



## **Gibson MacQuoid Project**

### ***Abandonment and Reclamation 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***

North Country Gold Corp.  
600-1199 West Hastings Street  
Vancouver, British Columbia, V6E 3T5  
Tel: 778.729.0600  
Fax: 778.729.0650  
North American Toll-Free: 1.800.863.8655  
[info@aurynresources.com](mailto: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**

<b>Organization</b>	<b>Description</b>	<b>Authorization</b>	<b>Issue Date</b>	<b>Expiry Date</b>
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 1<sup>st</sup>, 2018 and will likely be completed in 8 weeks (approximately by September 30<sup>th</sup>, 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 m<sup>3</sup>/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 Abandonment and Reclamation Plan* (“ARP”) has been prepared to provide guidelines to follow during seasonal shutdown and final abandonment of the Project, in order to return camp, fuel cache and exploration sites to as near as possible to natural conditions. This ARP 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 ARP describes procedures for the progressive reclamation and final abandonment of the GMB Project. This ARP is intended as a living document and will be updated periodically in order to address changes in technology and operational practices. The updated ARP will be submitted to all regulatory agencies as part of the Annual Reports.

The objectives of this ARP are:

- Protect the environment and health and safety of workers, contractors and the general public,
- Identify responsibilities and procedures for all staff and contractors,
- Ensure that land use operations are planned and conducted in a way that minimizes reclamation requirements,
- Ensure that progressive ongoing reclamation occurs throughout the exploration program,
- Provide dismantling and reclamation strategies that ensure impacted areas can recover as fast as possible after reclamation.
- Comply with all federal and territorial legislation and guidelines pertaining to reclamation and abandonment of camps, fuel caches and exploration sites.

## **4.0 INFRASTRUCTURE**

### **4.1 *Temporary Camp***

NCGC is planning to establish a temporary summer camp, which will be located on one of the GMB mineral claims on Crown land, outside of the caribou core calving and post calving ranges. The camp will be in use during August and September 2018 and will be capable of supporting a maximum of 40 personnel.

The following is a list which details the structures, equipment and vehicles that may be constructed or stored at the proposed temporary camp.

#### **4.1.1 *Structures***

- 10 12'x16' insulated Weatherhaven tents (or similar) on tarp flooring to serve as sleeper tents and a medical tent
- 2 16'x20' insulated Weatherhaven tents (or similar) on tarp flooring to serve as a kitchen and dry. The dry will contain 1 sink and 1 shower.
- 1 14'x16' Weatherhaven tent (or similar) on tarp flooring to serve as housing for a 50kW diesel generator plus backup generator.
- 2 5'x5' wooden outhouse structures

#### **4.1.2 *Other Camp Infrastructure***

- 2 Water tanks (1 for kitchen and 1 for dry)
- 2 Water pumps with fish screens and hose line
- 1 Small camp fuel cache, with Insta-Berm (or similar) secondary containment.

#### **4.1.3 *Vehicles***

- 1 Helicopter (A-Star, Bell 407, or longRanger)

### **4.2 *Fuel Caches***

NCGC may require to temporarily store limited quantities of jet fuel in remote locations on Crown land to support remote exploration 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. Fuel will be stored within "Arctic Insta-Berms", or similar products, for secondary containment.

Temporary fuel caches will comprise less than 4,000 litres (19 drums or less) of jet fuel.

## **5.0 PROGRESSIVE RECLAMATION**

Progressive reclamation at the GMB Project will include, but not be limited to:

- Ground disturbance for the proposed exploration activities (mapping, prospecting, till sampling and ground geophysical surveying) will be very minimal and will likely only comprise small holes for till sampling, which will be filled in as soon as the sample (2.5 kg of soil) is collected.
- Waste, including hazardous and non-hazardous wastes such as recyclable materials, scrap metal and empty fuel drums, will be removed from camp on regular scheduled backhaul flights.
- Any hydrocarbon spills and contaminated soils will be cleaned up immediately and managed as per the *Gibson MacQuoid Spill Prevention and Contingency Plan* ("SPCP").
- Progressive reclamation activities will be detailed in the Annual Reports submitted to all regulatory agencies.

## **6.0 FINAL ABANDONMENT AND RECLAMATION**

At the conclusion of exploration, NCGC will remove all structures, equipment, fuel and waste materials from the GMB Project.

### ***6.1 Inspection and Documentation***

Prior to abandonment of the temporary campsite, a thorough inspection of all areas will be conducted. Any contaminated areas around the camp that have gone unnoticed will be treated as per the GMB SPRP. Photographs will be taken to include in the Annual Reports submitted to all the regulatory agencies.

### ***6.2 Buildings and structures***

NCGC's buildings will comprise insulated tents with plywood floors. The plywood floors will be salvaged for later use if possible or will be available to be salvaged by local interests.

### ***6.3 Fuel and chemicals***

NCGC anticipates that all fuel onsite will be consumed during the course of operations and reclamation activity. Any remaining fuel, empty fuel drums and chemicals will be removed from site at the conclusion of the 2018 program and either used or disposed of in accordance with applicable regulations.

#### **6.4 Waste**

All waste products will be managed in accordance with the *Gibson MacQuoid Comprehensive Waste Management Plan ("CWMP")*. Non-hazardous combustible waste will be incinerated at regular intervals throughout the program. Non-combustible and hazardous wastes will be removed from site to an approved disposal facility.

#### **6.5 Sumps**

All sumps will be backfilled, contoured and allowed to naturally revegetate.

#### **6.6 Equipment**

All equipment at the GMB Project, including pumps and generators, will be removed from the to Baker Lake for reuse on other exploration projects where possible, or sold to local interests. Any broken or unusable equipment will be removed from site and taken to an approved disposal facility, likely Yellowknife or barged to Quebec.

### **7.0 COST ESTIMATE**

NCGC estimates the cost for a third-party to demobilize all infrastructure and equipment at the temporary camp site to be \$20,020 (Table 1).

**Table 7.1. Estimate of Third Party Reclamation Costs of Temporary Exploration Camp**

<b>Activity</b>	<b>Quantity</b>	<b>Days</b>	<b>Cost</b>	<b>Total</b>
Crew	2	2	\$500	\$2,000
Food	2	2	\$50	\$200
Helicopter	1	2	\$3,000	\$6,000
Flights	2	1	\$5,000	\$10,000
			Subtotal	\$18,200
			10% Contingency	\$1,820
			<b>Total</b>	<b>\$20,020</b>



## **8.0 CONTACT INFORMATION**

### ***8.1 Important Contacts***

**Table 8.1. Important Contacts Information**

<b>Contact</b>	<b>Telephone Number</b>
Bryan Atkinson: NCGC Exploration Manager	780-919-6086 (mobile)
24 Hour Spill Report Line	867-920-8130 (phone) 867-873-6924 (fax)
INAC Water Resource Officer (Kivalliq)– Christine Wilson	867-645-2830 (phone) 867-979-6445 (fax)
Kivalliq Inuit Association	867-645-5725 (phone) 867-645-2348 (fax)
Nunavut Water Board	867-360-6338 (phone) 855-521-3745 (toll free)
Nunavut Impact Review Board	866-233-3033 (phone) 867-983-2594 (fax)
Nunavut Planning Commission (Arviat)	867-857-2242 (phone) 867-857-2243 (fax)