CLOSURE AND RECLAMATION PLAN

EXPLORATION OPERATIONS

IZOK/HOOD PROPERTY

NUNAVUT, CANADA

Prepared: December 2009
Revised: December 2022

MMG Resources Inc.

PO Box 91460, STN West Vancouver, West Vancouver, BC V7V 3P1

TABLE OF CONTENTS

1.0 PREAMBLE

The Closure and Reclamation Plan (the Plan) applies to the Izok/Hood Projects (the Project) operated from the Ham Lake Camp by MMG Resources Inc. in the Kitikmeot District of Nunavut, north latitude 65° 40' and west longitude 112° 50' (Figure 1). This Plan is applicable to exploration activities related to Water Licence 2BE-IZO1823 (the Licence) and has been updated for inclusion in the application for renewal of this licence.

This Closure and Reclamation Plan includes applicable planning for three different scenarios:

Table 1: Closure and Reclamation Plan- Site Closure Scenarios

Long term care and maintenance	The facilities have been placed into long term care and maintenance with the removal of all fuel and lubricants and preparation of facilities without occupancy.
Seasonal closure	Annual closure activities in the event field activities resume.
Final closure	Applicable if facilities are abandoned and no further field work anticipated.

The Izok Camp has been in long term care and maintenance without occupancy since 2015. As required by Part B Item 7 of the Licence, this Plan will be reviewed based on changes in operation and/or technology and modified as required. The revision date will be noted on the title page of the Plan.

2.0 INTRODUCTION

This Closure and Reclamation Plan has been prepared as a document for the Ham Lake and Hood camps, and for mineral exploration programs (the Project) to be carried out within the surrounding area including the Point Lake-Itchen Lake volcanic belt and the Takiyuak greenstone belt. The Ham Lake Camp is located 265 km south of Kugluktuk and 360 km north of Yellowknife and is only accessible by air (Figure 1). It is serviced year-round by a 2,800 foot gravel air strip and seasonally by a 4,500 foot ice air strip for Hercules aircraft operations in the early Spring. The Ham Lake Camp has the capacity to accommodate up to 40 people for seasonal operations between March and October annually. The Hood Camp is located approximately 50 km north of the Ham Lake Camp site (Figure 1). Drilling operations for this area can be supported by helicopter based at the Ham Lake Camp.

The Plan has been developed keeping in mind that reclamation activities at MMG sites are ongoing during each field season, with progressive actions undertaken during the course of daily camp management. This

Closure and Reclamation Plan has been prepared to address the three scenarios in Table 1. The purpose of the Plan is to make sure that operational activities minimize any negative impact to the environment and, as much as possible, facilitate the return of the natural conditions that pre-existed the Project operation.

3.0 SCHEDULE

The Ham Lake Camp site is seasonally operated. The site is estimated to open in March or early April by a skeleton crew preparing an ice air strip on Iznogoudh Lake to facilitate the landing of Hercules aircraft and support the re-supply of the camp. The construction of the air strip involves snowploughing to build ice thickness, and normally takes seven to ten days, depending on ice conditions and temperatures. Fuel is brought in drums, in quantities determined by the programmed activities for the field season. Fuel types brought to the camp consist of diesel for the operation of camp generators, diamond drills, and heavy equipment and jet fuel (Jet B) for the operation of helicopters.

The seasonal shutdown of the camp is estimated to be completed in early to mid-September over approximately one week, to be carried out after all exploration activities have ceased. The Plan will be applied by the Project personnel under the supervision of the field supervisor or project manager.

The table below reflects a typical field season and the activities associated with mineral exploration that take place over the course of the seven-month period.

Table 2: Timeline of Ham Lake Camp Site Seasonal Operations

MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER
Site opens, ice airstrip constructed and heavy airlift initiated.	Heavy airlift operations finish end of April. Ice (lake) drilling and geophysical programs start.	Ice (lake) drilling finishes end of May.	Environmental programs begin. Drilling on land continues. Prospecting, mapping and geophysics.	Environmental work. Drilling on land continues. Prospecting, mapping and geophysics.	Environmental work. Drilling on land continues. Prospecting, mapping and geophysics.	Drilling activity finishes. Environmental work finishes. Shut down activities. Camp closure mid-September.

