

NWB LICENCE No. 2BE-PBP1115 2014 REPORT OF ACTIVITIES

Dwayne Car, P.Geo January, 2015

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Water Licence 2BE-PBP1115 – Northquest Ltd

Executive Summary of Report on 2014 Activities

The Pistol Bay camp was opened up on the 27th of June. The camp is comprised of turn-key style Weatherhaven tents and a plywood kitchen. As a result, only a few hours of work were required to make the camp fully operational. The camp was in operation from June 27th to September 13th.

The number of personnel in camp reached a maximum of 22 during the busiest portion of the program. Personnel consisted of four geologists, one pilot, nine drillers, four bear monitors, two core cutters, and two kitchen staff. The bear monitors, core cutters and one kitchen staff member were hired from Whale Cove. A total of eighteen Whale Cove residents were used to fill these three positions.

An A-Star B2 helicopter chartered from Custom Helicopters was used to transport all drills and personnel during the program.

Diamond drilling by Top Rank Diamond Drilling occurred between July 17th and September 7th. Two additional drills were transported to Whale Cove in June. These are Discovery 2 drills, which are slightly larger than the Discovery 1 diamond drills that had been used during previous programs. One drill was used initially. On August 3rd, a second drill commenced work. During the 2014 drilling program, double-walled fuel tanks were used on the drills. Three holes were completed at the Sako target for a total of 470 metres. Two holes were completed at the Bazooka target, for a total of 296.0 metres. At the Vickers target, 13 holes were completed for a total of 3779.0 metres.

Upon completion of the 2014 program, one of the Discovery 1 drills was returned to Top Rank's base of operations in St Rose du Lac, Manitoba. The remaining Discovery 1 drill is stored at the Pistol Bay base camp, and the two Discovery 2 drills are stored at the Vickers location.

During the 2014 program, the F250 pick-up that was first used during 2013, was utilized to make trips to Whale Cove to deliver garbage and pick up groceries. As well, it was utilized to transport all locally hired employees during crew shift changes.

The camp drew drinking and wash water from a nearby pond. A total of 88.8 cubic metres of water were utilized during the 79 days of operation. Camp water consumption averaged 1.12 cubic metres per day.

The drilling operation drew water from three ponds and utilized 4924.4 cubic metres of water. The drills were operational for a total of 53 days and consumed an average of 92.9 cubic metres per day.

All non-hazardous waste including paper and cardboard was transported to the Whale Cove municipal dump by truck every few days during the program.

Two drums of waste oil were delivered to the Whale Cove airport and subsequently flown to Arviat for final disposal in the municipality's waste oil-fired furnace. Half a drum of used oil is currently stored at the base camp.

Used AA and D cell batteries were transported to Ontario by D. Car and disposed of.

100 bags of CaCl are stored inside one of the Weatherhaven tents. This tent is being used as a storage tent for the salt as well as other equipment.

A total of 50 drums of Jet A fuel and 20 drums of diesel fuel are currently stored at the base camp in the four fuel berms.

Twenty 100 lb cylinders of propane are currently stored at the base camp. A further 180 cylinders are temporarily stored at the Whale Cove airport.

All grey-water generated in camp was dumped into a sump containing three perforated drums and rocks within a pit dug in sand.

Sewage was contained in pits dug beneath the two outhouses.

No unauthorized discharges occurred in 2014. All drill sites were cleared of foreign debris.

No artesian flow occurrences were noted during the drilling.

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NWB Ann	ual Report		Year being reported: 20	Select ▼
License No:	2BE-PBP1115		Issued Date:	June 20, 2011
			Expiry Date:	June 30, 2015
	Project Name:	Pistol Bay		
	Licensee: North	quest Ltd		
	Mailing Address:	Suite 101 Toronto, ON M5C1N7	– 50 Richmon	nd St E
	Name of Company f	filing Annual F	Report (if differ	ent from Name of Licensee please
General B	ackground Information	n on the Proje	Ct (*optional):	
Licence R with		em 2	vide the follo	wing information in accodance
methods of		vage and grey		es, including, but not limited to: ement; drill waste management; solid
	Water Source(s): Water Quantity:	Ponds 1.0/day 88.8 120/day 4924.4	Actual C	y Allowable Domestic (cu.m) Quantity Used Domestic (cu.m) y Allowable Drilling (cu.m) uantity Used Drilling (cu.m)
	Waste Management : Solid Waste Disp Sewage Drill Waste Greywater Hazardous Other:	•	al	

