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## **Summary**

The Pistol Bay Project (Project) is found near the Hamlet of Whale Cove in the Kivalliq Region of Nunavut on the west side of Hudson Bay. The claim group covering the project area extends from its eastern boundary approximately 14 km northwest of Whale Cove for some 85 km to the west-northwest. In 2011 Northquest began exploring on the property, which was previously explored by Inco. Nordgold through its Canadian subsidiary Northquest Ltd. is the 100% owner of the Pistol Bay Project. The company's Canadian office is in Toronto, ON.

Planned work will consist of prospecting, till sampling, geological mapping, ground geophysics and diamond drilling on land and on ice.

The Project consists of mineral claims on Commissioner's Land, on Crown Land and Kivalliq Inuit Association Owned surface land. Northquest currently hold a Nunavut Water Board (NWB) Class B water licence (2BE-PBP1115) which will expire July 22, 2020, an Aboriginal and Northern Affairs Canada (AANDC) Land Use Permit (N20ICC0007) which will expire July 20, 2021, and has an Agreement of Permission to Occupy from the Government of Nunavut (GN), Department of Community and Government Services which expires August 31, 2019. Northquest is currently applying for an extension and amendment to its Kivalliq Inuit Association (KIA) Land Use Permit KVL111B06 which expired in June 2016.

The Pistol Bay camp has been in place since 2011 and is owned by Henik Lake Adventures Ltd. of Arviat. Some of the 2016 structures are owned by Northquest. The camp, which will continue to be used in 2017, is located along the edge of a sandy esker 14 km northwest of the Whale Cove airport.

In 2016 it was determined that camp water use exceeded the allowable amount, and with more drill activity, drill water could also exceed the allowable amount. The purpose of the amendment application is to apply for the maximum allowable water usage to avoid exceeding the previously permitted limits.

It is planned that the upcoming (2017) exploration program will likely start in late June until late September depending on weather. The exploration crew will typically include up to 4 geologists, helicopter pilot and engineer, camp manager and assistant, cook/medic and assistant, two four-men drill crews plus a drill foreman, two geo-technicians two core splitters/geology assistants, two camp labourers/wildlife monitors and one drill site labourer, for a total of 26 persons in camp. Local hires from Whale Cove have been working on the project since 2011 and are generally employed as

wildlife monitors, camp assistants, core cutters, geological assistants and kitchen assistants. All local hires will work a two week rotation.

Groceries and fuel are purchased locally (Whale Cove and Rankin Inlet) and the company enjoys a good relationship with the Hamlet of Whale Cove. Consultation in 2016 included two meetings with the Whale Cove Municipal Council and additional meetings are planned prior to the planned 2107 camp opening .

The helicopter will be used for all drill moves and crew transfers and will be instructed to strictly avoid low level flights (with the exception of take off/landing and in case of emergency).