Crown Land and Inuit owned (surface rights) land pursuant to the Nunavut Land Claims Agreement. The project encompasses NCGC's flagship Three Bluffs gold deposit, numerous gold occurrences, four exploration camps and a number of fuel and equipment caches.

Exploration work programs are generally undertaken as seasonal campaigns occurring between March and October in any given year, largely dictated by market conditions. Work activities comprise claim and lease staking, prospecting, geological mapping, rock, till and soil sampling, airborne and ground geophysics and drilling. Supplies, including fuel are airlifted to the CBP from various towns and cities in Nunavut, Manitoba and the Northwest Territories.

In 2011, NCGC initiated an upgrade of its primary camp, Hayes Camp. These upgrades were designed to increase the camp capacity to 100 people and improve the overall safety, working conditions and environmental impacts of ongoing work at the Three Bluffs gold deposit. Upgrades completed in 2011 comprised construction of additional camp accommodation, the installation of new washroom facilities, quonset structures, a dual chambered incinerator, waste water treatment system, and initiation of the construction of a 3000' airstrip. NCGC intends to continue these camp upgrades and to construct an all-weather road from Hayes Camp to, and within, the Three Bluffs drilling area in coming years.

NCGC has the following permits and licences in place to support advanced exploration activity at the CBP.

Organization	Description	Permit/Licence #
Nunavut Impact Review Board	Project Reference Number	07EN021
Aboriginal Affairs and Northern	Land Use Permit (Bullion camp)	N2014C0002
Development Canada (AANDC)	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-CRA1015
Aboriginal Affairs and Northern	Commercial Leases	Lease 065J/11-1-2
Development Canada (AANDC)	Continuercial Leases	Lease 065J/12-1-2

3.0 INTRODUCTION

This Fuel Management Plan was developed to document fuel management practises employed on all NCGC exploration sites within the Committee Bay Project. This plan is one of a number of plans established by NCGC designed to minimize pollution, protect the environment and protect the health and safety of all workers, contractors, and the community at large from any effects of its materials and operations. NCGC stores diesel, aviation fuels, propane, gasoline, lubricating oils and hydraulic fluids at the CBP.

This document is designed to meet all regulatory requirements. This document forms part of NCGC's Nunavut Water Board ('NWB') Water Licence renewal application. Once approved, this document will remain in effect for the duration of NCGC's water licence. NCGC will conduct annual reviews of this document to address changes in technology and operational practises. Changes will be implemented upon approval from the NWB.

4.0 **SCOPE AND OBJECTIVES**

This document describes procedures for the transport, handling, storage, inspection and transfer of fuel products at the CBP.

The objective of this plan is to:

- Protect the health and safety of workers and contractors
- Reduce occurrences of fuel spills and contamination
- Comply with Federal and Territorial legislation and terms and conditions stipulated within the company's water licence and land use licences.

5.0 FUEL SUPPLY

Fuel products will be supplied to the CBP in the following configurations:

Sealed 205L metal drums: Diesel, Aviation fuel (Jet A/B) and gasoline

Bulk Fuel: Diesel100 lbs cylinders: Propane

Fuel products will be shipped via road, rail, barge and air to proximal supply hubs before final shipment to the CBP via aircraft. NCGC personnel will supervise the offloading of aircraft and transport fuel to appropriate caches.

6.0 FUEL STORAGE

6.1 Drummed Fuel

Drummed fuel will be stored inside secondary containment located a minimum of 31 metres from the normal high water mark of any water body. Fuel drums that are not in use will be stored on their sides in neat rows within secondary containment with bungs positioned at 3 o'clock and 9 o'clock positions. Fuel caches will be marked with appropriate marker posts to ensure they are easily visible during periods of deep snow cover.

6.2 Tent Fuel Tanks

Office and sleeping tents will be heated by conventional diesel stoves (heaters). The fuel supply for these stoves will comprise a 205 litre fuel drum mounted horizontally on a drum stand. Fuel drums and fittings will be located within secondary containment berms or trays. Drums, stands and trays will be covered with heavy-duty *Exploration Tents*¹ (or equivalent) supply drum covers to prevent accumulations of rain of snow.

6.3 Bulk Fuel

NCG has 2 x 35,000 litre tanks manufactured in accordance with ULC standards S-601 and S-653 onsite at Hayes Camp but are not yet in service. NCGC intends to acquire an additional two tanks of equivalent size and specification. These tanks will be installed in accordance with applicable regulations and registered with Environment Canada prior to commissioning and filling.

NCGC will utilize 4 smaller double walled, bulk fuel storage tanks (up to 2000 litres) to store diesel to support the incinerator, drill water system pumps and boiler.

6.4 Oils, lubricants, greases and fluids

Oils, lubricants, greases and fluids will be stored in original containers within small vinyl containment berms, spill trays or within a sea container lined with an impermeable membrane providing secondary containment.

