Bonito Capital Corporation

A wholly owned subsidiary of Mandalay Resources Corporation

Ulu Gold Project

Nunavut, Canada

Solid and Hazardous Waste Management Plan

March 2016

Bonito Capital Corporation Mandalay Resources Corporation 76 Richmond Street East, Suite 330 Toronto, Ontario M5C 1P1

Document Control

Revision No	Date	Details	
1.0	August 2011	Plan submitted to NWB	
2.0	March 2013	Plan updated to reflect comments received from intervenors	
		Plan approved under Water Licence 2BM-ULU1520	
3.0	March 2016	Updated to reflect new water licence	
		Updated contact and general information	
		Added document control table	
		Updated site history	
		Expanded on and moved description of possible use and disposal options for incinerator ash from Section 6.2 to 6.2	
		Added possible development of landfill for closure into Section 6.3	
		Updated reference section	

Executive Summary English

This Solid and Hazardous Waste Management Plan (Plan) has been prepared by Bonito Capital Corporation (BCC), a wholly owned subsidiary of Mandalay Resources Corporation (Mandalay) for the Ulu Exploration Project (Project) in accordance with its Water Licence 2BM-ULU1520 (Licence). The Project site is located in the Kitikmeot region of Nunavut approximately 12 km north of Hood River and 150 km north of Lupin Mine and has been in a state of care and maintenance since 2006.

Typical waste generated on site during project activities includes domestic and hazardous waste, and, in the event of a spill, contaminated soils. BCC will identify and segregate wastes into various streams. Each waste stream, with the exception of food waste, is stored in 205 litre drums in the incinerator facility, or in the equipment shop adjacent to the residential complex. Waste is backhauled to Yellowknife, NT on the weekly service flight. Where possible, BCC will divert waste streams through reduction, re-use and recycling measures.

Solid non-hazardous wastes are segregated into non-recyclable, recyclable, combustible, and non-combustible. Combustible inert solids including food scraps will be incinerated to prevent wildlife attraction. Non-combustible, inert solid wastes deemed unsuitable for incineration will be appropriately segregated, stored such that it is inaccessible to wildlife and shipped to a third party waste receiver in Yellowknife, NT. Clean non-hazardous incinerator ash may be re-useable for on-site reclamation activities. To the maximum extent possible, scrap metal and metal drums will be recycled.

Contaminated soils resulting from any accidental spills will be handled in accordance with the *Ulu Gold Project Spill Contingency Plan*. Potentially hazardous waste materials including batteries, antifreeze, solvents, products containing mercury, paint, oil, and aerosols, will be purchased, stored, labelled, and disposed in accordance with the waste specific details outlined in this Plan. Hazardous wastes will be sorted and temporarily stored on site in a designated area with secondary containment.

All wastes will be transported in accordance with applicable regulations specific to the waste stream with the appropriate documentation and manifests, and records of waste management activities will be maintained. BCC personnel responsible for the management of waste will receive appropriate training.

Executive Summary Inuktitut

Awaiting translation – to be provided as soon as possible

Executive Summary Inuinnaqtun

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1. Introduction

Bonito Capital Corporation (BCC), a wholly owned subsidiary of Mandalay Resources Corporation (Mandalay), has prepared this Waste Management Plan (the Plan) with respect to the requirements within Water Licence Number 2BM-ULU1520 (Water Licence). An annual review of the Plan takes place and revisions are submitted as necessary with the annual report in accordance with Part B(8,e) of the Water Licence. In addition, this Plan takes into consideration comments received from intervening parties regarding BCC's *Solid and Hazardous Waste Management Plan for the Ulu Gold Project*, dated March 2013 as stipulated in Part D(14) of the Water Licence.

The March 2013 plan was approved by the Nunavut Water Board (NWB) under Part D(13) of the Water Licence. The current Type B water licence 2BM-ULU1520 for the Ulu Gold Project (Ulu or the Ulu Project) is valid until May 12, 2020.

1.1.Background

Mandalay is a Canadian based company focused on producing assets in Australia, Chile and Sweden, a development project in Chile and the exploration and development of the past-producing Lupin gold mine and the Ulu gold project, both located in Nunavut, Canada.