4.0 SITE INFRASTRUCTURE

The Ham Lake Camp is located on the south and east shores of Ham Lake. The site was originally established by Inmet Mining Corporation (Inmet) in the early 1980s. A fuel farm and mobile trailer camp are legacy structures remaining from this period and are no longer in use.

When in full operation the present Ham Lake Camp can accommodate up to 40 people. The site facilities include a kitchen, office, core logging and storage facilities, two shops, and fuel storage facilities. The site is served by a 2,800-foot-long gravel air strip, with a short gravel access road connecting the airstrip to the camp.

The Ham Lake Camp site has the following infrastructure in place:

MMG Camp Equipment/Facilities

- 1 – diesel fired forced air dual chamber incinerator
- 1 – 10’ x 44’ Generator Building
- 2 – Cummins 175 kW diesel generators
- 1 – 30 kW Cummins diesel generator (back up emergency plant)
- 1 – Steel garage 20’ x 24’
- 1 – Wood frame workshop
- 1 – Wood frame, steel clad core storage warehouses
- 1 – Wood frame, aluminum clad 12’ x 36’ skidded core shack
- 1 – 14’ x 16’ wood frame, plywood clad storage shed
- 10 – 14’ x 16’ Weatherhaven style accommodation tents
- 1 – 20’ x 60’ Weatherhaven style accommodation tent
- 3 – 14’ x 32’ Weatherhaven style “dry” facilities
- 1 – 20’ x 40’ Weatherhaven style kitchen facility
- 1 – 16’ x 32’ Weatherhaven style office tent
- 2 – 14’ x 16’ wood frame, canvas tents

Fuel Tanks

- 5 – 11,000 L. portable (skid mounted) double walled steel fuel tanks

Mobile Equipment

- 1 – Caterpillar D-6 Bulldozer (inoperative)
- 1 – JBC ZoomBoom (inoperative)
- 1 – Cat 140G Motor Grader (inoperative)
- 1 – Komatsu 250W Loader
- 1 – Champion Motor Grader
- 1 – Fuel trailer
- 3 – Ford F-350 pickup trucks
- 1 – Cat 930 Loader
- Snowmobiles (various models)
- 1 – Bobcat skid steer loader

This Closure and Reclamation Plan is designed to include field activities conducted under the Licence that can be carried out at some distance from the Ham Lake Camp, including at the Hood and Gondor occurrences.

5.0 LONG TERM CARE AND MAINTENANCE

The long-term care and maintenance program (current site condition) is implemented for extended periods of temporary closure make sure that the site facilities remain safe, secure, and are not adversely impacting the environment. To confirm that this is the case, the Izok facilities are inspected annually and any necessary maintenance activities undertaken. During long term care and maintenance, the conditions are maintained similar to the seasonal closure scenario (Table 1) of the Closure and Reclamation Plan, such that the sites remain available to support potential future field activities, with exception that all fuel and lubricants will be removed from site in preparation for facilities without occupancy.

6.0 SEASONAL CLOSURE AND RECLAMATION PLAN

6.1. BUILDINGS AND CONTENT

All equipment will be stored inside the wooden buildings to make sure they will withstand the winter season. Canvas tents will be secured and braced internally so that they will withstand snow and wind loads. Tarps over tents will be inspected and replaced on a seasonal basis. Tent doors will be wired shut or secured with screws. Wood structures will be secured with nailed plywood over windows and doors to prevent inadvertent opening. Snowmobiles and other smaller mobile equipment will be stored under cover inside the garage of the shop building.

6.2. WATER SYSTEM

Pumps, tanks, and hoses will be drained and dismantled. Rented equipment will be flown out and returned to the owner. Hoses will be rolled and stored in the tents over the winter.

6.3. ELECTRICAL SYSTEM

The Generator Shed will be inspected for remaining hazardous waste (e.g., oil, grease) and the generator will be drained of its fuel. Remaining waste fuel and oil will be collected in the containers labelled for that usage. These containers will be sealed and removed from site for proper handling and disposal in Yellowknife (at KBL Environmental). The generator will be winterized and prepared for start-up in spring. The soil surrounding the Generator Shed will be inspected for contamination. Any contaminated soil will be collected as outlined in the MMG Spill Contingency Plan Exploration Operations Izok/Hood Property

(MMG, 2021) and removed from site for proper disposal. Electrical wires, plugs, and sockets will be stored in the Kitchen.