	Additional Details:
A list of una	authorized discharges and a summary of follow-up actions taken.
	Spill No.: (as reported to the Spill Hot-line)
	Date of Spill:
	Date of Notification to an Inspector: Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)
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	Additional Details:
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Progressive	Reclamation Work Undertaken
	Additional Details (i.e., work completed and future works proposed)
Results of t	he Monitoring Program including:
	The GPS Co-ordinates (in degrees, minutes and seconds of latitude and longitude)
	of each location where sources of water are utilized;
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Any additional comments	or intorn	nation for the Board to consider	 ,
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Date Submitted:	Februar	ry 3, 2015	
Submitted/Prepared by:	Dwayne	e Car	
Contact Information:	Tel:	705-694-5777	
Contact information.		703-094-3777	
	Fax:		
	email:	dwayne.car777@gmail.com	
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GPS Coordinates for water sources utilized

		_atitude	9	Lo	ongitu	de
Source Description	Deg	Min	Sec	Deg	Min	Sec
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Camp Water	62	20	58	92	44	47
Source for BH's 14-01 to 03	62	19	0	92	43	21
Source for BH's 14-04, 05	62	21	41.6	93	04	50.4
Source for BH's 14-06 to 18	62	19	29.3	92	50	40.7

GPS Locations of areas of waste disposal

Location Description (type)	l	_atitude	9	Lo	ongitu	de
(type)	Deg	Min	Sec	Deg	Min	Sec
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Kitchen and Shower Sump	62	21	0	92	44	58
Outhouse Pits	62	21	1	92	45	1
BH 14-1 Sump	62	18	57.2	92	43	21.5
BH 14-2 Sump	62	19	01.5	92	43	49.8
BH 14-3 Sump	62	19	05.4	92	43	50.2
BH 14-4 Sump	62	21	34.2	93	04	30.3
BH 14-5 Sump	62	21	33.4	93	04	10
BH 14-6,7 Sump	62	19	31.7	92	50	50.7
BH 14-8 Sump	62	19	29.7	92	50	50.4
BH 14-9 Sump	62	19	32.0	92	50	47.5
BH 14-10,14 Sump	62	19	30.8	92	50	47.5
BH 14-11 Sump	62	19	31.5	92	50	44.0
BH 14-12 Sump	62	19	30.0	92	50	43.9
BH 14-13 Sump	62	19	28.3	92	50	44.0
BH 14-15, 17 Sump	62	19	29.0	92	50	47.8
BH 14-16 Sump	62	19	29.3	92	50	42.1
BH 14-18 Sump	62	19	30.5	92	50	37.3

Detailed Summary of Activities as per item 2 of PART B

Northquest Ltd's Pistol Bay camp was in operation from June 27th to September 13th. The diamond drilling program occurred between July 17th and September 7th.

2. a. The camp obtained drinking and wash water from a nearby pond and utilized 88.8 cubic metres during the 78 days of operation, averaging 1.1 cubic metres per day. Copies of the log recording daily use are provided in Appendix 1.

The drilling operation drew water from three separate ponds and utilized 4,924.4 cubic metres of water. One drill was operational for a total of 53 days and the second drill was operational for 34 days. During the 53 days of drilling, the daily water consumption averaged 92.9 cubic metres per day. Copies of the log recording daily use are provided in Appendix 1.

All non-hazardous waste, including paper and cardboard was transported to the Whale Cove municipal dump by truck every few days during the program. A copy of the log recording quantities of trash and dates of transport is provided in Appendix 2.

Two drums of waste oil were flown to Arviat in late 2014. The oil was burned in the municipality's waste oil furnace. Copies of the air waybill and ground transport invoice are provided in Appendix 2.

Used AA and D cell batteries were transported to Ontario by D. Car and disposed of.

One hundred 20 kg bags of CaCl are stored inside one of the Weatherhaven tents. This tent is being used as a storage tent for the salt as well as other equipment.

A total of 70 drums of fuel are currently stored at the base camp in the four fuel berms...

Twenty 100 lb cylinders of propane are currently stored at the base camp. An additional 180 cylinders are temporarily stored at the Whale Cove airport.

