Gibson MacQuoid Project

Waste Management Plan

July 2018

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1.0 COMPANY BACKGROUND

North Country Gold Corp. ("NCGC") is Canadian based mineral exploration company that has been actively investing in mineral exploration within Nunavut Territory over the past 25 years. The company and its predecessors (including Committee Bay Resources Ltd.) have conducted more than $100 million of exploration work within the Committee Bay Region. The company has been fortunate to have received positive results from recent mineral exploration programs and has enjoyed enthusiastic support from the people and communities of Nunavut. Auryn Resources Inc. ("AUG") acquired NCGC via a share-based transaction in September of 2015. NCGC remains the operator of the Gibson MacQuoid ("GMB") Project, but is now a 100% owned subsidiary of AUG.

1.1 Company Contact Information

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Tel: 778.729.0600
Fax: 778.729.0650
North American Toll-Free: 1.800.863.8655
info@aurynresources.com

2.0 PROJECT DESCRIPTION

2.1 Project Authorizations

The GMB Project comprises mineral claims and prospecting permits located on both Crown land and Inuit Owned Land ("IOL," surface parcels). NCGC has the following authorizations in place, or currently under application, to support exploration activities at the GMB Project.

Table 2.1 Gibson MacQuoid Project Authorizations

Organization	Description	Authorization	Issue Date	Expiry Date
Nunavut Planning Commission	Positive Conformity Determination	148480	2017-02-21	N/A
Nunavut Planning Commission	Project Amendment	148787	2018-04-09	N/A
Nunavut Impact Review Board	NIRB File Number	17EN029	2017-05-18	N/A
Kivalliq Inuit Association	Land Use Licence 1	KVL117B04	2017-07-01	2019-06-30
Indigenous and Northern Affairs Canada	Class B Land Use Permit	TBA	TBA	TBA
Nunavut Water Board	Type B Water Licence	TBA	TBA	TBA

2.2 Project Overview

The GMB Project comprises 57 mineral claims and 19 prospecting permits covering an area of 300,207 hectares ("Ha") in the Kivalliq Region of Nunavut.

In 2017, NCGC completed an exploration program consisting of regional till sampling, the collection of high-resolution imagery via Unmanned Aerial Vehicle ("UAV") surveying (drones), and mineral claim staking at the GMB Project. The 2017 exploration activities occurred on mineral claims and prospecting permits on both Crown land and IOL surface parcels, although activities on within IOL was limited to areas outside of the core caribou calving and post calving ranges as the Mobile Caribou Conservation Measures document had not yet been finalized by the Kivalliq Inuit Association ("KIA").

The proposed 2018 GMB Project work plan includes mapping, prospecting, ground geophysical surveys and the collection of detailed till samples, supported from a temporary camp. The 2018 exploration activities will be conducted outside of the designated Caribou Core Calving and Post Calving Ranges and will be completed under strict adherence to the KIA Mobile Caribou Conservation Measures.

The 2018 program will commence no earlier than August 1st, 2018 and will likely be completed in 8 weeks (approximately by September 30th, 2018). The nature of the exploration work proposed is considered extremely low impact, with samplers being dropped off by a helicopter in the morning and picked up at the end of the day. The samplers will travel along their designated sampling route by foot either individually or in small groups of 2-3 people for the duration of the work day. Each sampler will be made aware of the KIA Mobile Caribou Conservation Measures, as well as all the NCGC GMB management plans, including the Corporate and Social Responsibility Action Plan, which outlines the proper procedures to avoid interference with all wildlife, and all other applicable legislation. Samplers will be responsible for filling out an Incidental Wildlife Sighting/Sign Form for all wildlife spotted throughout the work program. All samplers will be in contact with one another when working in an area, as well as with the helicopter pilot and wildlife monitors, to ensure that if required, such as in the event of a herd of caribou moves into the area, they can move to a suitable location for immediate pickup.