Ulu has seen extensive exploration since its discovery in 1989. The Ulu site lease was purchased by Echo Bay Mines Ltd. from BHP in 1995 with the intent to develop the property into a satellite mine for additional feed to the Lupin mill. An underground development, diamond drilling and bulk sample program was conducted in 1996 and 1997 to provide infill geological information. Underground operations ceased in 1997 prior to the mine providing mill feed to Lupin. In 2002 Kinross Gold Corporation acquired the Ulu Project. Wolfden Resources Corporation purchased BCC and the Ulu Project from Kinross in 2004. Wolfden undertook surface exploration and environmental studies, widened the airstrip and reactivated the portal to access the underground workings. Since 2006 the project has been in care and maintenance (43-101 Technical Report, 2015).

1.2.Company Information

During the current period of care and maintenance the Site has changed ownership. In 2007, Zinifex purchased Wolfden. Zinifex merged with Oxiana Limited and formed OZ Minerals. The assets of OZ Minerals were purchased by China Minmetals resulting in OZ Minerals becoming MMG Resources Inc. . MMG subsequently sold BCC to Elgin Mining Inc. and Mandalay purchased BCC from Elgin in September 2014. WPC Resources Inc. has since entered into a non-binding letter of intent with Mandalay to acquire BCC.

Company: Bonito Capital Corp.

Project: Ulu Gold Project, Nunavut

Company Address: Suite 330, 76 Richmond Street East, Toronto, ON M5C 1P1

Telephone: 778-386-7340

Email: klewis@elginmining.com

Attention: Karyn Lewis, General Administration

Effective date: 31 March 2016

Distribution List:

Karyn Lewis General Administration

Discovery Mining Services Site Contractor

WPC Resources Corporation Exploration Operator

Additional copies of this Plan are available from General Administration. This Plan will be posted in key locations at the site, and all employees and contractors will be made aware of its contents.

1.3. Environmental and Sustainable Development Policy

Bonito Capital Corporation (BCC) is committed to maintaining a safe, clean, compliant and respectful work environment. BCC looks to our employees, contractors and managers to adopt and grow a culture of social responsibility and environmental excellence. Together we achieve this by:

- Promoting environmental stewardship in all tasks. Nothing is too important that it cannot be done in a clean and responsible manner. We strive towards maintaining a zero-incident work place.
- Recognizing that we have a shared responsibility as stewards of the environment in which we operate. We will not walk away from a non-compliant act.
- Identifying, managing and mitigating environmental, business and social risks in an open, honest and transparent manner.
- Planning our work so it is done in the cleanest possible manner and executing work according to plan.
- Continually improving environmental and operational performance by setting and reviewing achievable targets.
- Providing appropriate and necessary resources in the form of training, personnel and capital, including that required for closure planning and reclamation.
- Managing our materials and waste streams, maintaining a high degree of emergency response
 preparedness and minimizing our operational footprint to maintain environmental protection at
 all stages of project development.
- Procuring goods and services locally, where available, and favouring suppliers with environmentally and socially responsible business practices.
- Seeking to understand, learn from and mitigate the root causes of environmental incidents and near misses when they do occur.

- Employing systems and technology to achieve compliance, increase efficiency and promote industry best practices in development, operations and environmental stewardship.
- Working with stakeholders to identify and pursue opportunities for sustainable social and economic development and capacity building.
- Conducting early and ongoing stakeholder engagement relevant to the stage of project and mine development and operation.
- Recognizing diversity in the workplace and building meaningful relationships with all stakeholders in a timely, collaborative and transparent manner.

Through implementation of this policy, BCC seeks to earn the public's trust and be recognized as a respectful and conscientious employer, neighbor and environmental steward.

1.4. Purpose and Scope of Plan

This Plan is designed to provide the necessary background information for identification, segregation, handling and disposal of solid and hazardous waste generated at Ulu during project activities.

The objectives of the Plan are to:

- Provide a guidance for solid and hazardous waste management at Ulu; and
- Describe the responsibility and tasks involved with Waste Management.

1.5. Applicable Legislation and Guidelines

Waste management in Nunavut is regulated by the following:

- Nunavut Water and Nunavut Surface Rights Tribunal Act, SC 2002;
- Nunavut Public Health Act;
- Nunavut Environmental Protection Act;
- Federal Environmental Protection Act;

Hazardous waste management is further regulated by the following:

- Transportation of Dangerous Goods Act (TDGA) and Regulations (TDGR);
- Federal Interprovincial Movement of Hazardous Waste Regulations;
- Export and Import of Hazardous Waste and Hazardous Recyclable Material Regulations;
- International Air Transport Association (IATA);
- International Civil Aviation Organization Technical Instructions (ICAO);
- Occupational Health and Safety Regulations;
- National Fire Code;
- Work Site Hazardous Materials Information System Regulations (WHMIS); and
- Public Health Act.