6.4. FUEL AND CHEMICAL STORAGE FACILITIES

An inventory of remaining fuel will be made, and full drums will be inspected and secured for the winter. Empty drums and propane cylinders will be flown out for disposal in Yellowknife. Secondary containment berms will be inspected, and any damage repaired prior to departure from site. Chemicals stored on site consists of drill additives, oil, grease, and household cleaners. All drill additives will be stored in, or adjacent to, the Drill Foreman Shed and secured for the winter. Household cleaners will be stored in the Kitchen. Empty containers will be disposed of with regular garbage if deemed safe for on-site incineration. The soil of the fuel and chemical storage areas will be inspected for contamination. Any contaminated soil will be collected as outlined in the MMG Spill Contingency Plan (MMG, 2021) and removed from site for proper disposal.

6.5. WASTE AND INCINERATOR FACILITY

The site has a forced air, diesel fired incinerator that is used daily to dispose of burnable domestic and industrial waste products, including human and kitchen food waste as well as packaging that falls within Environment Canada's definition of "combustible material" (untreated wood and paper products). Once the camp is dismantled, and remaining buildings secured, all remaining combustible waste stored at this site will either be burned or flown out to Yellowknife for disposal depending on the type of waste. Wastes of all types that are removed from site are handled in to either the City of Yellowknife Solid Waste Facility or KBL Environmental, and waste that cannot be handled in Yellowknife due to its nature is transported to a facility in Edmonton. The catering company provides MMG with shipping manifests that serve to document chain of custody, as well as final disposal certificates for the waste products that they handle.

The incinerator will be cleaned and winterized. The soil surrounding the Waste and Incinerator Facility will be inspected for contamination. Any contaminated soil will be collected as outlined in the MMG Spill Contingency Plan (MMG, 2021) and removed from site for proper disposal.

6.6. GREYWATER SUMP

The Greywater Sump will be cleaned out, grease trap emptied, and wood cover will be secured for winter. Material collected will be appropriately packaged for transport to Yellowknife for disposal.

6.7. BLACKWATER SUMP

Not Applicable. Human waste is collected and incinerated in a forced air diesel fired incinerator. The camp toilets are “pacto” style toilets where waste is collected in a plastic bag lined container. The bags are collected and burned daily in the forced air incinerator located onsite. Pactos will be cleaned, and the bathroom facility buildings sealed for winter.

6.8. HELICOPTER PAD

The Helicopter Pad consists of a wooden platform built of a 2x4 base with plywood cover. Soil around the Helicopter Pad will be inspected for contamination. Any contaminated soil will be collected as outlined in the MMG Spill Contingency Plan (MMG, 2021) and removed from site for proper disposal.

6.9. CAMP SITE

Soil contaminated by hydrocarbons will be collected as outlined in the MMG Spill Contingency Plan (MMG, 2021) and removed from site for proper disposal. Drill core that is to be left on site will be properly stored and secured in cross stacked piles or wooden cores racks.

6.10. TUNDRA AIRSTRIP

The Tundra Airstrip will be marked by anchored cones to designate a safe taxiway for off-strip aircraft. The cones will be left in place for safe operation of mobilization flights in subsequent field seasons.

6.11. HEAVY EQUIPMENT

Heavy equipment will be parked in an open area, and in an orientation that reduces the accumulation of drifting snow and resulting snow load. The equipment position will be flagged. Canvas and plastic tarps will be secured over the cabs and engine compartments of the equipment and vehicles. Air intakes and exhausts will be sealed off. Absorbent spill matting will be secured to the underside of engine compartments as a preventative measure. The Bobcat skid steer loader and Komatsu loader will be parked inside the sheet metal clad shop building.

6.12. VEHICLES

Pickup trucks will be parked in an open area, and in an orientation that reduces the accumulation of drifting snow and resulting snow load. The vehicle position will be flagged. Canvas tarps will be secured

over the cabs and engine compartments of the vehicles. Air intakes and exhausts will be sealed off. Absorbent spill matting will be secured to the underside of engine compartments as a preventative measure. Snowmobiles will be parked within the wooden shop building.