The number of personnel required to complete the 2018 GMB program is estimated to be between 30 and 40, for a maximum of 2,400-man day. The 2018 work program will be based out of a small temporary camp situated on one of NCGC's GMB mineral claims on Crown land, outside of the caribou core calving and post calving ranges. A potential location for the camp has been identified, but the location may need to be changed at the start of the program if ground conditions are not suitable. If the location changes, the

new location will be provided to all the regulatory authorities, including the Nunavut Planning Commission ("NPC"), Nunavut Impact Review Board ("NIRB"), Indigenous and Northern Affairs Canada ("INAC"), Nunavut Water Board ("NWB") and KIA. The camp is anticipated to use approximately 5 m3/day. It is anticipated that all personnel, equipment and supplies will be brought to the Project area from Baker Lake with single otter planes to an esker strip. If a suitable esker cannot be identified, a float plane will be utilized. A helicopter will remain on site to move personnel around the Project.

Small Jet fuel caches (less than 4,000 Litres) located on Crown land may be required to support the field activities. Within 10 days (30 days, when possible) of the establishment of any temporary fuel cache INAC and NWB will be notified of the details of the cache including: GPS location, fuel type, container sizes and method of storage. Any fuel stored on the Project will be stored within "Arctic Insta-Berms", or similar products, for secondary containment.

3.0 MANAGEMENT PLAN SCOPE AND OBJECTIVES

The Gibson MacQuoid Project Waste Management Plan ("WMP") has been prepared to provide NCGC employees and contractors with operational guidelines to minimize the generation of wastes and facilitate the collection, storage, transportation, and disposal of wastes, while minimizing adverse effects on the environment. This WMP is one of several management 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.

This WMP is intended as a living document and will be updated periodically in order to address changes in technology and operational practices. The updated WMP will be submitted to all regulatory agencies as part of the Annual Reports.

The objectives of this WMP are:

- Minimize waste products generated by implementing Reduce-Reuse-Recycle best practices,
- Minimize and mitigate against any potential impacts to the environment,
- Minimize hazardous waste products generated by seeking and utilizing non-hazardous alternatives,
- Ensure every effort is made to purchase products from suppliers that have programs or policies for return of empty containers or unused products,
- Comply with all Federal and Territorial legislation and guidelines.

4.0 WASTE TYPES AND DISPOSAL

4.1 Definition of Wastes

Waste at the GMB Project is considered to be any material or substance that can no longer be used for its intended purpose, and is destined for recycling, disposal, or storage. Hazardous wastes are broadly defined by the Nunavut Department of Environment's *Environmental Guideline for the General Management of Hazardous Waste* as being "any unwanted material or products that can cause illness or death to people, plants and animals". Hazardous wastes may include waste petroleum products, solvents, paints, waste chemicals, batteries, and any combination of hazardous and non-hazardous materials (i.e. mixed waste).

The responsibility for proper waste management rests with the waste generator and should be budgeted for accordingly, as a cost of doing business.

Waste management operations at the GMB Project will comprise a number of activities with the common goal of reducing the amount of waste generated on site and to ensure that any wastes created are reused, recycled, or disposed of in a responsible manner. Wastes will be separated at the source into a number of categories including: organics (food wastes) and other materials for incineration, inert recyclables, inert non-combustible materials, and various hazardous materials. Materials that cannot be incinerated will be stored in appropriate containers until they can be removed from site for treatment and/or disposal at an accredited facility.

Tables 2 4.1 and 4.2 provide a summary of the expected types of hazardous and non-hazardous (inert) wastes to be generated at the GMP Project.

