Back River Project
Abandonment and Restoration Plan
Goose Lake Camp

Revised and Updated by:
Dan Russell, P.Geo., Environmental Coordinator

BRENV-ARP-0308-1
March 2008

APPROVALS

Position	Name	Signature	Date
VP Environment and Sustainability	Adrian Goldstone		
Project Manager	TBD		
Exploration Manager	Doug Cater		

DOCUMENT CONTROL RECORD

The re-issue of this document, listed below, has been reviewed and approved by management and is authorised for use within the Dundee Precious Metals organisation. The footer "control document" is in red. All copies of this document without "control document" in red should be used for reference purposes only.

DOCUMENT CONTROL REVISION HISTORY					
Rev No	**Pages**	**Details of Issue**	**Authorization**		
			Name	**Initial**	**Date**
0	All	Revised & Updated Document	John Laitin	jcl	Jan 2006
1	All	Updated	Douglas Cater	dfc	Jan 2007
2	All	Updated	Dan Russell	dfr	Jun 2007
3	All	Updated specific to Goose Lake	Dan Russell	Dfr	Mar 2008

DISTRIBUTION LIST

Date	Copy	Name	Location	Format	
				PDF	**Hardcopy**
Master Document	0	DPM Environmental Coordinator	Toronto/ Vancouver	Original .DOC file	
Mar 2008	1	DPM Technical Office	Vancouver	X	
Mar 2008	2	DPM Head Office	Legal (Toronto)	X	
Mar 2008	3	DPM Project Manager	Goose Lake		X
Mar 2008	4	DPM Site Superintendent	Goose Lake		X
	5	KIA	Kugluktuk, NU		
Mar 2008	6	NWB	Gjoa Haven, NU	X	
	7	Environment Canada	Iqaluit, NU		
	8	Indian and Northern Affairs Canada	Iqaluit, NU		

TABLE OF CONTENTS

1.0 INTRODUCTION

1.1 General

Dundee Precious Metals Inc. (DPM) is the operator and active explorer of the Back River Project in Nunavut Territory. DPM is also responsible for maintaining all permits and claims required for the project in good standing. The Back River Project encompasses the primary exploration camp at Goose Lake, as well as a satellite camp at George Lake, and unoccupied claim groups in the areas of Boot Lake and Boulder Pond. The Back River Project is covered by the following land use licenses:

Permit No.	Permit Name	Expiry	Issuing Agency
2BE-GEO0210	George Lake Water	December 31, 2010	NWB
2BE-GOO0510	Goose Lake Water	December 31, 2010	NWB
KTL304C017	Goose Lake Camp	March 13, 2009	KIA
KTL304C018	George Lake Camp	March 13, 2009	KIA
KTL204C012	Boulder Lake	March 14, 2009	KIA
KTL204C020	Boot Lake	March 12, 2008	KIA
N2006C0008	Mineral Exploration	May 22, 2008	INAC
N2004F0006	Winter road - Beechy Lake area	May 11, 2008	INAC
N2004F0038	Winter road - Bathurst Inlet to Goose Lake and George Lake	September 22, 2008	INAC
KTL304F049	Winter road - Bathurst Inlet to Goose Lake and George Lake	March 13, 2009	KIA

Table 1. List of licenses and permits applicable to the Back River Project.

Operating and managing an exploration project on tundra requires a lot of effort from all parties involved. The area is environmentally sensitive and all aspects of exploration because of our activities, products and services will be risk assessed with management protocols developed, implemented and communicated to our employees, interested parties and suppliers to eliminate or minimize any negative impacts to the receiving environment.

The 2008 program will commence in late February and is scheduled to end in late September. The crew, equipment and supplies will be flown into Goose Lake camp from Yellowknife via Twin Otter or similar aircraft. Equipment, personnel and supplies will be moved between Goose Lake and George Lake via AS350-B2 (AStar) helicopters. Upon completion of the season, the crew will be demobilized back to Yellowknife using float-equipped aircraft. The drill equipment and minor supplies may remain at the project area for use during the next exploration season.

The 2008 Back River project will employ approximately 65 people, including contractors. In addition to DPM's contingent of northern hires (estimated at approximately 1/3 of the staff), the contractors working on site will also be encouraged to hire Inuit employees. Due to staff turnover and schedule rotations, there will typically be between 45-60 people on site at any given time. The project anticipates spending C$12 million during its 2008 program.

