NORTHQUEST LTD ABANDONMENT AND RESTORATION PLAN PISTOL BAY PROJECT, NUNAVUT

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Pistol Bay Project, Nunavut

Abandonment and Restoration Plan

1. Preamble

This Abandonment and Restoration Plan (A&R) is in effect until the expiry of Northquest's water licence and land use permit that are currently being applied for, and applies to the work areas planned for the Pistol Bay property. These work areas lie within the municipal boundary of Whale Cove and on crown land. Following a meeting between Northquest representatives and the Whale Cove Hamlet Council, Northquest Ltd received permission from the Hamlet Council to carry out planned activities.

Questions or concerns regarding this Plan can be directed to Dwayne Car, VP Exploration, Northquest Ltd at (705) 694-5777 or dwayne.car777@gmail.com.

2. Introduction

This (A&R) has been prepared for one temporary campsite and proposed diamond drilling on Northquest's Pistol Bay project. The campsite will be located at 62 21 05.2N, 92 45 19.7W. The site is located approximately 2 km west of an existing road that is capable of permitting standard vehicular travel.

The camp will consist of aluminum framed 14' by 16' tents on plywood floors and will accommodate up to 17 people.

Exploration based out of the camp will consist of prospecting and diamond drilling.

3. Background Information on the Campsite

The site is located on a wave-modified, flat-topped esker that was once used as part of an ATV trail network. The site is no longer used by ATV's because the Hamlet of Whale Cove recently completed a new road that is located 2 km west of the site. The new road allows two-wheel drive vehicles to travel from Whale Cove to the mouth of the Wilson River.

4. Schedule

The effective date of the plan is June 5, 2011.

The restoration of the camp will occur when the program has been completed and will be finished prior to expiration of the water licence, unless a renewal is applied for. Each drill site will be restored as soon as the drill is moved to a new location.

5. Infrastructure

Six 14' x 16' sleep tents
One 14' x 32' Weatherhaven kitchen tent
One 14' x 16' coreshack
One 14' x 16' dry
One 14' x 16' core cutting tent with generator

One 14' x 16' office tent

Two outhouses

One generator shack

One fuel cache with spill kit, located approximately 100 m from the main camp (drum fuel stored in 4 Insta-Berms)

One heli-pad

Spill response equipment located outside of coreshack

A satellite image and sketch map showing the location of the proposed campsite are attached.

6. Seasonal Shutdowns

Buildings and Contents

All canvas walls will be removed and stored in the winterized kitchen tent. All aluminum tent frames on wooden floors will remain on site. The generators will be stored in Whale Cove for the winter

Water System

The pump and hoses will be drained. All will be stored in the winterized kitchen tent for the winter.

Fuel and Chemical Storage

An inventory of fuel will be made at the end of each season and all drums will be inspected for possible leaks. The fuel will remain stored in the portable "Insta Berm" fuel berms. All empty drums and propane cylinders will be sent to Churchill, Manitoba.

Drill additives and unused salt will be stored in the winterized kitchen tent.

Waste

Combustible Waste

All combustible waste will be transferred to the Whale Cove dump for burning.

Non-Combustible Waste

All non-combustible waste will be transferred to the Whale Cove dump for disposal. It is anticipated that this waste will only consist of metallic materials such as cans and steel strapping and wire.

Grey Water Sumps

The sumps will be buried at the end of the season.

Black Water

The outhouse sumps will be buried at the end of the season.

Drill and Drill Sites

Prior to shutting down for the season, the drill and all ancillary equipment will be moved back to the main campsite. Some of the drill equipment will be flown to Churchill and some, such as drill rods, will be stored at the camp.

All drill sites will be inspected upon completion of each hole. All waste will be collected and sent to the Whale Cove dump site. All sumps will be filled in and casing will be cut off to ground level. Photographs of each drill sites before and after drilling will also be taken.

Contamination Clean Up

Any soil at camp or the drill sites that has been contaminated will be treated according to procedures outlined in the Fuel Spill Contingency Plan. The soil will be transferred to the Whale Cove dump site for incineration.

Inspection and Documentation

A complete inspection of all disturbed areas at the camp and drill sites will be conducted prior to seasonal closure of the project. A full inventory of equipment will be made. Photographs will be taken of the campsite after it has been winterized.

6. Final Abandonment and Restoration

Tents and Contents

All tents and structures will be dismantled and removed.

Equipment

All equipment including the diamond drill, pumps and generators will be removed from the project site.

Fuel Cache and Chemicals

All fuel drums and chemical containers will be removed from the site. All sites that contained fuel will be inspected and any contamination will be dealt with according to the Fuel Spill Contingency Plan. Final photos of the fuel cache site will be taken.

Sumps

All sumps will be inspected and backfilled. Final photos will be taken and forwarded to the NWB.

Camp Site

A final inspection will be made. Photos will be taken and forwarded to the NWB.

Core Storage

All drill core will be removed from the site.

Drill Sites

All drill sites will be inspected upon completion of each hole. All waste will be collected and transferred to the Whale Cove municipal dump site. All sumps will be backfilled. Each drill collar will be cut off to ground level. Photographs of each site will be taken and forwarded to the NWB.

Contamination Clean Up

Any contamination will be treated according to procedures laid down in the Fuel Spill Contingency Plan. Any contamination and subsequent clean up will be documented with photographs. All waste will be transferred to the Whale Cove municipal dump for incineration.

Inspection and Documentation

A complete inspection of all areas will be conducted prior to closure. Photographs will be taken for use in the final report. All appropriate agencies will be contacted upon final clean up.

7.0 Contact Numbers for Relevant Organizations

Whale Cove Hamlet Office - (867) 896-9961

Northquest Ltd - (416) 306-0202

NT - NU Spill Hot Line - (867) 920-8130

Henik Lake Adventures Ltd (owner of camp equipment) (867) 857-2978

Satellite Image Showing Location of Proposed Camp Intrastructure Pistol Bay Project

Northquest Camp at 62° 21'05" N 92° 45'20" W

Water

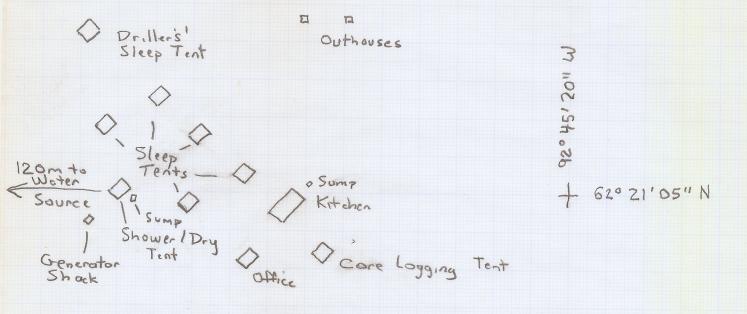
Sleep of Kitchen Logging Tent
Core Logging Tent
Tent

Wash Office & Fuel
Cache
C Helipad

366 m

Image © 2011 Digital C © 2011 Europa Techno © 2011 Google

183 m



O Eare Cutting Tent

Sketch Map Showing
Proposed Distribution of
Pistol Boy Camp Infrastructure

10 20m

Hell Pod /

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