The Plan was also prepared with consideration of the following guideline documents issued by the Government of Nunavut Department of Environment:

- Environmental Guideline for the Burning and Incineration of Solid Waste;
- Environmental Guideline for the General Management of Hazardous Waste;
- Environmental Guideline for Industrial Waste Discharges;
- Environmental Guideline for Waste Antifreeze;
- Environmental Guideline for Waste Batteries;
- Environmental Guideline for Waste Solvents;
- Disposal Guidelines for Fluorescent Lamp Tubes;
- Municipal Solid Wastes Suitable for Burning; and
- Guideline for the Management of Waste Lead and Lead Paint.

2. Project Information

2.1.Project Location

The Ulu Project is situated in the Kitikmeot Region, Nunavut, approximately 12 km north of Hood River and 150 km north of Lupin Mine. The geographic center of the property is 66° 54′27″ N / 110° 58′24W as shown in Figure 1: Ulu Project Location MapError! Reference source not found.

Figure 1: Ulu Project Location Map



2.2. Project and Site Description

The Ulu Project site is completely self-contained with the exception of the transportation requirements for materials/supplies and workforce mobilization. There are three (3) main location areas as shown in Figure 2:

- <u>Ulu Camp</u> which houses the residential complex consisting of Weatherhaven accommodations, vehicle repair shop, vehicle parking, power house, emergency generators, office and change rooms, fuel storage tank farm, freshwater system, sewage treatment plant and sewage line, incinerator, ore storage area, waste pad, mine portal, surface mine sump (retention pond), and access roads as shown in Figure 3;
- 2. Camp 3, which is comprised of fuel tank farm, explosives magazine, detonator magazine, quarry and borrow pit eskers; and
- 3. Airstrip

The site is accessible year round only by aircraft. Bulk items were brought on site via the winter road. During active exploration activity, all supplies are flown. Figure 3 shows the Ulu Camp Area Site plan.

Figure 2: Main Areas Ulu Site

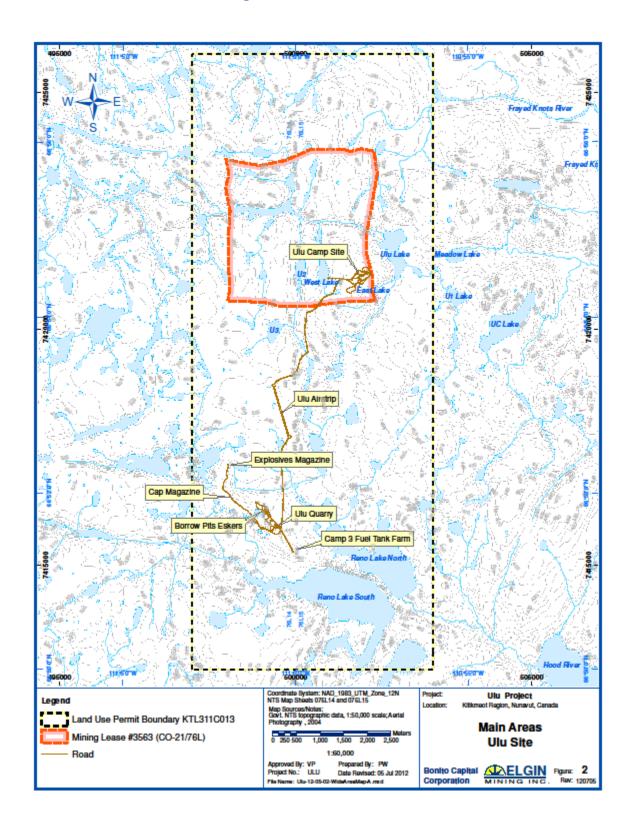
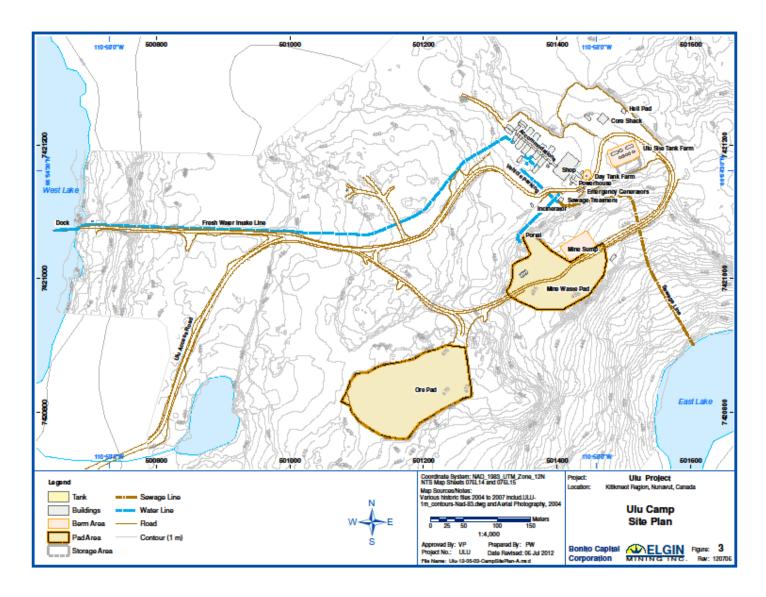