DPM will implement this Abandonment and Restoration Plan (ARP) and will continue to look for ways to minimise or eliminate negative impacts to the environment as a result of its activities, products and services at DPM's Back River properties.

1.2 Dundee Precious Metals Environmental Policy

DPM is committed to maintaining sound environmental practices in all of its activities from exploration through to closure and land relinquishment.

To achieve this, DPM in working with its employees and contractors will:

- Ensure all operations are conducted in an environmentally sound manner to ensure compliance with all applicable national and local regulations;
- Avoid releasing any deleterious substances (including chemical, fuel, drill cuttings or other unauthorized materials) into the environment, and especially any water body;
- Minimize its impacts on land and vegetation;
- Avoid unnecessary disturbance to wildlife from our activities;
- Ensure employees and contractors are familiarized with the requirements for handling of deleterious substances (including fuel) prior to working with them;
- Train all employee and contractors to understand their environmental responsibility related to DPM.

1.3 Legal Requirement

Under the terms of the KIA Land Use Licenses and the NWB Water Use Licenses, DPM is obligated to rehabilitate the areas used to its previous standard of human utilization and natural productivity.

1.4 Site Location and Description

The Back River exploration project is located in western Nunavut, south of Bathurst Inlet within the Slave Structural Province. It lies approximately 525 kilometres northeast of Yellowknife and 400 kilometres south of Cambridge Bay, NU. The project area is within the zone of continuous permafrost, with the primary camp at Goose Lake (Figures 1 & 2) and a satellite camp at George Lake. Coordinates for the camps are as follows:

- Goose Lake 65º32’ north 106º25’ west
- George Lake 65º55’ north 107º27’ west

The Goose Lake camp is located on the slope of the western bank of Goose Lake and consists of a camp capable of supporting up to 80 people constructed for support services directed towards exploration activities. The lakeshore is approximately 50 m toward the north and the regional topographical gradient surrounding the camp ranges from 2% to 6% towards the north. The camp is approximately 300 metres (m) in length from east to west and 100 m wide from north to south, covering an area of 30,000 m^2. A small creek runs east northeast, east of the camp. The camp facilities are located on natural tundra underlain by a 10 cm organic layer overlying silt-sand parent material.

Figure 1 is an aerial view of Goose Lake camp taken in June 2007.

Figure 1. Bird's eye view of Goose Lake. Photo taken June 2007.

The camps are serviced with Pacto toilet systems, with incineration of the resulting waste. Greywater from the kitchen and showers is continuously released into a sump for settling of solid particulate matter and subsequently discharged onto the tundra.

Kitchen waste generated is segregated with food and paper products and incinerated within the camp incinerator. Wood and metal wastes are stored at the eastern end of the camp. Non-recyclable wood is periodically burned in specially made cut-out 45 gallons ½-size drum erected on iron stands. Scrap material is backhauled by Hercules aircraft when feasible and disposed of in a permitted landfill site in Yellowknife.

Potable water is obtained from Goose Lake with the freshwater intake being located directly north of the camp buildings.

1.5 Scope of Reporting

This Abandonment and Restoration Plan (A&RP) has been written to meet the requirements of the Nunavut Water Board (NWB) licences listed in Table 1 and applies to the Goose Lake camp. Subject to annual review and revision, it will remain applicable throughout the duration of the NWB licenses or until a material change in the scope of the project occurs.

The current revision of the A&RP has been prepared for the 2008 spring and summer exploration program. The Plan also takes into consideration the likelihood premature camp closure due to:

- Sudden drop in gold prices which could make the project uneconomical;
- Drop in resource grade to a value lower than anticipated;
- Non compliance to legislative requirements;
- Natural disasters;
- Force majeur;
- Change of ownership/operator.

In situations as such mentioned above, this plan provides the base strategy for anticipated tasks of restoring the Goose Lake camp in an event where exploration activity has ceased, either on a short term or a long term basis.

The plan will be reviewed annually and updated with current information to as the future of the Back River Exploration project and the Goose Lake camp.

Section 1 of the plan gives a brief account of the ownership of the property, the environmental policy, legal requirements and a brief description of the camp.

Section 2 outlines responsibilities for execution of the plan.