6.13. DRILLING AREAS RESTORATION

The drill will be dismantled into its main components as per the drilling contractor procedure, packaged and secured along with its ancillary equipment and rods. The drill will be left on solid ground until the following season. All drill sites will be inspected for soil contamination. Any contaminated soil will be collected as outlined in the MMG Spill Contingency Plan (MMG, 2021) and removed from site for proper disposal. Any remaining waste will be taken to the camp to be burned and/or flown out to Yellowknife for disposal depending on the type of waste (to either the City of Yellowknife Solid Waste Facility or KBL Environmental). Sumps will be backfilled and graded to natural contours. As much as possible, drill sites will be restored as soon as possible after the drill has been moved to the next site and sumps have drained enough to be backfilled and graded.

6.14. DOCUMENTATION

Equipment and buildings left on site will be inventoried. Before and after photos will be taken of all camp and drill sites. Monitoring will be done during occupancy and photos taken. Once the site secured for the winter, it will again be documented with photos.

7.0 FINAL CLOSURE AND RECLAMATION PLAN

7.1. BUILDINGS AND CONTENT

All the reusable equipment such as tents, tent metal frames, stoves, foam rubber mats, the kitchen stoves, refrigerators, and other appliances and equipment, showers, hot water tank, and other portable components will be packaged and flown out from the camp site to Yellowknife. The Inmet mobile trailers and fuel farm will be dismantled and transported to Yellowknife for proper disposal. Wood framed buildings will be dismantled, and all hardware and fasteners (e.g., nails, screws, anchors) removed from lumber, packaged, and flown out for disposal. Lumber of usable dimension will be separated from scrap and transported back to Yellowknife for proper disposal. All other materials resulting from the dismantling of on-site structures will be packaged and transported to Yellowknife for disposal. Combustible materials as defined by Environment Canada that are of a size dimension that can be accommodated by the camp

incinerator will be disposed of on-site by burning. Only paper products, paperboard packing, and untreated wood wastes will be designated for open burning when they cannot be accommodated by the camp incinerator. Open burning will be conducted in designated burn barrels, or on a bedrock or similar surface, to minimize scorching of the tundra. Open burning will only be conducted when permits are obtained where required.

7.2. WATER SYSTEM

Pumps, tanks, and hoses will be drained, dismantled, packaged, and transported to Yellowknife. The wooden pump shack built to protect the pump will be burned or flown out to Yellowknife for disposal. Only paper products, paperboard packing, and untreated wood wastes will be designated for open burning. Open burning will be conducted in designated burn barrels or on a bedrock or similar surface, to minimize scorching of the tundra. Open burning will only be conducted when permits are obtained where required.

7.3. ELECTRICAL SYSTEM

The Generator Shed will be inspected for remaining hazardous waste (e.g. oil, grease) and will be drained of its fuel. Remaining waste fuel and oil will be collected, sealed in containers, and flown out to Yellowknife for disposal. The shed will be dismantled and burned or flown out to Yellowknife for disposal. The soil will be inspected for contamination and any contaminated soil will be collected as outlined in the MMG Spill Contingency Plan (MMG, 2021) and removed from site for proper disposal. Electrical wires, sockets, etc. will be taken down and returned with camp material to Yellowknife. Only paper products, paperboard packing, and untreated wood wastes will be designated for open burning. Open burning will be conducted in designated burn barrels, or on a bedrock or similar surface, to minimize scorching of the tundra. Open burning will only be conducted when permits are obtained where required.

7.4. FUEL AND CHEMICAL STORAGE FACILITIES

The Fuel Storage Area inventory will be managed to retain only a minimum quantity of fuel on site prior to site closure activities taking place. At final closure and reclamation of the site, an inventory of all remaining fuel will be conducted, and fuel drums will be inspected. Any remaining fuel from the large tank(s) will be pumped into properly labelled drums and transported to Yellowknife for storage and future use. The large fuel tanks and smaller containers such as drums and day tanks will be dismantled for

disposal and removed from site for proper disposal. Propane cylinders will be removed from site for proper disposal in Yellowknife.

Chemicals stored on site will consist of any remaining drill additives, oil, grease, and household cleaners. Drilling fluids, oil, and grease will be properly contained for transport back to Yellowknife and either returned to the drilling contractor, or properly disposed of in Yellowknife. Household cleaners will be properly contained and packaged for transport to Yellowknife for disposal, or stored for future use. Any contaminated soil will be collected as outlined in the MMG Spill Contingency Plan (MMG, 2021) and removed from site for proper disposal.