Figure 3: Ulu Camp Area Site Plan



3. Waste Identification

Typical waste generated on site during project activities includes domestic and hazardous waste, and, in the event of a spill, contaminated soils. In order to determine if a solid waste is a hazardous waste, the Ulu site shall:

- Refer to the MSDS for the material in question;
- Maintain an inventory of materials on site and their classification; and
- Review the materials inventory on an annual basis.

All wastes generated by BCC's activities will be classified and managed by appropriately trained personnel. Common knowledge can be used to determine that materials such as paper, untreated wood, concrete and food scraps are not hazardous wastes when disposed. BCC will retain documentation to substantiate the basis for its determinations that a solid waste is not a hazardous waste, in all but the most obvious situations (e.g. food scrap).

4. Waste Segregation

Following identification, waste is segregated at the source. This is an essential component of waste management as comingled wastes can result in the reclassification of waste streams, a change in handling and storage procedures and an increase in the cost of waste disposal. Waste streams are currently being segregated as follows:

Table 1: Waste Segregation

Potentially Hazardous		Non-Potentially Hazardous			
		Non-Re			
Non-Recyclable	Recyclable	Non-Combustible	Combustible	Recyclable	
Contaminated soil	Oil, fuel	Incinerator ash	Food scraps	Scrap metal	
Eluoroscont light	Antifreeze	All other non-	Untreated wood	Food and beverage	
Fluorescent light tubes		potentially		containers	
tubes		hazardous wastes			
-	Batteries	-	Paper products	Some plastic products	
			Light plastics not	-	
-	Remediated soil	-	treated with		
			chlorine		
-	Solvents	-	Natural textile fibers	-	

Each waste stream, with the exception of food waste, is stored in 205 litre drums in the incinerator facility, or in the equipment shop adjacent to the residential complex. Waste is backhauled to Yellowknife on the weekly service flight.

5. Waste Diversion

Where possible, waste diversion including reduction, re-use and recycling, will occur as follows:

<u>Reduce</u>

- Purchase only required amounts of materials;
- Purchase from vendors who will accept exchanges of used waste (i.e batteries) for new materials purchased
- Conduct periodic waste audit to inventory and study waste produced, identify costs of current management methods, and identify opportunities for further diverting waste;
- Protect materials from damage;
- Maintain equipment to reduce replacements;
- Substitute less hazardous materials where possible; and
- Select durable products to maximize useful life.

Reuse and Recycling

- Test items such as batteries to ensure they are spent before disposal;
- Return materials to the system following maintenance or repair where possible;
- Filter and/or use additives to replenish lost properties of material in order to extends useful life where possible;
- Engage in waste exchange programs; and
- Collect and return materials to the manufacturer where possible.

Where diversion is not an option, waste will be disposed of onsite facilities or shipped offsite to a third party waste receiver. The status and use of onsite facilities is discussed in Section 6.2 and 6.3.

6. Solid, Non-Hazardous Waste Management

6.1. Types of Waste

Solid non-hazardous wastes are segregated into non-recyclable, recyclable, combustible, and non-combustible as outlined in Table 1.

