Coronation Minerals Inc. Abandonment and Restoration Plan Dismal Lake Diamond Drilling Program 2004 Nunavut Water Board Licence NWB2KUG305

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1. Preamble

The Abandonment and Restoration Plan is effective from September 17, 2003 to September 30, 2005and applies to the Dismal Lake Diamond Drilling Program 2004, Nunavut Water Board, Licence NWB2KUG305 in the Kitikmeot District of Nunavut, north latitude 67° 15' to 67° 45' and west longitude 115° 45' to 116° 40'. The program will be conducted under Land Use permit N2003C0031with from INAC and afore mentioned licence from Nunavut Water Board (NWB)

2. Introduction

This abandonment and restoration plan has been prepared to cover the diamond drilling program as outlined in under Land Use permit N2003C003 and NWB water license NWB2KUG305. The program was scheduled for the summer and fall of 2004 but was delayed because of equipment and personnel availability. The camp for this program has been permitted under NWB water license NWB6HLC0406 held by Matrix Aviation Solutions. No land use permit is required for the camp as it is on private owned land.

3. Schedule

The shutdown of the drill operation will be conducted within 5 days of the completion of the drilling activities. Restoration activities at each individual site will occur immediately following the completion of the hole and removal of the drill. This progressive form of restoration results in little to no disturbance to the environment.

4. Infrastructures currently on site

No drilling equipment is on site until immediately before the program begins. Prior to the program beginning the drills will be mobilized to the Hope Lake Airstrip and from there air lifted by helicopter to the individual drill sites.

Section 1: Final Abandonment and Restoration Plan

1.1 Fuel and Chemical Storage Facilities

The fuel storage area consists of segregated groups of drums with empties apart from full drums. At the end of the field season, an inventory of remaining fuel will be made and full drums will be inspected. Full and empty drums will be flow out back to source or to an interested buyer. Propane cylinders will be flown out as well to source. Remaining

waste fuel, stored in properly labeled drums will be flown out to a fuel outlet or discharge that accepts this type of fuel. The collection point for the fuel containers and drums will be the Hope Lake airstrip.

Chemical stored on site will consists of drill additives, oil, and. All drill additives will be stored at the staging area of the Hope Lake airstrip. Upon program completion, any unused drilling additive, oil or grease will be returned to the staging area and from there flown to Yellowknife. Half empty containers will be flown to Yellowknife for use or disposal. Empty containers will be removed to Yellowknife.

1.2 Drilling areas restoration

At the end of the program 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 initially demobilized to the Hope Lake airstrip and then removed from the site.

At the completion of each hole the drill sites will be inspected for soil contamination. Any remaining waste will be taken to the staging area at the Hope Lake airstrip and incinerated (if possible) or flown out to an approved municipal discharge. Individual drill sites will be restored immediately after the drill has been moved to the next site. The restoration of the individual drill sites will include:

- Leveling of sumps
- Removal or treatment of oil contaminated soil
- Removal of all drill associated equipment and blocks
- Leveling of any disturbed soil

1.3 Documentation and Inspection

Photos of all individual drill sites prior to drilling will be taken. Monitoring will be done during occupancy and photos taken. Once the site restored, it will again be documented with photos. Soil contaminated by hydrocarbons and unnoticed before abandonment will be treated as per the spill contingency plan. A final site inspection visit with community representatives, Land Use Inspector and in collaboration with NWB staff will be organized by the permit holder.

Section 2: Seasonal Shutdown and Restoration Plan

2.1 Fuel and Chemical Storage Facilities

If the drilling program continues over a multi year period an inventory of remaining fuel will be made and full drums will be inspected and secured for the winter. Empty drums will be flown out to source. Empty propane cylinders will be flown out to source. Chemical stored on site will consists of drill additives, oil, and grease. All drill additives will be stored in secure areas at the Hope Lake airstrip for the winter. Empty containers will be disposed with regular garbage. The soil of the areas will be inspected for contamination

2.2 Drilling Equipment

The program will be temporarily shut down for the winter period. During this shut down the drills will be left in the field and winterized. All fuel, oil, and other related drilling

materials will be either secured at the drill or removed to a secure site at the Hope Lake airstrip.

2.3 Documentation

Materials left on site will be inventoried. Photos of storage sites prior to storage will be taken. Once the site secured for the winter, it will again be documented with photos.