Table 4.1 Potential Wastes Produced at the GMB Project

Waste Type	Examples	Estimated Quantity Generated	Treatment/Disposal Method
Sewage	Human waste	30 – 40 people	Latrine (lime); alternatively Pacto toilet system with waste incinerated
Camp greywater	Water from kitchen and sinks, showers)	~ 5 (m^3/day)	Sumps located adjacent to camp; allowed to percolate into overburden; minimum distance of 31 m from nearby water sources
Combustible solid waste	Food wastes, paper, untreated wood	~ 0.1 (m^3/day)	Back hauled to approved disposal site or incinerated
Incinerator ash	Ash from the incinerator	negligible	Stored in sealed containers, removed and taken to approved disposal site
Non-combustible solid waste, bulky items, scrap metal	Scrap metal (ie. empty drums, nails/screws), glass (ie. bottles, jars), rubber products (ie. tires, floor mats), plastics (ie. bottles, packaging, bags), non-hydrocarbon contaminated equipment (ie. motors, fans, heaters, pumps, screens)	Variable	Stored in sealed containers, removed and taken to approved recycling or disposal site
Hazardous waste or oil	Used oil	Negligible	Stored in sealed containers, removed and taken to approved disposal site
Contaminated soil/water	Hydrocarbons	Variable/ negligible	Stored in sealed containers, removed and taken to approved disposal site

Table 4.2 Example Hazardous Wastes and Pollutants

Waste Type	Examples
Petrochemicals	Diesel, jet fuel, gasoline, various oils
Solvents	Varsol, cleaning products
Contaminated soil	Contaminated soil/snow/water
Electronics	Computer parts, circuit boards, transformers
Fluorescent tubes	Regular and compact fluorescent tubes
Batteries	Dry cell batteries, button batteries, lead-acid based batteries

4.2 Combustible Solid Wastes

The combustion of inert combustible solid waste such as food, food packaging, natural fibers, untreated wood, paper and cardboard, will be by an Incinr8 I8-20a diesel fired, dual chambered, controlled air incinerator. All combustible wastes will be incinerated in accordance with applicable federal and territorial regulations, the Nunavut Department of Environment *Guideline for the Burning and Incineration of Solid Waste* and Environment Canada's *Technical Document for Batch Waste Incineration*.

4.2.1 Food Waste and Packaging

Dedicated steel bins, lined with plastic garbage bags, will be provided for the collection of food waste and packaging at a number of locations throughout camp. The bins will be secured in place and use locking lids to avoid interference by wildlife. Food waste and combustible packaging will be incinerated daily to minimize the attraction of wildlife. Waste oil and grease collected from the kitchen will be stored in sealed plastic pails and remain in the kitchen until transferred to the incinerator for immediate disposal.

4.2.2 Paper and Cardboard

Use of electronic methods for communication will be encouraged at the GMB Project to minimize the amount of paper used. Effort will be taken to restrict the amount of corrugated cardboard coming to site, and waste cardboard will be reused as needed, possibly as packaging for backhauled materials. Specific containers, located throughout camp, will be used to collect paper and cardboard. Waste paper and cardboard will be incinerated.

4.2.3 Waste Lumber

Whenever possible, lumber will be reused at the GMB Project. Excess waste lumber will be stored in appropriate areas and backhauled when the camp is removed. If the camp become seasonal, the wood may also be burned at the termination of the Project. The open burning of structures will only occur after approval from the KIA and NWB. A request letter will be submitted to the regulating authorities, which will include the characteristic and volume of material to be burned.

4.2.4 Sewage

The GMB Project camp may utilize privy pits (outhouses), which will be located at least 31 m away from the normal high water mark of any water body. To control sewage pathogens, outhouses will be periodically treated with lime. When full, the pits will be covered with at least 30 centimetres (cm) of compacted soil. As an alternative to privy pits, a pacto system may be utilized and the waste incinerated with an Incinr8 I8-20a diesel fired, dual chambered, controlled air, incinerator, designed for that use.

4.3 Non-Combustible Solid Wastes

Labeled bins will be provided at various locations around camp for each type of waste listed below. Effort will be taken to reuse or repurpose any materials before disposal is considered.