Combustible Inert Solids

Combustible inert solids outlined in Table 1 including food scraps will be incinerated in the facility described in Section 6.2 to prevent wildlife attraction.

Non-Combustible, Inert Solids

Non-combustible, inert solid wastes deemed unsuitable for incineration will be appropriately segregated, stored such that it is inaccessible to wildlife and shipped to a third party waste receiver in Yellowknife, NT. These wastes may include:

- Incinerator ash;
- Kitchen grease;
- Painted / treated wood;
- Drywall and ceiling tile;
- Insulation;
- Plumbing waste;
- Welding rods;
- Flooring;
- Electrical waste;
- Mechanical waste; and
- Filters (air, furnace, oil).

Hazardous waste is shipped to KBL Environmental, a licensed waste disposal facility in Yellowknife. Recyclable materials such as plastic and metals are returned to the appropriate facilities in Yellowknife.

Recyclables

To the maximum extent practical, all metal drums received on the property will be returned to the vendor, sent to a drum recycler, or recycled for scrap metal recovery. Otherwise, all empty metal drums shall be segregated and shipped to a third party waste receiver. Up to 50 drums will be retained at site to assist with spill management. To the maximum extent practical, scrap metal generated at the Ulu site shall be sold for metal recycling.

6.2.Incinerator Facility

There is an existing incinerator at site. However, this unit will require a detailed retrofit to upgrade to current specifications. BCC plans to install a new incinerator prior to the next exploration season. BCC plans to compile and submit the following as an addendum to this Plan for review and approval by the NWB. This plan will include:

- Incineration equipment specifications;
- Quantities of waste to be incinerated;
- Waste segregation protocol;
- Training procedures for site personnel working with the incinerator; and
- Reporting format.

Clean non-hazardous incinerator ash may be re-useable for on-site reclamation activities as a soil amendment. Analytical testing is required to determine if incinerator ash is appropriate for remedial use. Testing is also required to determine if the incinerator ash can be disposed of in a future onsite landfill.

6.3.Landfill Facility

BCC is not currently authorized to landfill waste at the Ulu project site. If future waste management planning requires on-site landfilling, BCC will prepare a Landfill Operations and Maintenance Plan including as-built drawings of any existing on-site facility and monitoring plans. Disposal of non-hazardous solid waste in an on-site landfill during closure is given consideration in the *Interim Closure and Reclamation Plan* (March 2016).

6.4.Transport

All non-hazardous wastes requiring transport off site must be stored in appropriate containers specific to the waste stream and properly secured to ensure that no leaks or spills occur during transport. Non-hazardous wastes will be shipped via aircraft when there is backhaul space on the weekly service flights.

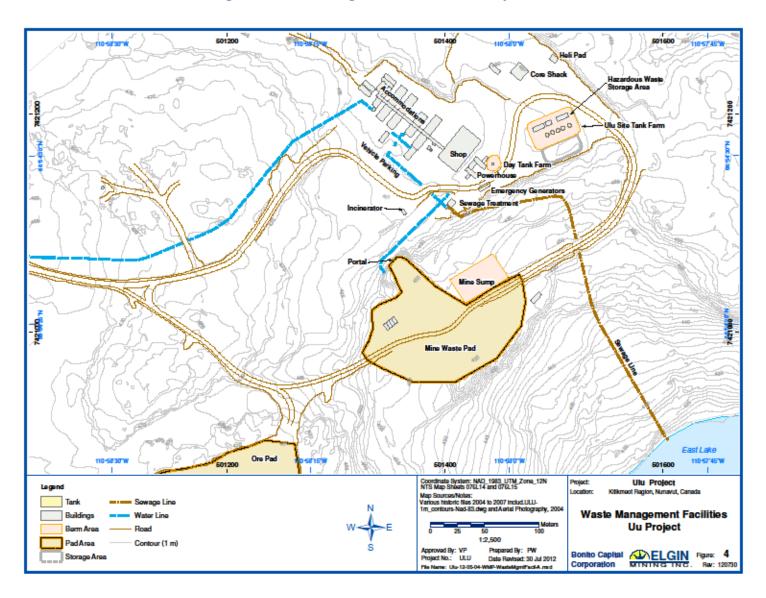
6.5.Documentation

To facilitate waste reduction initiatives, records of all waste shipped off site will be maintained including:

- Location where waste was generated;
- Type of waste;
- Volume of waste;
- Additional materials required (i.e Megabags, drums);
- Any other comments.