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¹ http://www.explorationtents.com/supply-drum-covers.html

7.0 SECONDARY CONTAINMENT

NCGC will store all drummed fuel, oils and hydraulic fluids within secondary containment (*SEI Industries*² '*Insta-berms*', *Exploration Tents*³ *berms/trays* or equivalent designs). Secondary containment will be capable of holding 110 percent of the volume of the largest fuel reservoir housed within.

Secondary containment structures will comply with all Federal and Territorial laws, regulations and guidelines.

7.1 Secondary containment covers

Secondary containment structures that are exposed to the environment will be covered during periods of inactivity to prevent snow and water collecting inside the containment vessel. This includes all fuel caches and tent fuel tanks

7.2 Accumulated water within containment

Should snow or water accumulate within secondary containment it will be inspected for the presence of any visible sheen of oil or grease before it is discharged. If contaminants are identified within accumulated melt or storm water it will be treated (using a *SEI Industries 'Rain Drain'* or equivalent filter) prior to release into the environment.

8.0 FUEL HANDLING AND TRANSFER

The following principles will be adopted for refuelling and fuel transfer operations:

- All fuel transfer and refuelling of equipment, machinery, generators, tents and vehicles will be undertaken by trained personnel. Personnel will be present and carefully supervise fuelling operations and monitor content of receiving vessel during transfer.
- Designated fuel transfer areas will be established for refuelling of mobile equipment. Upon completion of installation of the bulk fuel tanks, an earth berm (with impermeable liner) will be established for all refuelling of mobile equipment.

³ Exploration Tents: http://www.explorationtents.com/spill-containment-berms.html

² SEI industries: http://www.sei-ind.com/products/spill-prevention-response

- In all other instances, spill trays or berms will be used to ensure containment of any fuel product during fuel transfer.
- Fuel transfer hoses with 'cam lock' fittings will be used where possible
- Auto-stop fuelling nozzles will be used where possible
- Absorbent pads will be on hand during fuelling and fuel transfer operations. Any drips will be cleaned up immediately.

9.0 SPILL KITS

Clearly marked spill kits capable of addressing potential spills (based on the type, location and volume of the fuel cache) will be located proximal to where any fuel product is stored or transferred. This includes all fuel caches, storage area, refuelling station, generators and the camp incinerator.

Additional spill containment equipment including absorbent matting, pillows and containment booms will be located within the Hazardous Materials sea container at Hayes Camp.

10.0 SIGNS LABELS AND INFORMATION

All fuel drums or containers that are shipped to site will have appropriate TDG shipping labels in accordance with regulations.

NCGC will ensure all drummed fuel is labelled with the name of the contained product, the name of the company ('NCG' or 'NCGC') and the date of delivery to the CBP. Signs will be erected at all fuel caches with the same information. In addition, 'No Smoking' signs will be installed at each fuel cache.

MSDS sheets for applicable products and copies of NCGC's spill contingency plan will be located proximal to fuel storage caches (in site office, Quonset, drillers shack, Haz-Mat sea container as appropriate).

11.0 INSPECTIONS

Fuel caches, bulk fuel tanks, fittings and transfer pumps will be inspected on a daily basis during operations. Secondary containment structures will be inspected for punctures, damage, failures, leaks and presence of water within containment. Inspections will be documented on internal reports and kept in the site office. Inspection reports will be appended to the annual report.

12.0 TRAINING

NCGC will ensure that all personnel handling fuel products and operating equipment are familiar with the NCGC Fuel Management Plan and NCGC Spill Prevention and Contingency Plan. Additional training will include:

- WHMIS training
- Hands-on spill response training exercises

13.0 APPLICABLE LEGISLATION AND GUIDELINES

Acts, regulations, legislation and guidelines applicable to the storage, handling and transport of fuel is presented in:

13.1Federal

- National Fire Code of Canada
- Canadian Environmental Protection Act
- Fisheries Act
- Storage Tank Systems for Petroleum Products and Allied Petroleum Products Regulations
- Spill Contingency and Reporting Regulations
- CCME Environmental Code of Practise for Aboveground and Underground Storage Tank Systems Containing Petroleum and Allied Petroleum Products
- Transportation of Dangerous Goods Act
- The Workplace Hazardous Materials Information Systems (WHMIS)
- Guidelines for Contingency Planning and Spill Reporting

13.2Territorial

- Fire Prevention Act
- Nunavut Environmental Protection Act
- Nunavut Waters Act and Regulations
- Nunavut Water and Surface Rights Tribunal Act
- Mines Health and Safety Regulations (Nunavut)
- The NWT and Nunavut Safety Act
- Transportation of Dangerous Good Act

14.0 REVIEW

NCGC will conduct annual reviews of this document to address changes in technology an operational practises. Changes will be implemented upon approval from the NWB.

APPENDIX 1

NCGC Camp Layouts

- Hayes Camp
- Bullion Camp
- Ingot Camp
- Three Bluffs drilling area