Section 3 outlines a brief time schedule for restoration activities after completion of each exploration program. A list of infrastructure at Back River is compiled and a short brief on Progressive Restoration program is provided.

Sections 4 and 5 of the plan provides details of how each exploration aspect will be addressed, while The final section (Section 6) determines when the next review of the plan would be conducted.

2.0 RESPONSIBILITIES FOR THE PLAN

Senior personnel residing at the Back River Project site (at the main camp at Goose Lake) are responsible for the implementation of this Plan as shown in Figure 2. However, every employee, contractor or visitor arriving on the Back River project site has a responsibility to ensure that they adhere to the DPM environmental policy. The policy will be communicated to all employees, contractors and visitors during their stay at Back River in a formal site orientation program given by the Site Superintendent.

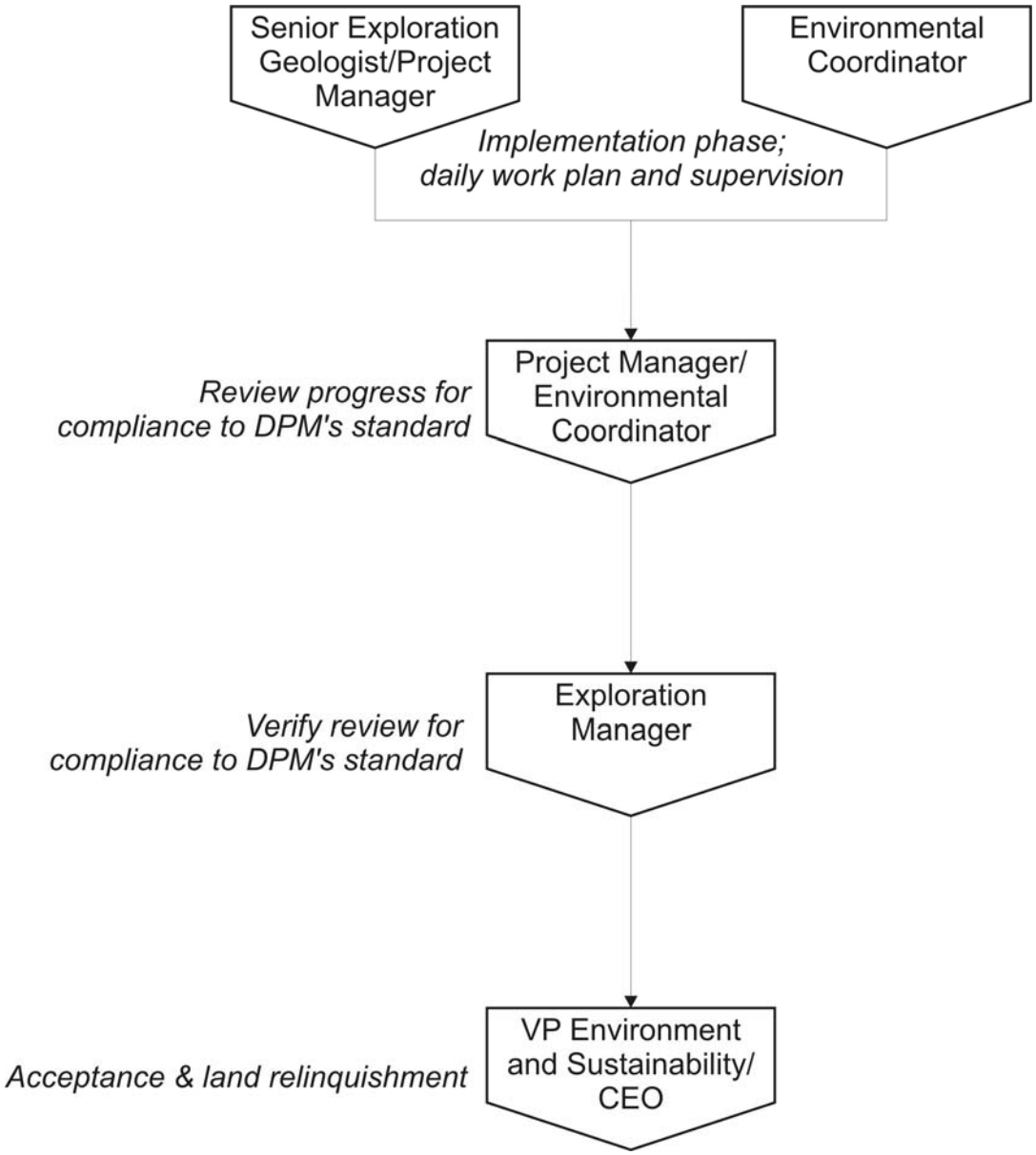

Figure 2. Flowchart for the implementation of the Back River Abandonment & Restoration Plan.

