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Subject: KIA application
nwb2K0C0002

DE BEERS CANADA EXPLORATION
ROCKINGHORSE (KOAMAOGAKTOK) PROJECT DESCRIPTION

INTRODUCTION

De Beers Canada Exploration Inc. (DBCE - formerly Monopros Limited), a Canadian company with a regional office in Yellowknife, has prospected and explored for diamonds in the Rockinghorse Lake/Hood River area of the Slave Geological Province from the 1990s until the present day. DBCE would like to continue that activity, and by means of the accompanying application, requests continued permission to access the surface-rights Inuit-Owned Lands (IOLs) that lie on or within its exploration area - that being up to 38 claims within Inuit Parcel #CO-40 (cf. Map 1, Map 2 and Map 3). The DBCE base camp located at 65°58'48" (lat.) and 111°45'00" (long.) is within the IOL portion, or southeast corner, of the project area.

STATUS OF PERMITS AND AUTHORISATIONS

DBCE maintains an Indian and Northern Affairs (INAC) "Class A" Land Use Permit (#N20000021) for exploration on mineral claims it holds on Crown Land in the Kitikmeot ("Rockinghorse property") and a separate "Class 3" Land-Use Licence (#KTL399C026) issued by the Kitikmeot Inuit Association (KIA) on those claims which lie on Inuit surface-rights lands south of the IOL boundary. #KTL399C026 - valid between 01 March, 2000 and 28 February, 2002 - replaced KIA permit #I96C096, which expired on 09 October, 1999. In addition, DBCE holds an active water-use authorisation from the Nunavut Water Board (#NWB2ROC0002) in order to use water for camp domestic activities and for drilling. This NWB licence is valid until 01 November, 2002; DBCE will seek a new authorisation in advance of this date.

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In addition to exploration on our own claims (TAK 1 and the TL claims), DBCE also explores under an option agreement certain mineral claims within the same area held by Inmet Minerals; these claims (the TK and MOR claims) are collectively known as the "Hood River property" and are located entirely on Crown Land. In total, there currently are 120 active claims: 88 on the Rockinghorse property and 32 on the Hood River property.

PROPOSED ACTIVITIES AND THEIR NECESSITY

In order to determine if the claims area holds economic potential, active exploration comprised of surficial sediment sampling, airborne and ground geophysical surveying and exploratory drilling of numerous targets over a number of years is necessary; without this level of care and effort, the three kimberlites of interest - Troll (Crown land), Voyageur (Crown land) and Muskox (IOL) -- would not have been discovered. Without further prospecting and exploration, additional kimberlites cannot be discovered and the economics of the area remains unproven.

Furthermore, the remote location of the property, harsh weather conditions, a highly variable winter drilling season and short summers mean that many more field seasons are required to find and understand resources than would be required in southern Canada. Oftentimes, a claim life of 10 years is insufficient to "source" subtle mineral trains across a large claims area, and thus exploration may continue on claims after they are taken to lease. Class 3 Land-Use Licence #KTL399C026 authorises work on up to 38 claims on IOL; 10 of those claims will be surveyed in summer, 2002, by a Canada Land Surveyor and application will be made to the Crown to take the claims to lease. In addition, 32 surrounding claims which lie exclusively on Crown land also will be surveyed and taken to lease. The purpose of taking the claims to lease is so that exploration

The year 2000 programme is planned to commence in March and conclude in May, while sufficient ice cover remains. At seasonal closure, the Rockinghorse camp will be completely shut down and secured.

METHOD OF TRANSPORTATION

The drill, equipment, fuel drums and personnel will be moved from site to site by helicopter; it is expected that Great Slave Helicopters of Yellowknife will provide this service, as in the past. A single helicopter (Hughes 500D) will be based at the Rockinghorse camp and deployed to drillsites during the programme. Fixed-wing service will be required to mobilise, supply and demobilise the Rockinghorse camp and to transport core samples; it is expected that Air Tindi of Yellowknife will provide this service. A Twin Otter will be deployed on a regular basis.

Around camp, transportation will be by snowmobile; two Bravo snow machines will be flown into camp for this purpose.

As this is a fly-in drill programme, there are no viable alternatives to these modes of transportation.

CAMP AND STRUCTURES

The Rockinghorse camp (*see accompanying maps, application form and the Introduction to this document*) is a small fly-in tent camp located at the east end of a small, unnamed lake within claim TL 91. It consists of 13 structures: An office, kitchen, dry (for washing and laundry), storage tent, core shack, generator shed, lavatory/outhouse and seven sleep tents. The generator shed contains two Lombardini generators, of 16 and 20kw capacity. A bear fence is maintained around the campsite for safety; however, the camp is kept in a clean and tidy condition during operations, so as not to attract bears. A survival tent for weather-safety purposes is maintained in the vicinity of Muskox Lake southwest of camp.