All non-hazardous waste requiring shipment off site must have a Bill of Lading accompany the shipment.

Figure 4: Waste Management Facilities, Ulu Project



7. Contaminated Soil Management

Spills will be handled in accordance with the Ulu Gold Project Spill Contingency Plan. All spills will be reported to the Nunavut 24 hour Spill Report Line at Tel: 867-920-813 and Fax: 867-873-6924.

7.1. Soils Contaminated with Petroleum Products

Soils contaminated from spills of petroleum products (including diesel, gasoline, oils, used oil, and grease) will be stored in drums. The drums will be temporarily stored within the Ulu camp tank farm containment area for secondary containment pending backhaul via large capacity aircraft to Yellowknife, NT for disposal and treatment at a licensed facility. If the extent of contamination warrants on site treatment, BCC will seek the required approval to construct and operate a landfarm.

7.2. Soils Contaminated with Solvents

Materials contaminated with solvents containing greater than 10% chlorinated and/or fluorinated hydrocarbons shall be excavated until there is no visible sign of contamination and disposed of as a hazardous material. Material contaminated with solvents other than those containing greater than 10% chlorinated and/or fluorinated hydrocarbons shall be excavated until there is no visible sign of contamination, and managed as petroleum-contaminated soil.

8. Hazardous Waste Management

8.1.Potentially Hazardous Waste Materials

8.1.1. Waste Batteries

Purchasing

To the extent practicable, lead acid and nickel cadmium batteries are to be purchased only from vendors who will accept exchanges of used batteries for new batteries purchased.

Storage

Waste batteries will be temporarily stored on site until sufficient volumes are collected for cost effective transport to a recycler or disposal facility. Waste batteries will be stored as follows:

- Only containers that are sound, sealable and not damaged or leaking will be used;
- Storage containers will be kept closed at all times;
- Spent batteries will be placed into a lined plywood box with a sound sealable lid;
- All fill ports and vents must be upward, the batteries cushioned and rendered incapable of sparking or short circuiting;
- All storage containers will be placed on wooden pallets to keep containers and batteries off the ground during storage and transport;
- Each container will be packed labeled according to the requirements of the WHMIS, relevant TDG and IATA requirements.

Labeling

Containers containing spent batteries must have a diamond shaped classification placard affixed to them and include one of the following TDG shipping labels depending upon the type of battery:

Shipping label: WASTE Batteries, Wet, Filled with Acid

Classification: 8

Product Identification Number: UN2794

Packing Group: III

Shipping label: WASTE Batteries, Wet, Filled with Alkali

Classification: 8

Product Identification Number: UN2795

Packing Group: III

Shipping label: WASTE Batteries, Wet, Non-Spillable

Classification: 8

Product Identification Number: UN2800

Packing Group: III Special Provision: 39

Shipping label: WASTE Batteries, Dry, Containing Potassium Hydroxide Solid

Classification: 8

Product Identification Number: UN3028

Packing Group: III

Shipping label: WASTE Lithium Batteries

Classification: 9

Product Identification Number: UN3090

Packing Group: II Special Provision: 34

Shipping label: WASTE Batteries Containing Sodium or WASTE Cells Containing Sodium

Classification: 4.3

Product Identification Number: UN3292

Packing Group: II

The words "This Side Up" will also be displayed on the top of the shipping package

Disposal

All waste batteries will be sent off-site with the goal of recycling to the maximum extent possible. Alkaline and carbon zinc batteries can be disposed with household garbage, while all other types can be recycled.

8.1.2. Waste Antifreeze

Storage

Waste antifreeze will be temporarily stored on site until sufficient volumes are collected for cost effective transport to a recycler or disposal facility. Waste antifreeze will be stored as follows:

- When possible, re-use the original container, containers manufactured for the purpose or bulked into good quality 16 gauge (or lower) steel or plastic 205 L drums;
- Use only containers that are sound, sealable and not damaged or leaking; and
- Containers will be clearly labelled according to the WHMIS, relevant TDG and IATA requirements.
- Never mix waste antifreeze with another waste (i.e. solvent, used oil, waste fuel);
- Small quantities should never be stored in used food containers (i.e. bottles and cans).

Labeling

Containers containing waste antifreeze must have diamond shaped classification placard affixed to them and include the following TDG shipping labels:

Shipping label Waste Poisonous Liquids, N.O.S.