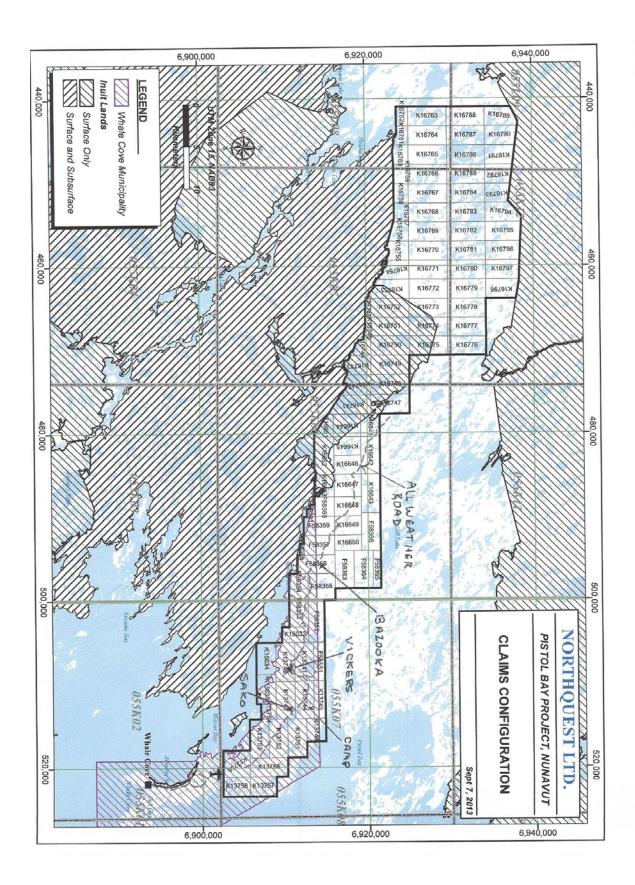
All grey-water was dumped into a sump containing three perforated drums and rocks within a pit dug in sand.

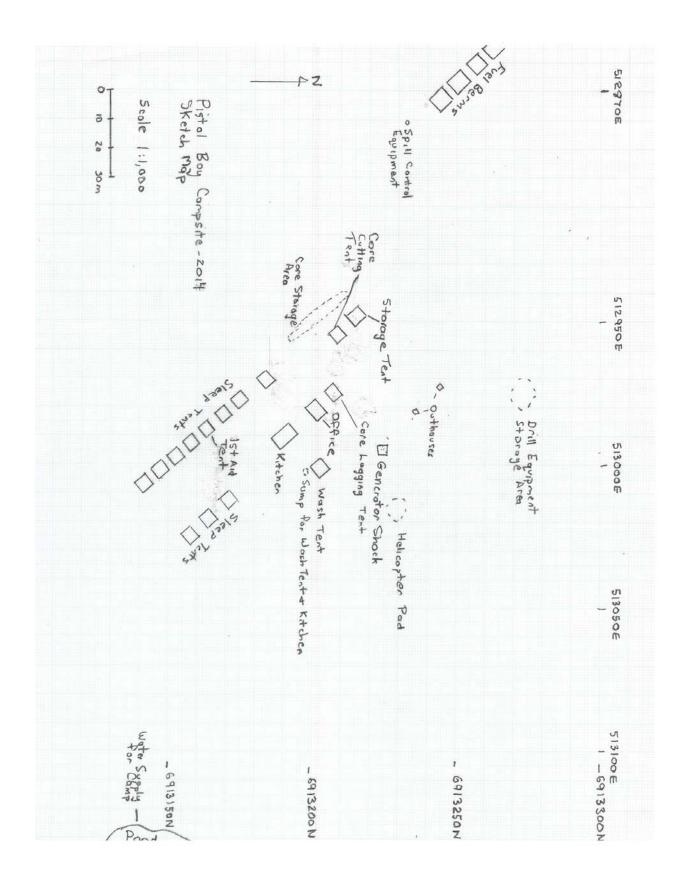
Sewage was contained in pits dug beneath the outhouses.

- **2. b**. No unauthorized discharges occurred in 2014. However
- **2. c**. There are no revisions to the Spill Contingency Plan and Abandonment and Restoration Plan.
- **2. d**. All drill sites were cleared of foreign debris. Photographs of the sites are provided in Appendix 4.
- **2. e.** No artesian flow occurrences were noted during the drilling.
- **2. f.** Significant perma-frost was encountered in holes PB-14- 1 to 18. This required the use of heated water for all drilling operations. The water was heated by two oil heaters that burn diesel fuel. Approximately 400 kg of CaCl were utilized during the drill program to produce brine for downhole tests.