FUEL STORAGE

A fuel storage area (drums of diesel and Jet-B fuel) is located within the camp and is sited the required distance from shore. There is no other fuel cache on the property. Current fuels on site are 150 drums of diesel (standard 200L size), 25 drums of Jet-B and 12 cylinders of propane (standard 100lb or 45kg size). It is anticipated that 50 additional drums each of diesel and Jet-B will be required and 20 additional cylinders of propane. Oils required for the generator and snow machines are stored in the generator shed. Oils and greases required in the drilling operation are stored and secured at drillsites. Spill kits and pads are present where fuel is transferred, and transfer is by means of hand wobble or electric pump.

POTABLE WATER, GREYWATER AND WASTES

Potable water is stored in the dry in a 1,136.5L (250gal) holding tank, supplied by self-insulated 5cm (2in) line. Greywater line is insulated within a plywood utilidor and outfalls to an authorised sump (1mX1mX1.5m) covered with a plywood top.

There are two Pacto toilets in the outhouse. Bagged toilet wastes are incinerated, as are all combustible wastes. Combustibles are burned in a diesel-fired incinerator (45gal/200L sized drum). Non-combustible garbage, including used oils and metal waste, is flown out.

POTENTIAL PROJECT IMPACTS

Potential impacts of this exploration project locally, regionally and to the hamlet of Kugluktuk approximately 220km away, are minimal. The closest "settlement" is Echo Bay's Lupin Mine, not currently in operation, which lies 25km from the southeastern edge of the property. Together, the camp and drillsites amount to only a few hectares, and the period of activity during any one year is limited. As per best practice, guided by the long-standing Monopros Environmental Policy, areas used are reclaimed when use ceases. In sampling, for example, overburden is replaced over hand-dug holes immediately after till is extracted, so that there is no chance that grazing animals, such as caribou, may trip and fall. In the case of drillholes, holes are grouted and the small amount of water and sediment and oil that collects on ice during lake-based drilling is soaked up with absorbent pads or heat-steamed. Cleanup materials are flown out and properly disposed of. Both the Rockinghorse camp and drillsites are regularly inspected by federal and KIA land use inspectors.

The health and wellbeing of wildlife is of great concern to Monopros in all our operations. If caribou enter an area where work is proceeding, all work will cease until the caribou move on. Although the project area offers limited esker habitat, Monopros is aware of the importance of this habitat to bears, wolves, foxes and prey mammals, and limits habitat disruption wherever possible. Favourable esker habitat is located further south, off the property, at the south end of Rockinghorse Lake.

In regard to heritage sites, there are no known archaeological sites on the property and no known deposits of carving stone.

SPILL CONTINGENCY PLAN

The Monopros spill contingency plan is contained within its Environmental Policy (see Appendix I); the plan is informed by our commitment to avoiding spills where possible, prompt action when spills occur and utmost concern for human health and safety, and the environment. The Monopros Environmental Policy is contained within an Environmental and Safety Policies and Procedures Guide, which is kept on site for reference by the Rockinghorse project manager and all staff and visitors, and has been made available to all regulators.

BENEFITS TO INUIT

In all its projects, Monopros hires locally to the extent possible. As the Rockinghorse project is still at the exploration stage, there are fewer opportunities for non-technical employment than with a more advanced project. Currently, it is planned that up to two individuals from Kugluktuk will be hired during the programme of March-May, 2000. Monopros also plans to visit Kugluktuk in advance of the programme to discuss what is planned. If and when the project expands, the opportunities for direct employment, service provision and other benefits also will expand. Whatever the project outcome, Monopros looks forward to a co-operative relationship with the citizens of the Kitikmeot.

DE BEERS CANADA EXPLORATION INC.
ROCKINGHORSE (KOAMAOGAKTOK) PROJECT SUMMARY

From the early 1990s until the present, De Beers Canada Exploration Inc. (DBCE -- formerly called Monopros Limited), a Canadian diamond exploration company, has prospected and explored in the Rockinghorse Lake/Hood River area from our regional office in Yellowknife. DBCE has held Land Use Permits and Inuit Land-Use Licences for mineral claims on both Crown land and Inuit-Owned Lands (IOLs) for the purpose of operating a fly-in base camp, conducting sediment sampling, air and ground surveying and core drilling of identified targets. Most of the claims (69%) lie north of the IOL boundary line, on Crown land; permission to operate on those lands was obtained from the Crown in 1994 and remains active. The remaining claims (31%) lie south of the IOL boundary, on Inuit surface-rights lands; a land-use licence to set up and maintain a base camp and explore on these lands was obtained in 1996. The current Rockinghorse claims lie in the following NTS and IOL areas: 76E, 76L, 86H, 86I and CO-05.

