

8. Description of Undertaking (Request for Amendment to Permit 2BE-PBP1115)

Northquest Ltd wishes to carry out diamond drilling at a new location during the summer of 2012.

The location is termed C7 and is located 6 km southwest of the Northquest base camp on land owned by the Municipality of Whale Cove. Drilling will be centered on 62 19 30N, 92 52 00W.

The C7 target was not evaluated with an archeological survey. However, I (Dwayne Car) was in charge of an Inco Ltd drilling program in the 1980's that completed 26 drill holes at C7, and I can confirm that we did not see any significant archeological sites during that program. The current planned drilling at C7 will be located at or near previously drilled holes. Therefore, there is no possibility of disturbing any undiscovered archeological sites. It is requested that Northquest Ltd be allowed to drill C7 without carrying out a formal archeological survey.

A second helicopter-portable diamond drill will be brought on-site to speed up the drilling process. Diamond drilling this new target as well as two other targets is expected to take 6 to 8 weeks during July, August, and September. Approximately 25 drill holes totaling 5000 m will be completed.

It is requested that allowable daily water consumption by diamond drilling, be increased from the current 85 cubic metres per day to 120 cubic metres per day. Water for all diamond drilling will be obtained from local small ponds.

The base camp will be enlarged by adding two new 14' by 16' sleep tents and one 14' by 16' core cutting tent. Camp water use will remain at 1 cubic metre per day.

The total number of personnel in camp will remain at approximately 17.

Additional equipment being brought into camp will consist of one electric core saw and one 15 kW gasoline generator.