- **2. g.** Monitoring was not requested. Therefore, no monitoring results are provided.
- **2. h.** During the 2013 inspection, the water board inspector requested that the following items be addressed: install filtered drains on the fuel berms, install a refueling berm at the helicopter pad, and utilize double-walled fuel tanks at the drill.

Four drains with filters were installed in 2013 and continued to be used during 2014. A refueling berm was used during all helicopter refueling. Double walled fuel tanks were used during the 2014 drill program.





APPENDIX 1 SCANNED IMAGES OF DAILY WATER USE RECORDS

2014 Water U
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July 3

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July 26 6234	Aug II	6795	8263
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APPENDIX 2

SCANNED IMAGE OF GARBAGE DISPOSAL RECORDS AND AIR WAYBILL/GROUND TRANSPORT OF WASTE OIL IN ARVIAT

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APPENDIX 3 PHOTOGRAPHS OF CAMP



Aerial View of the Pistol Bay Camp



Northquest's Pick Up in Camp, With Culvert Used to Construct Addition to Grey Water Sump in 2013



Fuel Storage Area at Pistol Bay Campsite



Refuelling Berm at Pistol Bay Camp



Water Pump with Fuel Catchment Tray at Pistol Bay Camp



Drill Equipment Storage Area at Pistol Bay Camp



Empty Drum Cache at Pistol Bay Camp



Waste Oil at Whale Cove Airport Prior to Shipment to Eskimo Point – Empty Drums are in Background

APPENDIX 4 PHOTOGRAPHS OF DRILL SITES AND WATER PUMP LOCATIONS



Typical Drill Set-Up during 2014



Double Walled Fuel Tank Used During 2014 Drilling Program



Location of Water Pump at Sako After Pump Was Removed



Collar of PB-14-01 at Sako After Drilling



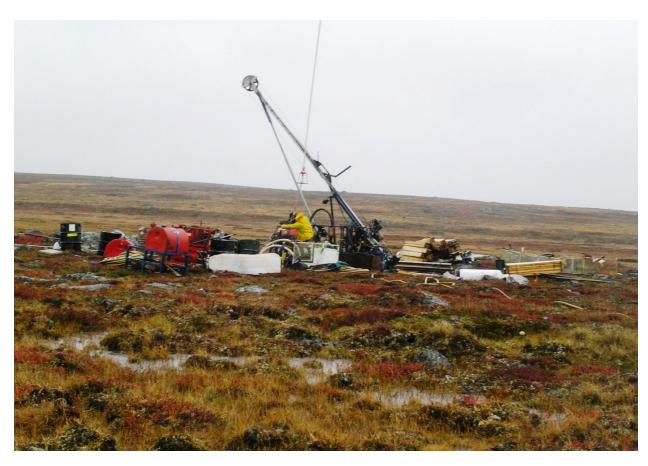
Collar of PB-14-02 at Sako After Drilling



Collar of PB-14-03 at Sako After Drilling



Location of Water Pump at Bazooka Target



Collar Location of PB-14-04 at Bazooka Before Drilling



Collar Location of PB-14-04 at Bazooka After Drilling



Collar of PB-14-05 at Bazooka Before Drilling



Collar of PB-14-05 at Bazooka After Drilling



Location of Water Pump for All Holes Drilled at Vickers



Collar Location of PB-14-06, 07 at Vickers Before Drilling



Collar of PB-14-06, 07 at Vickers After Drilling



Collar of PB-14-08 at Vickers Before Drilling



Collar of PB-14-08 at Vickers After Drilling



Collar of PB-14-09 at Vickers Before Drilling



Collar of PB-14-09 at Vickers After Drilling



Collar of PB-14-10, 14 at Vickers Before Drilling



Boreholes PB-14-10,14 Collar Locations After Drilling



Borehole PB-14-11 Collar Location Before Drilling



Borehole PB-14-11 Collar Location After Drilling



Borehole PB-14-12 Collar Location Before Drilling



Borehole PB-14-12 Collar Location After Drilling



Borehole PB-14-13 Collar Location After Drilling



Boreholes PB-14-15,17 Collar Locations After Drilling – Drill Stored On Site For the Winter



Borehole PB-14-16 Collar Location After Drilling



Borehole PB-14-18 Collar Location Before Drilling



Borehole PB-14-18 Collar Location After Drilling – Drill Stored On Site for the Winter