7.5. WASTE AND INCINERATOR FACILITY

Once the camp is entirely dismantled, all remaining combustible waste stored at this site will be burned or flown out to Yellowknife for disposal. The incinerator will be dismantled and returned to Yellowknife, and the waste discarded (to either the City of Yellowknife Solid Waste Facility or KBL Environmental). Only paper products, paperboard packing, and untreated wood wastes will be designated for open burning. Open burning will be conducted in designated burn barrels, or on a bedrock or similar surface, to minimize scorching of the tundra. Open burning will only be conducted when permits are obtained where required. Any contaminated soil will be collected as outlined in the MMG Spill Contingency Plan (MMG, 2021) and removed from site for proper disposal.

7.6. GREYWATER SUMP

The Kitchen-Dry Greywater Sump will be inspected, and the grease trap emptied. This collected material will be sealed in a drum for transport to Yellowknife and proper disposal. The sump will be backfilled in and graded to blend in with the surrounding topography.

7.7. BLACKWATER SUMP

Not Applicable. Human waste is collected and incinerated in a forced air diesel fired incinerator. The camp toilets are “pacto” style toilets where waste is collected in a plastic bag lined container. The bags are collected and burned daily in the forced air incinerator located onsite. For final closure, all remaining waste bags will be burned in the incinerator, the pacto toilets will be cleaned and the buildings removed

from site. If an outhouse was used it will be limed and backfilled. Although not historically employed, if a blackwater sump was constructed and used, it would be limed and backfilled.

7.8. HELICOPTER PAD

Soil around the Helicopter Pad will be inspected for contamination. The wood will be burned or flown out to Yellowknife for disposal (to either the City of Yellowknife Solid Waste Facility or KBL Environmental). Only paper products, paperboard packing, and untreated wood wastes will be designated for open burning. Open burning will be conducted in designated burn barrels, or on a bedrock or similar surface, to minimize scorching of the tundra. Open burning will only be conducted when permits are obtained where required.

7.9. CAMP SITE

After all materials, facilities, and structures have been dismantled and removed the camp site will have a final inspection. Soil contaminated by hydrocarbons will be collected as outlined in the MMG Spill Contingency Plan (MMG, 2021) and removed from site for proper disposal. Disturbed areas where there is no vegetation cover will be scarified to create a rough and loose surface that will create microsites for natural seed deposition and plant establishment, and loosen the ground material to enable root growth. The scarified areas will be re-contoured to conform to the surrounding natural topography. Drill core to be left on site will be properly stored and secured. If drill core is to be removed, it will be packaged and transported to Yellowknife for storage.

7.10. TUNDRA AIRSTRIP

All markers designating the Tundra Airstrip will be removed and all effects of aircraft landings will be removed, restoring the area to its natural state.

7.11. HEAVY EQUIPMENT AND VEHICLES

Heavy equipment and vehicles currently on-site will be either dismantled for airlift removal back to Yellowknife or transported by cat train or ice road on trucks. Once back in Yellowknife they will either be stored for future use or sold at auction.

7.12. DRILLING AREAS RESTORATION

The drill will be dismantled into its main components as per the drilling contractor procedure, packaged and secured along with its ancillary equipment and rods. The drill will be flown out to a location designated by the drilling contractor. Any disturbed areas will be re-contoured to blend in with the surrounding natural topography. All drill sites will be inspected for soil contamination and any contaminated soil will be collected as outlined in the MMG Spill Contingency Plan (MMG, 2021) and removed from site for proper disposal. Any remaining waste will be taken to camp to be burned if possible or transported out for disposal at an approved facility (to either the City of Yellowknife Solid Waste Facility or KBL Environmental). Greywater and sludge sumps will be backfilled and graded. As much as possible, drill sites will be restored as soon as possible after the drill has been moved to the next site and sumps have drained enough to be backfilled and graded. Following completion of exploration activities, remaining drill pipe collars or drilling pipe steel casings that are above ground surface on land and do not contain instrumentation (e.g., thermistors), will have collars/casings cut off as close to the ground surface as possible. The remaining below grade portions of the collars/casings will be capped with soil raked in from the surrounding area to cover the remaining collars/casings. The capping material and adjacent drilling area will be graded and contoured to blend in with the surrounding topography and surface will be left in a rough and loose condition that will promote natural vegetation establishment. The cut off portions of the collars/casings will be collected and flown to an approved disposal or recycling facility in Yellowknife.