Contact information for key personnel is as follows, and will be updated on an as-needed basis.

Name	Position	Email	Phone (camp)	Phone (alt.)
TBD	Project Manager		604-759-0638	
Ray Empey Lorne Keith	Site Superintendant	rempey@dundeeprecious.com lkeith@dundeeprecious.com	604-759-0907	
Dan Russell	Environmental Coordinator	drussell@dundeeprecious.com	604-759-0638	416-565-2464

3.0 SCHEDULE FOR ABANDONMENT AND RESTORATION

For each exploration season, the A&RP of the Back River Project campsite should take approximately 14-21 days to complete, and allows for variable weather conditions. This restoration program will take place after all exploration activities have ceased. If exploration activities dictate the finalization of the exploration program for the season, the restoration program will commence on or about September 15 each year, and end no later than October 31. Since Goose Lake is the main camp servicing outlying exploration areas, it would take the longest to shut down. Outlying drill sites will take minimal time as their shut down requirements are much less. Other sites in the Back River Project area include the George Lake camp and diamond drill sites. These would take place simultaneously with exploration as there is the proper support infrastructure at this time (personnel, aircraft).

The Goose Lake Senior Exploration Geologist and Site Supervisor will implement this A&R plan. The Exploration Manager will oversee other legal responsibilities associated with the Plan.

3.1 List of Infrastructures at Goose Lake

Qty	Item
28	Sleeping quarters
1	Core processing facility (coreshack/saw room/shipping area)
1	Kitchen & 1 ablution and dry building
3	Office complexes – 2 Geology/1 Logistics
3	Diesel, jet B and gasoline storage areas
6	70,000 litre double walled ULC approved envirotanks in bermed area
1	Generator shack
1	Emergency airstrip (natural unprepared esker)
4	Helipads
1	Jetty/floating dock
1	Solid waste lay down area
13	Sea containers
1	Waste Incinerator
4	Shop buildings (contractor & DPM)
1	Smoke shack
1	Medical/Muster Station
2	Quonset – Machine Storage garage (blue)

Table 2. Facilities on site at Goose Lake camp.

Qty	Item
1	D-7 Cat Dozer
1	D-6N Cat Dozer
1	Challenger 65
1	ITG28 Loader
1	Cat 277 Skid steer
6	Snowmobiles
3	Honda ATVs
1	BBS 25A Drill
1	Boat and motor
6	Enviro Fuel tanks
	Kitnuna sleighs and caboose

Table 3: Equipment on site at Goose Lake camp.

3.2 Progressive Reclamation

DPM has embarked on a program of progressive reclamation at Back River. Progressive restoration will be ongoing during the height of its exploration program thereby reducing the need for a full-scale restoration program at the closure of each exploration phase. Ongoing significant restoration activities are described below.

3.2.1 Contaminated Area Reclamation

3.2.1.1 Recycle of Water Contaminated Fuel

Contaminated fuels are recycled primarily as fuel for the garbage incinerator or as fuel for the water heaters used in the drilling program. If present in sufficient quantities, contaminated fuel may be recycled for camp heating purposes. As a last resort, it may be transported off the property for disposal at an appropriate facility.

3.2.1.2 Contaminated Top Soil

Spills are handled as per the Goose Lake Spill Contingency Plan. Enviromat is immediately applied to absorb spills of hydrocarbons, minimizing the amount of soil required to be removed. Remaining contaminated soils are removed and stored in barrels for transportation to permitted disposal sites.

3.2.2 Non Combustible Solid Waste placement

Solid waste including metal scraps, drill rods, household items, &c. are stored in an appropriate marshalling area for backhaul. The material is arranged in such a way that it can be easily removed from the property during winter months, and disposal will be appropriate to the material being removed, either to an approved disposal facility, metal recycler, or an approved designated landfill.

Ash from the incinerator is stored in empty 205-L drums for backhaul and disposal.