4.3.1 Tires and Other Rubber Materials

Waste tires, hoses, and other rubber materials that cannot be repaired or repurposed will be backhauled for recycling or disposal.

4.3.2 Scrap Metal and Glass

Scrap metal and glass will be repurposed for alternative uses whenever possible. Any residual metal or glass that cannot be reused will be placed in 205 L steel drums and backhauled for recycling.

4.3.3 Electronics

Electronics and electrical equipment will be collected and stored in sealed containers within the hazardous waste storage area and removed from site for recycling or disposal.

4.3.4 Vehicles and Other Mechanical Equipment

Vehicles and other mechanical equipment, such as generators, that are no longer usable, will be removed from site for refurbishment or recycling/disposal. Vehicles and equipment awaiting backhaul will be stored in a specially designated, bermed area.

4.3.5 Camp Greywater

Camp greywater will be stored and treated in an excavated sump, which will allow for slow infiltration into the soil and will be located at least 31 m away from a water body. If available, coarse gravel will be placed in the bottom of the sump to provide filtration and supports will be built on the sides to prevent slumping. Filters will be installed on kitchen drains to ensure solid food wastes do not enter the sumps and have the potential to attract wildlife. The sumps will maintain a minimum 1 metre freeboard at all times. Sumps and pipes will be inspected at regular intervals for leaks or overflow. When full, greywater sumps will be covered with enough material to allow for future ground settlement.

4.4 Hazardous Wastes

All opportunities will be taken to reuse or recycle hazardous waste materials. All hazardous wastes will be placed in sealed containers and stored within “Arctic Insta-Berms”, or similar, for secondary containment until they can be reused or backhauled for recycling or disposal. A hazardous waste storage area will be established adjacent to the main fuel cache.

4.4.1 Used Oil

Waste lubricating oils, from generators, pumps, or other equipment will be collected and stored in labeled 205 L steel drums. Although used oil may be combusted in specifically designed burners for heat generation, at this time it is not known if any waste oil burners will be on site at the Project, therefore, waste oil will be backhauled to a registered hazardous waste receiver.

4.4.2 Hydraulic Fluid

Whenever possible, hydraulic fluids will be filtered and reprocessed for reuse. Hydraulic fluid that cannot be reprocessed will be sealed in labeled 205 L steel drums and stored in the hazardous waste storage area until the product can be backhauled to a registered hazardous waste receiver.

4.4.3 Contaminated or Expired Fuels

Contaminated or expired fuels, such as Jet B aviation fuel, should remain clearly labeled and tightly sealed in their original containers within the fuel storage area. The fuels will be moved to the hazardous waste storage area for backhaul to a registered hazardous waste receiver.

4.4.4 Solvents

Whenever possible, non-toxic alternatives will be used in place of petroleum based solvents. Excess or waste solvents will be packaged in clearly labeled, original, tightly sealed containers, or manufactured containers designed for solvent transport. Waste solvents will be stored in the hazardous waste storage area until backhauled to a registered hazardous waste receiver.

4.4.5 Contaminated Soil and Water

Any contaminated soil, snow, or ice will be cleaned up immediately in accordance with the *Gibson MacQuoid Project Spill Prevention and Response Plan*. All contaminated soil, snow, and ice will be sealed in 205 L steel drums and stored in the hazardous waste storage area to await backhaul to a registered hazardous waste receiver.

4.4.6 Used Rags and Sorbents

Used rags and sorbents will be placed in clearly labeled, tightly sealed containers, such as 205 L steel drums, and stored in the hazardous waste storage area until disposal or backhaul is possible. Rags and sorbent pads will be incinerated on site. Granular sorbent will be stored in drums and backhauled to a registered hazardous waste receiver.

4.4.7 Empty Hazardous Material Containers and Drums

Empty containers will be stored in a designated area and returned to the supplier. Drums may alternatively be drained, air dried, backhauled to a recycling facility. Any residual fuels drained will be consolidated into drums and backhauled to a registered hazardous waste receiver.