7.13. DOCUMENTATION AND INSPECTION

Photos of camp and drill sites will be taken prior to building or drilling. During the exploration and closure phases, monitoring of the sites will be undertaken by inventorying and photographic materials, facilities, and structures present on site. Soil contaminated by hydrocarbons and unnoticed before abandonment will be treated as outlined in the MMG Spill Contingency Plan (MMG, 2021). Upon completion of final closure activities, site conditions will be documented with photos. A final site inspection with community representatives, the Nunavut Land Use Inspector, Nunavut Water Board staff will be organized by MMG.

8.0 REFERENCES

MMG Resources Inc. (MMG), 2021. MMG Spill Contingency Plan, Exploration Operations, Izok/Hood Property, Nunavut, Canada. Latest Revision, August 2021.

9.0 APPENDIX – FIGURES

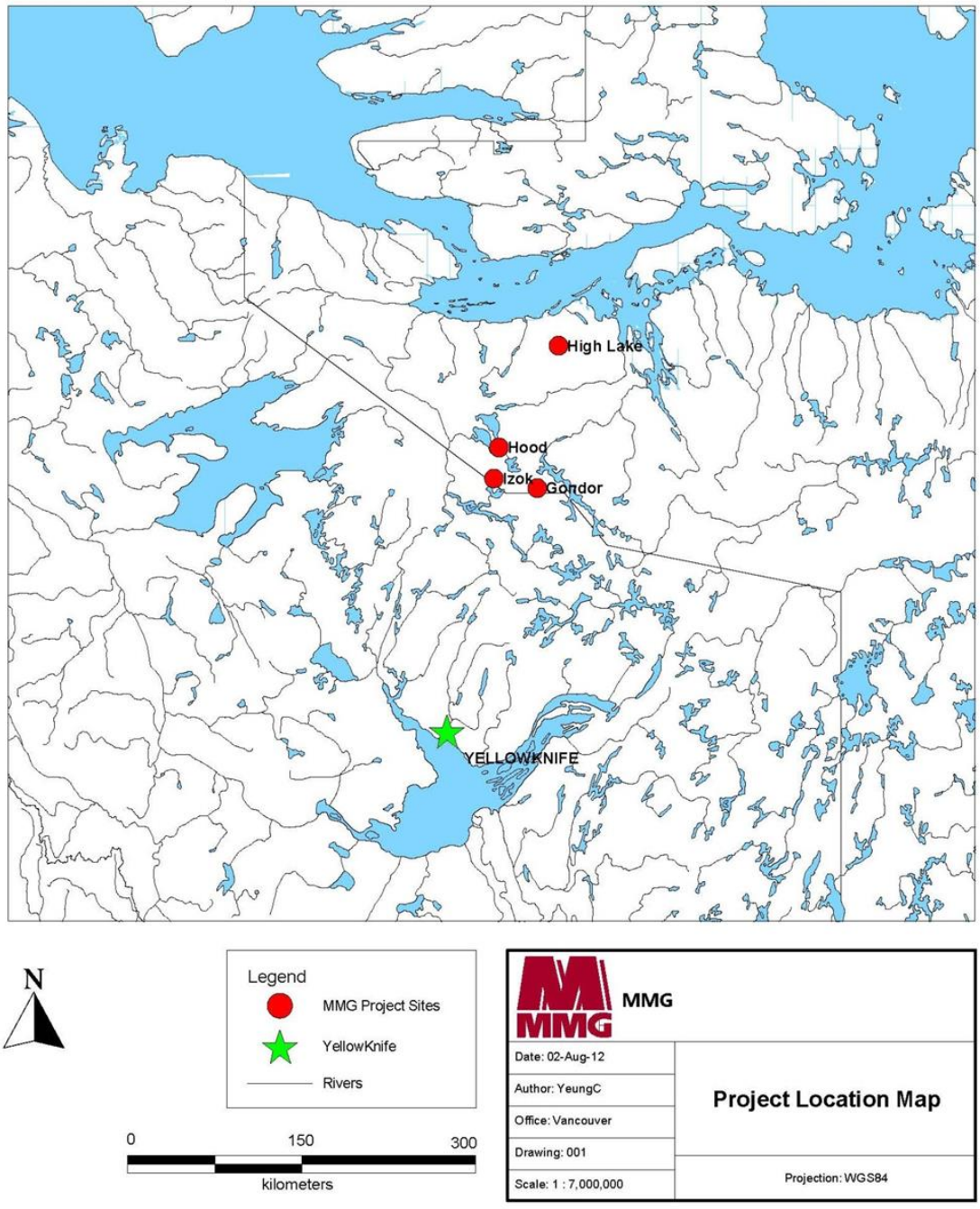

Figure 1. Location Map

IZOK RECLAMATION ESTIMATE - JANUARY 2023

ACTIVITY/MATERIAL	UNITS	QUANTITY	UNIT COST	COST	TOTALS
SUMMER					
Drilling Decommissioning					
DRILLHOLE DECOMMISSIONING					
Drillhole quantity	DDH	14			
Personnel - cut casing below water, remove casing	Staff Days	8	$ 1,615	$ 12,920	
Cutting Equipment	Days	2	$ 1,450	$ 2,900	
Lifting Equipment	Days	2	$ 300	$ 600	
MOBILIZE/DEMOBILIZE TO SITE					
Personnel - Overland Transport	Travel Days	8	$ 1,615	$ 12,920	
Twin Otter Flight	Flights	2	$ 12,000	$ 24,000	
Subtotal Drillhole Decommissioning				**$ 53,340**	**$ 53,340**
Buildings and Equipment					
BUILDINGS/EQUIPMENT DECOMMISSIONING					
Personnel- disassemble buildings, burn wood, sort and pile materials	Staff Days	110	$ 700	$ 77,000	
ATV & trailer support	Days	22	$ 300	$ 6,600	
Grinder	Days	22	$ 25	$ 550	
Oxygen-Acetylene Torch	Days	22	$ 100	$ 2,200	
Oxygen-Acetylene Gas Tanks	Tanks Sets	2	$ 1,000	$ 2,000	