4.0 WINTER RESTORATION PLAN

The winter restoration plan is defined as a short-term abandonment of the Back River Project site. The tasks involved are important to the success of future exploration programs but requires less effort.

4.1 Buildings and Content

All tents and building complexes will be secured for the winter. All the office equipment; household furniture; kitchen equipment; recreational equipment and other mobile heavy equipment will be winterised and left secured on site. Any equipment not capable of withstanding the harsh winter conditions will be removed and stored in either Yellowknife or Vancouver.

4.2 Water Supply System

Water pumps, filtering systems, water lines and any other equipment associated with the water supply system will be drained and winterised. The water pump shed will be secured.

4.3 Sewage System

The sewage system will be drained with no greywater remaining in the discharge pipe. Solid waste will be incinerated onsite.

4.4 Waste Incinerator

The incinerator fuel tank will be drained. The remaining fuel will be stored in an approved container, labelled and stored together with all other petroleum products for future use. The power source will be disconnected, cord rolled up and stored in the workshop. The incinerator will be secured. The area will be inspected for petroleum spills or contamination. If such is the case, the area will be dealt with as outlined in Section 3.2.1.2.

4.5 Electrical System

The generator shed and the surrounding area will be inspected for signs of hazardous spills and remaining wastes such as oil and grease. If topsoil is contaminated, biodegradable peat moss will be spread over the area to absorb remaining hazardous wastes trapped in the soil. The generator will be

drained of its fuel. Remaining waste fuel, oil and grease will be stored in approved storage containers which are labelled for that usage and reused during summer operations. The generator will be winterised and the shed will be secured for winter. Electrical wires, plugs and sockets will remain in their installed locations. All electrical cords temporarily connected to a building or machinery during summer work program will be unplugged, rolled and stored in the workshop.

4.6 Camp Heating Systems

Each 205 L fuel barrel attached to respective tent or building will be refilled, closed and secured within the secondary containment container. The remaining fuel in the line will be allowed to burn out. The lid will be secured to prevent snow from filling up the container. Empty propane cylinders will be transported to Yellowknife for refilling or recycling.

4.7 Petroleum Products and Storage Facilities

An on-site fuel cache is of great importance during camp start-up in the late winter. Diesel fuel will be stored in the 6 double-walled enviro-tanks within the lined, bermed tank farm. Minimal quantities of diesel in barrels, and any unused barrels of jet fuel will be stored within self-supporting artificial berms, and clearly marked as to the location to facilitate snow clearing activities during camp opening the following spring. The Site Superintendent and Senior Exploration Geologist will be responsible for determining the possible access to these fuel resources prior to the start of the next exploration program.

Empty drums at remote drill sites will be transported to the Goose Lake camp, crushed, counted and transported to Yellowknife for recycling.

Fuel farm secondary containment area will be cleared of any debris. Water within the containment area will be tested for F1 (C6-C10) and F2 (C10-C16) hydrocarbons and benzene, toluene, ethyl benzene, and xylene (BTEX). If the analytical data confirms that the water meets regulatory criteria (Table 4), it is then released onto the tundra in such a manner as to avoid direct entry to a surface water body.

Parameter	CCME (2004)		CWS	
	Coarse Soil (ppm)	*Fine Soil (ppm)*	*Coarse Soil (ppm)*	*Fine Soil (ppm)*
Benzene	0.03	0.0068	-	-
Toluene	0.37	0.08	-	-
Ethylbenzene	0.082	0.018	-	-
Xylene	11	2.4	-	-
F1	-	-	310	660
F2	-	-	760	1500
F3	-	-	1700	2500
F4	-	-	3300	6600

Table 4. Regulatory guidelines for hydrocarbons in soils.

DPM is currently examining treatment options, including the use of activated carbon filtration, should the test results indicate the water is unsuitable for discharge.

The spill response team must be notified immediately of any spill. The Environmental Coordinator/Site Superintendent or designate will ensure spills are reported as required and that the relevant form is filled out as completely as possible. *It is the intention of DPM to report all spills over 25 litres and to maintain an inventory of all spills less than 25 litres, which can be viewed by any inspector or agency representative*.

The number for the NWT/NU 24-Hour Spill Line is (867) 920-8130. For direction on how to proceed in the event of a spill, Jim Noble of Environment Canada can be reached at (867) 975-4644, or the 24-hour Emergency Pager at (867) 766-3737.