Class 3 Land-Use Licence #KTL399C026 authorises work on up to 38 claims on IOL; 10 of those claims will be surveyed in summer, 2002, by a Canada Land Surveyor and application will be made to the Crown to take the claims to lease. In addition, 32 surrounding claims which lie exclusively on Crown land also will be surveyed and taken to lease. The purpose of taking the claims to lease is so that exploration for and evaluation of resources may continue past the 10-year life of the claims.

DBCE would like permission to continue its exploration and evaluation activities under a new Inuit Land-Use Licence: That is the reason for our request and for this Project Summary.

The project - comprised of both early-stage and mid-stage exploration -- has progressed carefully and methodically over the life of the claims, just as was first described to the Kitikmeot Inuit Association (KIA) and hamlet of Kugluktuk in 1996; the project also has undergone screening by the Nunavut Impact Review Board (NIRB). DBCE plans to continue to explore for and evaluate diamond-bearing kimberlite deposits on this same mineral claimblock, and in doing so, intends to continue working co-operatively with the KIA and the people of the Kitikmeot. Consultation with our Regulators and Kitikmiutit has continued from 1996 until the present day.

What is proposed for the late winter-early spring of 2002 (March to May) is a diamond drill programme on Crown land to recover approximately 10t of material from the Troll kimberlite, located 16.2km northwest of camp, and a similar amount from the Voyageur kimberlite, located 11.2km northwest of camp. Small-diameter exploration drilling of up to 5 holes also may be carried out in the vicinity of the kimberlites, depending on ground survey results. No drilling will occur on the IOL portion of the property in 2002, but the drill programme will be supported from the base camp on Inuit land. Further geophysical surveying, prospecting, sampling and drilling (both exploration and evaluation) also may occur in 2003 and 2004, depending upon results. If budget permits in 2003, some delineation and evaluation drilling into the Muskox kimberlite on IOL may be carried out.

for and evaluation of resources may continue past the 10-year life of the claims.

In winter-early spring of 2002 (March to May), a diamond drill programme consisting of two LF-70 core rigs will be deployed concurrently to recover 10t each from the *Troll* and *Voyageur* kimberlites (PQ casing), after which one of the drills will be refitted for small-diameter NQ casing to drill up to 5 holes one small core rig drilling a maximum of 15 lake-based holes in five areas of the property is planned; all drilling will occur on Crown Land. No drilling is planned to occur on IOLs in the coming year. Either Midwest or Peak will be used as the drilling contractor, extracting NQ-sized core, which will be logged on site and flown out for analysis. A followup till sampling programme is scheduled for 2001 on selected areas of the property and further drilling in 2002, under a programme similar in scope to that of 2000.

DURATION OF PROJECT

As the Rockinghorse project is ongoing, the maximum length of time for land access is requested - that being two years (from 2000 to 2002), plus the option to extend the access for an additional year.

**DE BEERS KANATAMI NALVAAQHIUQTIT ILAUQATIGIIT
ROCKINGHORSE (KOAMAOGAKTOK) HAVAAGHAP UQAUHIRILLUANGIT**

Atulihaaqtillugu 1990s uvunga tajjamut, De Beers Kanatami Nalvaaghiuqtut Ilaugatiigiit (DBCE-kunnik taijauvaktut -- taijauvaghimajuugaluit Monopros Havagvianni), Kanatami qipligtunik ujaqqanik nalvaaghiuqtit havagviat, nalvaaghiughutiklu qiniqhiaplutiklu uvani Rockinghorse Tahiaanni/Hood Kuugaata ilanganni havagviptingni Yellowknife-mi. DBCE-kut pihimajaqaqpaktut Nunanik Aturnighakkut Angirutainnik ukuningalu Inuit Nunatigut-Aturnighakkut Laissighainnin tahapkuninga havivalungnit nanminirijagarnikkut Inuinnait-Nanminitigut Nunaannik (IOLs-kunnik taijauvaktut) havaarijaghamingnit tingmiakkut tingmiqattarvighaannik, halumailruniklu ihivriughivighaannik, tingmiakkullu nunakkuurnikkullu ihivriughivighaatigut talvalu ikuutarvighatigut naunaighinahuaarnighakkut. Nanminiirutighat amigaitqijaujut (69%-ngujut) tunuanni inmata IOL-kut nunaqarvigijaanni, uvani Kanataup nunarjuanganni; havagvigijumagumikku tahapkunani nunani pitaaghimajaat ukuninga Kanataup Nunarjualiqlijiannin uvani 1994-mi tajjalu huli havaarijauvaghutik. Ilakuujut nanminiqttaarutit (31%-ngujut) ittuq hivuraanni IOL-kut nunagijaanni, uvani Inuit maniqqatigut-pigijaanni nunani; nunatigut-aturnighakkut laissighaannik makipkaijumaplutiklu pihimajaqarumaplutiklu ihivriughiqattarumaplutiklu hapkunani nunani pitaaghimajaat uvani 1996-mi. Tajja Rockinghorse-kunni nanminirijaghaat ittut ukunani NTs-kullu IOL-kullu najugarijaanni: 76E, 76L, 86H, 86I uvanilu CO-05.