Generator	Days	22	$ 37	$ 814	
Miscellaneous Tools	Lump sum	1	$ 500	$ 500	
Diesel fuel for heavy machinery	Litres	750	$ 3	$ 2,250	
Fuel for trucks, ATVs, power equipment	Litres	500	$ 2	$ 1,000	
Mechanic	Staff Days	2	$ 800	$ 1,600	
RECLAMATION TREATMENTS - Exploration Site and Airstrip					
Personnel - Rake/scarify/loosen ground surface	Staff Days	25	$ 700	$ 17,500	
ATV & harrows support	Days	10	$ 300	$ 3,000	
Subtotal Buildings and Equipment				**$ 115,014**	**$ 115,014**
Mobilization and Camp Operation					
MOBILIZE/DEMOBILIZE TO SITE					
Personnel - Overland Transport	Travel Days	12	$ 700	$ 8,400	
Twin Otter Flight	Flights	2	$ 12,000	$ 24,000	
CAMP OPERATION					
Personnel/staff- camp cook/medic	Cook Days	27	$ 700	$ 18,900	
Fuel (propane)	Lump sum	4	$ 1,000	$ 4,000	
Food/materials	Staff/Cook Days	172	$ 120.60	$ 20,743	
Subtotal Mobilization and Camp Operation				**$ 76,043**	**$ 76,043**
WINTER					
PREPARATION					
Personnel - set up/build ice airstrip for Hercules	Staff Days	60	$ 700	$ 42,000	
Building and Equipment					
EQUIPMENT AND BUILDINGS					
Personnel - Load materials for transport off site, disassemble and packup remaining materials and buildings, burn remaining wood	Staff Days	64	$ 700	$ 44,800	
SUPPORT/CARGO					
Diesel fuel for heavy machinery	Litres	1000	$ 3	$ 3,000	
Hercules cargo flights	Flights	16	$ 114,750	$ 1,836,000	
Subtotal Buildings and Equipment				**$ 1,925,800**	**$ 1,925,800**
Mobilization and Camp Operation					
MOBILIZE/DEMOBILIZE TO SITE					
Personnel - Overland Transport	Travel Days	10	$ 700	$ 7,000	
Twin Otter Flight	Flights	2	$ 12,000	$ 24,000	
CAMP OPERATION					
Personnel/staff - camp cook/medic	Cook Days	36	$ 700	$ 25,200	
Fuel (propane)	Lump sum	5	$ 1,000	$ 5,000	
Food/materials	Staff/Cook Days	160	$ 120.60	$ 19,296	
Subtotal Mobilization and Camp Operation				**$ 80,496**	**$ 80,496**