4.8 Chemicals

Chemicals stored on site will consist of drill additives, oil, grease, drill salt and household biodegradable cleaners. Chlorine is necessary and is used to treat our drinking water system. All drill additives are stored in poly-lined "sea cans" and the remaining salt will be counted and stored in designated areas of the property. Drill salt is in impermeable bags and stored on pallets. Empty bags will be disposed with combustible garbage. DPM will inspect the storage area for possible spills and contamination. DPM will report and document ALL SPILLS to the NWT/NU 24-Hour Spill Line.

4.9 Spill Response Kits

DPM will carry out an inventory of the Spill kits located on the property. All kits will be relocated into a secured building, except for kits designated for the remaining petroleum areas over the winter months.

4.10 Transportation

All transport areas will be inspected for contamination. Areas will be remediated using enviromat and removal of contaminated soil should any contamination be found.

4.11 Drill Sites

The diamond drills will be dismantled into the main components as per the drilling contractor procedure, packaged and secured along with its ancillary equipment and rods. The drills will be moved by helicopter over the tundra and left on designated storage areas on the property until the next drilling season. All drill sites will be inspected for contamination. Any remaining waste will be taken back to the camp and disposed of accordingly. Diamond drill site restoration will commence as soon as practical after completion of the hole. Site clean-up of litter, debris and drill fluids will commence immediately. Drill site reclamation and re-seeding is planned to take place during the summer months. Drill core and core boxes will be counted, properly secured and stored at the designated core storage area. Photographs will be taken before and after the drill work has been completed..

4.12 General Camp area

A general inspection of the camp area will be carried out. Areas contaminated by petroleum products and unnoticed from the previous year will be reclaimed.

4.13 Final Documentation

A year end inventory of all equipment and buildings left on site will be carried out prior to leaving site. Photos of the camp and drill lay down storage area will be taken. Site inspections and monitoring will be done during occupancy and photos taken. Once the site is secured for winter, it will be documented with photos.

5.0 FINAL ABANDONMENT AND RESTORATION PLAN

5.1 Administration

5.1.1 Buildings Structures

All the reusable tents, metal frames, tarpaulins, wooden structures like the dining hall, dry house, office complex, tent wood floor and other building structures will be dismantled and where possible be recycled for use at another exploration site.

Other combustible, non-recyclable building structures will be incinerated onsite. Non-combustible structures or materials such as nails, screws, bent metal frames will be recovered, packed and transported out to an approved landfill.

5.1.2 Office and Household Furniture

All reusable office, household, kitchen and recreational equipment will be packed and transported for use at other exploration camps. Some equipment, depending on what level of liability is accepted by DPM may be donated to the local community or schools. That equipment which is not reusable will be recycled or disposed of at an approved disposal facility, appropriate to the type of material.

5.1.3 Water Supply System

Water pumps, filtering systems, water lines and any other equipment associated with the water supply system will be disassembled, lines drained, packed and transported out of Back River for use at other exploration camps.

Water lines that are not usable will be disposed off at an approved facility.

5.1.4 Sewage System

The Pacto sewage system will be dismantled and relocated to another exploration camp or transported to Yellowknife for disposal. All lines will be drained, disconnected, securely packed and transported off property to an approved landfill site.

5.1.5 Waste Incinerator

Once the camp is entirely dismantled to the satisfaction of the supervisor in-charge, all remaining combustible waste stored will be burnt. The incinerator will be dismantled and shipped to another exploration camp or to Yellowknife for sale or disposal in an approved facility.

5.1.6 Electrical System

All electrical wires will be removed from the buildings and any other installation on property. Extensions cords and other fittings will be reused at other camps in the District. Used electrical wires will be packed and transported to Yellowknife for recycling. Unused bulbs and fluorescent tubes will be packed and relocated to other camps.

The generator shed and the surrounding area will be inspected for signs of hazardous spills and remaining wastes such as oil and grease. The area will be cleaned as necessary.

The generator will be drained of its fuel. Remaining waste fuel, oil and grease will be stored in approved storage containers, labelled and transported offsite. The generator will be dismantled and transported offsite to another exploration camp or to Yellowknife for sale.