4.4.8 Waste Batteries

Generation of waste batteries will be reduced by properly maintaining batteries to prolong life and by replacing non-rechargeable batteries with rechargeable alternatives whenever possible. Even with proper maintenance, all batteries will eventually deteriorate and reach the end of their useful life. Waste batteries must be properly handled to avoid spillage of corrosive materials and the release of metals into the environment.

Dry cell batteries are used in equipment such as hand-held radios and GPS units, flashlights, and cameras. Some of these types of devices utilize rechargeable battery packs, but others use general dry cell battery types such as AAA to D cells, 6 or 9 volt consumer batteries, and button batteries. Specific containers will be set up in the office, common spaces, and drill sites to collect dry cell batteries. The batteries will be placed in appropriate shipping containers and backhauled to an off-site recycling facility.

Waste lead acid batteries and rechargeable batteries will be temporarily stored in a 205 L plastic drum, within the hazardous waste storage area. These types of batteries can only be stored in this manner in quantities of 1,000 kg or less and for periods of less than 180 days. All waste lead acid and rechargeable batteries will be backhauled from site as necessary to conform to regulations.

4.4.9 Aerosol Cans

Use of aerosol cans at the GMB Project will be limited. Whenever possible, alternatives, such as spray bottles, will be used in place of aerosol cans. Any waste aerosol cans will be collected in specific containers around camp and at drill sites. The cans will be stored in the hazardous waste storage area until backhauled for disposal.

4.4.10 Fluorescent Bulbs and Tubes

Waste fluorescent bulbs and tubes will be packaged in their original (or equivalent) containers and stored in a watertight enclosure in the hazardous waste storage area until backhauled to a hazardous waste recycling or disposal company. Fluorescent bulbs and tubes are considered hazardous waste if broken and will be handled accordingly.

4.4.11 Hazardous Waste Transport

Hazardous material will be backhauled via aircraft and in some instances barge, rail and road to approved waste disposal facilities in either: Nunavut, the Northwest Territories or

Manitoba. All waste products will be transported in accordance with the *Transport of Dangerous Goods Acts and Regulations ("TDGA", "TDGR")* administered by the Government of Nunavut and Transport Canada.

The TDGA and TDGR stipulate training, classification, packaging, labelling, and handling and transportation requirements for dangerous goods including hazardous wastes.

Dangerous good are divided into nine classes:

Table 4.3 Dangerous Goods Classes

Class 1	Explosives
Class 2	Gases; compressed, deeply refrigerated, liquefied or dissolved under pressure
Class 3	Flammable and combustible liquids
Class 4	Flammable solids
Class 5	Oxidizing substances; organic peroxides
Class 6	Poisonous (toxic) and infectious substances
Class 7	Radioactive materials
Class 8	Corrosives
Class 9	Miscellaneous

The transportation of hazardous wastes is monitored by the Government of Nunavut by waste manifests. Suitably trained NCGC personnel will prepare a waste manifest on the appropriate form (issued by the Government of Nunavut – Environmental Protection Division). Waste Manifest will accompany all hazardous waste shipments whilst in transport from the GMB Project to the authorized hazardous waste receiver.

5.0 TRAINING

NCGC will ensure that personnel handling waste products are familiar with this WMP and receive appropriate training.