DISPOSAL COSTS								
Chemicals, Contaminated Soils, and Waste Materials								
FUEL								
	Disposal once off-site: diesel, Jet A/B, aviation gas	Litres	1,022	$	0.50	$	511	
WASTE OIL								
	Oils/lubricants - disposal once off-site	Litres	1,022	$	0.50	$	511	
OTHER CHEMICALS								
	Antifreeze, refrigerant, cleaners, drilling chemicals, etc.	Litres	408	$	0.50	$	204	
CONTAMINATED SOIL								
	Potential contaminated soil from helicopter pads, fuel & chemical storage areas, generators, etc.	m3	5	$	76.25	$	381	
GENERAL WASTE MATERIALS/GARBAGE								
	Waste material that cannot be burnt, but are not contaminated/special waste.	kg	12,705	$	0.173	$	2,198	
	Ash Waste (drums from incinerator)	drum	10	$	400	$	4,000	
	Subtotal Chemicals and Contaminated Soils					**$**	**7,804**	**$ 7,804**
CLOSURE								
PERMITTING & CLOSE OUT REPORT		Lump sum	1	$	25,000	$	25,000	
	Subtotal Closure Costs					**$**	**25,000**	**$ 25,000**
	Subtotal Capital Costs to Close							**$ 2,283,498**
	PROJECT MANAGEMENT (Assumes Third Party Costs)					5% of subtotal		$ 114,175
	CONTINGENCY					10% of subtotal		$ 228,350
	GRAND TOTAL - CAPITAL COSTS							**$ 2,626,022**

NOTES: Assumptions

- Assumes Izok Site is closed and reclaimed as final closure for the site.
- That leaving the site will be "phased" exit with more than one season available to complete.
- Phases of reclamation work (3 phases):

1. Summer - Drilling decommissioning; buildings and materials decommissioning; reclamation activities.
2. Winter - Buildings and materials decommissioning and removal from site; heavy equipment removal.
3. Closure reporting.

- That all improvements and assets will be removed and site returned to stable conditions.
- Every effort will be taken to minimize time to complete.
- The estimated weight of materials and equipment to be removed from Izok Site approximates ~400,000 lbs.
- The salvage value of materials and equipment was not used to offset the reclamation security amount.
- All inflight and return flights will be utilized to deliver or remove materials and optimize transport efforts.
- Unit cost sources are outlined in spreadsheet and, where available, recent and appropriate site-specific data is used.
- Mobilization of staff on/off-site will be principally via Twin Otter to Yellowknife.
- Backhaul removal of materials will be principally completed with Hercules C130 aircraft for disposal in Yellowknife. Assume a Hercules C130 does not require mobilization to Yellowknife.
- Work is based on current inventory of diesel fuel at site; assumes that excess fuel will be disposed of off-site.
- 1 staff day = 1 person for 12 hour workday
- Assumed cook is also a trained medic personnel.
- Drill collars removal: quantity based on information provided in September, 2022. Estimate 14 drill collars to remove. Cost estimate based on underwater welding/cutting crew cutting pipes at the lake/pond bottom.
- Summer program: cut steel drill collars and waste materials from drilling collar sites will be removed by boat to the exploration camp and stored in piles adjacent to Izok for later shipping out during the winter program.
- Summer program at the exploration camp: equipment and waste materials will be collected and stored in secure piles adjacent to Izok for later shipping during the winter program. The majority of the plywood sided buildings and wood material will be burned in place and the ashes/nails collected for disposal in Yellowknife. One or two buildings with heat will be retained for the winter program.
- Winter program: waste materials and equipment stored adjacent to Izok will be hauled to the aircraft using snowmobiles and the heavy machinery. Materials and equipment will be loaded into the aircraft with machinery currently on site.
- Once the winter program is completed, the remaining plywood sided buildings and wood materials will be burned and the ashes/nails collected for disposal in Yellowknife.
- Assumed that MMG will seek and receive any necessary approvals and/or permissions to open burn plywood materials on site.
- Project management cost follows guidance from RECLAIM Costing Model (version 7.0; 2017).
- Contingency percentage based on recent reclamation cost estimates for Nunavut mine projects.