5.1.7 Camp Heating Systems

Each 205-L fuel barrel attached to tents or buildings will be dismantled. The remaining fuel in the line will be allowed to burn out. The remaining fuel in the drum will be toppled, labelled with proper WHMIS labels and stored with other petroleum products. The secondary containment container will be closed, secured and stored ready for transportation offsite. The fuel burner will be dismantled and remaining fuel will be allowed to drain off into waste oil collecting system. All fuel lines will be drained, disconnected and packed for use in other camps or transported to an approved disposal facility. The area around each installation will be inspected for contamination and reclaimed as per the Spill Contingency Plan. All empty propane cylinders will be transported to Yellowknife for recycling.

5.1.8 Petroleum Products and Storage Facilities

5.1.8.1 205 Litre drums

The fuel storage area will consist of segregated groups of drums with empties stored separately from the full drums. An inventory of remaining fuel will be made and full drums inspected. WHMIS labels will be attached to the drums before transportation offsite. Remaining waste fuel will be labelled with WHMIS

labels and transported to other camps for heating purposes or transported to Yellowknife for disposal in an approved facility.

In 2006 a drum crusher was purchased and installed at the Goose Lake camp. Empty drums will be crushed and palletted for backhaul and disposal. Some drums will be retained for waste containment and subsequent backhaul.

All unused jet fuel will be relocated to other exploration camps for use in further exploration programs, or returned to Yellowknife. The areas around the drums will be inspected for contamination.

5.1.8.2 Tidy Tanks

All Tidy tanks will be disconnected from any tents or buildings. All installations will be disconnected and drained. An inventory of the remaining fuel in each tank will be recorded. The tanks will be secured and transported to other camps or to Yellowknife for sale or disposal. The area around the tanks will be inspected for contamination.

5.1.8.3 AST Tanks

All installations on respective tanks will be disconnected and various hatches inspected and locked. An inventory of the remaining fuel in each tank will be recorded. The AST tanks will only be moved during winter months to either another camp or using winter road to a designated area on the coast and loaded onto a barge for transportation to Hay River or to Yellowknife during summer months.

5.1.8.4 Lined Fuel Farm

Once AST tanks have been removed, the area will be inspected for contamination. If contamination is evident, then procedures outlined in the Spill Emergency Response Plan will be applied to reclaim the impacted area.

Otherwise, the lined hydrocarbon resistant high-density polyethylene (HDPE) liner will be removed, rolled and packed for transportation offsite to either another exploration camp or an approved landfill. The berms will be pushed in with a front loader and levelled to cover exposed area. The area will be seeded with native species. All other trenches dug around the farm will be levelled and refilled with local top soil then seeded with native species, if approved by the KIA.

5.1.9 Household Chemicals

Household cleaners will mainly be stored in the kitchen and dry. Upon camp closure, any unused reagents will either be transported to other camps or disposed of at an appropriate facility. Half-empty containers will be taken off site to be properly disposed in an approved discharge facility. Empty containers will either be recycled or disposed of with regular garbage.

5.1.10 Transportation

5.1.10.1 Airstrip

A very short emergency airstrip occurs on naturally denuded material to the north of the Goose Lake camp. The area will be cleared of any debris and inspected for potential top soil contamination due to refuelling of aircraft. If contamination is evident, then procedures outlined in the Spill Emergency Response Plan will be applied to reclaim the impacted area.

5.1.10.2 Jetty

The jetty, consisting of black plastic poly containers will be removed and dismantled. The poly containers will be reclaimed and used elsewhere. Any timber, nails, screws and metals frames will be packed and disposed with scrap metals in approved landfills.

5.1.10.3 Helipad

The 4 timber helipads at Goose Lake will be dismantled and material salvaged and recycled. The helipads will be cleared of any debris. The area will be inspected for contamination. If contamination is evident, then procedures outlined in the Spill Emergency Response Plan will be applied to reclaim the impacted area. If required, the area will be seeded with native species, if approved by the KIA.

5.2 Exploration

5.2.1 Drill Sites Management

The diamond drills will be dismantled into its main components as per the drilling contractor procedure, packaged and secured along with its ancillary equipment and rods. The drills will be moved by helicopter over the tundra and left at designated storage areas on the property before transporting offsite. All drill sites will be inspected for contamination. All wastes will be taken back to the camp by the drillers and disposed of as appropriate. As part of DPM's progressive reclamation activities, diamond drill sites will be restored as soon as practical after the drill has been moved to the next site and sumps (if present – DPM currently uses a megabag system for capturing drill cuttings) have drained enough to be levelled. The 2008 plan is for photos to be taken prior to and after the drill work is completed as well as having a sign off sheet in place for a designated responsible person to verify the site was left in good condition.