Ilagiingni 3 Nunatigut-Aturnighakkut Laissigijaanni #KTL399C026 angiqtauhimajut havaaghatigut 38-ngujunik nanminirijaujut IOL-kunni; 10-ngujut nanminirijaujut ihivriugtauniaqtut aujani, 2002, ukunatigut Kanatami Nunatigut Ihivriughijiannin talvalu ingiqtuutighamingnit ingiqturniaqtut ukununga Kanataup Nunarjualiqlijiannin tahapkuat nanminighat atuqtaujuhighaannik. Ilanganittauq, 32-ngujut nanminighat ittut uvani Kanataup Nunarjuanganni ihivriugtauniaqtullu atuqtaujuhallu pinahuarniaqtaat. Huurligaak nanminiirutighat atuqtaujuhighaat tahapkuat nalvaaghiurniriillu ihivriughiniillu ikajuutighatigut huli aturutighaat qaangirlugu 10-nik ukiunik havaarijaujuhighaannik haffumap nanminiirutip.

DBCE-kut angiqtaujumajut nalvaaghiuffaarnighakkullu ihivriughinighakkullu havaarijumajainnin uvani titiraqhimajuni Inuinnait Nunatigut-Aturnighakkut Laissiqtautannik: Tahama uvagut ingiqtuutigivaqqut talvalu haffumap Havaaghap Uqautigijauvut.

Una Havaaghaq - ilaqaghutik tamangnik pilihaarnikkut-pitquhianinlu akunngani-pitquhianinlu nalvaaghiurnikkut - hivumuurnikkut qajagiplugillu pittiaqtauplunilu pitquhianik haffumap nanminiirutip, uqautigilraarutaat uqauhiriplugu Kitikmeoni Inuit Katutjiqatigiinut (KIA-kunnik taijauvaktut) ukunungalu hamalatkuannut Kugluktum uvani 1996-mi; hamna havaaghaq takuurihimajaallu Nunavunmi Akhuurutaunin Ihivriughijiat Katutjiqatigiingit (NIRB-mik taijauvaktut). DBCE-kut tajja ihumajut nalvaahiurumaffaaghutik ihivriughijumaplutiklu ujaqqanik qipligtunik-piqagtut ujarakhiurnikkut haffuminga aajjikkutarijaannik maniqqamiuttanin nanminirijaujutigut ilaganni, atuqtauniarumik ilaa, havaqatigijumangmijai KIA-kut inuutaillu Kitikmeoni. Uqagatigiqattaghugit Maligaliuqtivut ukuallu Kitikmiuttat tajja huli atuqtauvaktut 1996-min ublumimun.

Aturumajaujut uvani nunguliqtumi ukiumi-atulihaaqtumi upinngakhaqqat 2002-mi (March-min May-mun) haffuminga qipligtumik ikuutarnikkut havaarijaujughat uvani Kanataup Nunarjuanganni pijumaffaagtaujut ahu 10t maniqqamiuttanin uvangat Troll ujarakhiurviannin, ittuq hamani 16.2km tunuani uataani tahaffumap initurlirijainni, uvanilu aajjikkutavjaani uvangat Voyageur ujarakhiurviannin, ittuq hamani 11.2km tunuani uataani tahaffumap initurlirijainni. Mikijuq-najugaujumik nalvaaghiurnikkut ikuutarlutik ahu tallimanik (5) putunik ikuutaqtauniarungnaqhijut tahamani ujarakhiurvianni,

naammagijaukpat ikuutarvigijaghaat. Ikuutaqtaulimaittut ukunani IOL-kut ilagijaanni talvani 2002-mi, talva kihimi havaarijaghaat havaktauvangniaqtut inigijaanni Inuinnaait nunaanni. Piffaarumajaat nunatigut ihivriughiniillu, nalvaaghiurniriillu, uktuutigijaallu ikuutarvigijaallu (tamangnik qiniqhianikkullu ihivriughinikkullu) ahu piniaqtaat uvani 2003-milu 2004-milu, uktuutigijait naunaijaqtautaarumik. Kiinaujat ajurnaitpata uvani 2003-mi, ilanginnik titiraqtaarlugillu ihivriugtaarumikkulu ikuutarniit uvani *Muskox* ujarakhiurvianni ukunani IOL-kut ahu havaarijauniaqgut.

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Appendix 10:	Preliminary Archaeological Inventory and Assessment of Mineral Exploration Area and Winter-Access Route, Rockinghorse Lake Area, Nunavut (INTERIM REPORT)