6.0 RELEVANT LEGISLATION AND GUIDELINES

Other legislation, requirements and guidelines that apply to the storage, handling and transport of hazardous materials includes, but is not limited to:

6.1 Federal Legislation and guidelines

- National Fire Code of Canada
- Canadian Environmental Protection Act
- Federal Explosives Act and Regulations
- Fisheries Act
- Transportation of Dangerous Goods Act and Regulations
- Interprovincial Movement of Hazardous Wastes Regulations
- The Workplace Hazardous Materials Information Systems (WHMIS)

6.2 Provincial Legislation and guidelines

- Fire Prevention Act
- Nunavut Environmental Protection Act
- Government of Nunavut Environmental Guidelines
    - "General management of hazardous wastes"
    - "Waste batteries"
    - "Waste antifreeze"
    - "Waste solvent"
    - Disposal guidelines for fluorescent lamp tubes
- The Mine Health and Safety Act and Regulations
- Nunavut Safety Act and Regulations
- Public Health Act
- Nunavut Waters Act
- Nunavut Waters and Surface Rights Tribunal Act

7.0 CONTACTS

- Environmental Protection Division
  Department of Environment
  Inuksugait Plaza P.O. Box 1000, Station 1360
  Iqaluit, NU, X0A 0H0
  Phone: (867) 975-7729 Fax: (867) 975-7739

- Motor Vehicles Headquarters Division
  Department of Economic Development and Transportation
  Building 1104 A, Inuksugait Plaza
  PO Box 1000, Station 1500
  Iqaluit, NU, X0A 0H0
  Phone: (867) 975-7800 Fax: (867) 975-7870

- Workers' Safety and Compensation Commission
  P.O. Box 669, Baron Building/1091
  Iqaluit, NU, X0A 0H0
  Phone: 1-877-404-4407 (toll free) Fax: 1-866-979-8501

- Department of Community and Government Services (all Divisions)
  P.O. Box 1000, Station 700
  4th Floor, W.G. Brown Building
  Iqaluit, NU, X0A 0H0
  Phone: (867) 975-5400 Fax: (867) 975-5305

- Office of Chief Medical Health Officer of Health
  Department of Health and Social Services
  P.O. Box 1000, Station 1000
  Iqaluit, NU, X0A 0H0
  Phone: (867) 975-5774 Fax: (867) 975-5755

- NT-NU 24 Hour Spill Report Line
  Phone: (867) 920-8130 Fax: (867) 873-6924
  E-mail: spills@gov.nt.ca

- Nunavut Emergency Management – Emergency 24 hours
  Headquarters: (867) 979-6262 or 1-800-693-1666
  Kitikmeot: (867) 983-2542

- Office of the Fire Marshall (Nunavut Emergency Services Division)
  Department of Community Government and Transportation
  P.O. Box 1000, Station 700
  Iqaluit, NU, X0A 0H0
  Phone: 867-975-5315 Fax: 867-979-4221

Appendix 1 Inciner8 I8-20a Incinerator specifications

INCINER8

I8-20A General Incinerator

Summary

I8-20A model is a small scale incinerator. This model is a controlled air incinerator, providing optimal combustion conditions for different waste types. The top loading design provides liquid retention making this incinerator ideal for incineration of many different waste types. This unit benefits from a secondary chamber with afterburner for the re-burn of harmful emissions with a 2 second retention time.

Emission Data

Average emissions / EU standards On basic incinerators (with secondary chamber)

Parameter	Limits (1/2 hr av)	Measured
Total dust	30 mg/m3	12 mg/m3
Sulphur dioxide	200 mg/m3	2,4 mg/m3
Nitrogen dioxide*	400 mg/m3	60 mg/m3
Carbon monoxide	100 mg/m3	78,3 mg/m3

Technical Data

Operational Specs		Physical Specs	
Combustion Chamber Volume (m3)	0.18m3	**External Length (mm)**	1070mm
Burn Rate	35 kg per hour	**External Width (mm)**	670mm
Average Fuel Consumption	9 kg	**External Height (mm)**	4310mm
Operational Temperature	850 - 1320°C	**Shipping Weight**	880kg
Gas Retention in Secondary Chamber	2 secs		
Temperature Monitoring	Yes		
Average ash residue (%)	3%		
Thermostatic Device	Yes		

Extras:


Heat Exchanger


Venturi Scrubber


Pollution Control Systems

Options:


Mobile


Shelter


Containerised

Technical Drawing