5.2.2 Drill holes Management

5.2.2.1 Drill sump

All drill sumps (if constructed) will be collected and disposed of in permitted locations on property. Containers used to capture sumps will be recycled. The long term plan is to backfill, remediate and revegetate the affected area.

5.2.2.2 Iron Casing Management

Casing protruding above ground will be flush cut off to a level that will not pose a hazard. The cut portion will be disposed of in an approved landfill in Yellowknife or recycled as scrap metal. Drill holes which encounter artesian water flow or those drilled under the lake will be plugged with cement and capped. The collar locations of all holes will be surveyed in by GPS and will be recorded in the exploration reports.

5.2.3 Chemicals associated with Drilling operations

5.2.3.1 Drill Additives, Cement and Salt Management

All remaining drill additives and salt will be inventoried, packed and transported to other projects or transported to Yellowknife or Hay River for re-sale or disposal at an appropriate facility. Empty containers and pallets will be recycled if possible or disposed of with regular garbage.

5.2.4 Drill Core

Drill core will be counted, properly secured and stored at a designated core storage area on the property for long-term storage. A site reference plan will be maintained to catalogue the core.

5.2.5 Excavated Trench

The excavated trenches will be backfilled with local soil. The area will be recontoured to match the surrounding landscape, and if approved, seeded with native species to promote regrowth.

5.3 Environmental

5.3.1 Long-term Monitoring

Ongoing monitoring will be conducted during the summer months to ensure the area has been cleared of any hazards that may cause a significant adverse impact to the receiving environment. The monitoring will continue after the final abandonment until the land is relinquished and accepted by the owner. Weather collection data (Goose/George Lake weather stations) and environmental baseline data (e.g. water sampling data) will be turned over to whoever takes over the property.

5.3.2 Documentation and Final Inspection

A detailed project site reclamation and remediation report will be created by DPM which will specifically document and catalogue project reclamation activities. This report will be generated for distribution to specific governing agencies. This report will identify all reclamation efforts undertaken at the project site and will be supported with information pertaining to contractors used, methodology, costs and findings. Digital photographs will be taken which will support the reclamation activities. These will be appended to the report..

5.3.3 Land Relinquishment

Once the reclamation plan is accepted and approved by DPM, the permit holder will invite and organise a final site inspection visit with community representatives, Land Inspectors, Nunavut Water Board and the KIA. Other government organisations such as Environment Canada and Department of Fisheries and Oceans will be invited to visit the area. A written submission will be sent to the regulatory authorities asking to relinquish the land.

5.4 Abandonment & Restoration Cost Estimates

The total cost estimation for A&R plan for Back River is approximately $284,000 which has been furnished as a bond to the KIA. The approximate costing will be reviewed annually relative to the long-term exploration strategy for the project. The cost structure will be itemised as listed below.

5.4.1 Infrastructure Demolition Cost

5.4.2 Transportation – (Labour, equipment, recycle, relocation of waste etc.)

5.4.3 Labour Cost

5.4.3.1 Offsite Administrative Cost

5.4.3.2 Contractor

5.4.4 Rehabilitation Cost

5.4.4.1 Site Supervision - (DPM)

5.4.4.2 Remedial supplies

5.4.4.3 Native species supplies

5.4.4.4 Contractor

5.4.5 Environmental Monitoring Cost

5.4.5.1 Labour - (DPM or Contractor)

5.4.5.2 Transportation – (Field sampling)

5.4.5.3 Analytical Cost – (External Lab)

5.4.5.4 Reporting – (DPM or Contractor)

5.4.5.5 Consultant Costs

5.4.6 Final Documentation – (Labour Cost – DPM or Contractor)

5.4.7 Land Relinquishment – (Travel, Reports, Site Visits, Meetings, etc.)

6.0 REVIEW OF THE ABANDONMENT AND RESTORATION PLAN

The Back River Abandonment & Restoration Plan will be reviewed on an annual basis. The next planned review is scheduled to take place in January 2009.