Subsidiary Name: Ethylene glycol mixture, or Propylene glycol mixture

P.I.N.: UN2810 Classification: 6.1, 9.2 Packing Group II, 111 Special Provisions 102,109

A package orientation label will also be displayed on the container.

Disposal

Bulk waste antifreeze will be shipped off site to a registered recycling facility. Antifreeze containers that have been emptied to the greatest extent possible will be sent off site for landfill disposal. The emptied containers will be rendered unusable by puncturing or crushing prior to disposal to prevent their reuse.

8.1.3. Waste Solvents

Storage

Waste solvent will be temporarily stored on site until sufficient volumes are collected for cost effective transport to a recycler or disposal facility. Waste solvent will be stored as follows:

- Re-use original containers, where possible, or bulk waste solvent into containers manufactured
 for the purpose of containing solvents into good quality 16 gauge or lower steel or plastic 205 L
 drums;
- Use containers that are sound, sealable and not damaged or leaking;
- Containers will be clearly labeled according to the requirements of the WHMIS, the relevant TDG and IATA requirements;
- Small quantities of solvent should never be stored in used food containers (i.e. bottles and cans);
- Keep away from sources of ignition;

Labeling

Containers containing waste solvent must have diamond shaped classification placard affixed to them and include the following TDG shipping labels:

Shipping label WASTE Flammable Liquid, N.O.S.

Classification: 3 Product Identification Number: UN1993

Packing Group: I, II or III Special Provision: 16

A package orientation label will also be displayed on the container.

Chlorinated, bromated and other halogenated organic solvents must be identified by their specific shipping name.

<u>Disposal</u>

Bulk waste solvent will be shipped off site to a registered recycling facility. Small volumes of waste solvent (i.e. less than one cup) can be disposed of by allowing the liquid to evaporate.

Solvent containers that have been emptied to the greatest extent possible will be sent off site for landfill disposal. The emptied containers will be rendered unusable by puncturing or crushing prior to disposal to prevent their reuse.

8.1.4. Waste Products Containing Mercury

Storage

Waste products containing mercury (i.e. fluorescent lamp tubes) will be temporarily stored on site until sufficient volumes are collected for cost effective transport to a disposal facility. Waste products will be stored as follows:

- Unbroken, spent fluorescent lamp tubes will be stored in their original shipping boxes and special care will be taken to avoid crushing of the lamps;
- Broken fluorescent lamp tubes will be stored in sound, sealable, undamaged and not leaking containers such as a good quality 16 gauge or lower gauge metal or plastic 205 L drum;
- The containers will be sealed or closed at all times;
- Wooden pallets will be used to keep the containers off the ground during storage and transport;
- Containers will be clearly labeled according to the requirements of the WHMIS, the relevant TDG and IATA requirements.

Labeling

Containers containing mercury containing products must have a diamond shaped classification placard affixed to them and include the following TDG shipping label:

Shipping label WASTE Mercury

Classification: 8

Product Identification Number: UN2809

Packing Group: III

Disposal

Waste products containing mercury will be shipped off site to an approved hazardous waste disposal facility.

8.1.5. Waste Paint

Storage

Waste paint will be temporarily stored on site until sufficient volumes are collected for cost effective transport to a recycler or disposal facility. Waste paint will be stored as follows:

- When possible, re-use the original container, containers manufactured for the purpose or bulked into good quality 16 gauge (or lower) steel or plastic 205 L drums;
- Use only containers that are sound, sealable and not damaged or leaking;
- Containers will be clearly labelled according to the WHMIS, relevant TDG and IATA requirements; and
- Keep away from sources of ignition.

Labeling

Containers of waste alkyd, oil-based, or other special paint coatings must have a diamond shaped classification placard affixed to them and include the following TDG shipping label:

Shipping label: WASTE Paint (or WASTE Paint Related Materials)

Classification: 3

Product Identification Number: UN1263

Packing Group: I, II or III Special Provision: 59 and 83

Shipping label: WASTE Paint (or WASTE Paint Related Materials)

Classification: 8

Product Identification Number: UN3066 Packing Group: II or III Special Provision: 59

Containers of waste latex, acrylic, and other water based paints will include the following shipping label:

Shipping label: Waste Paint

Disposal

Small quantities of waste paint and paint accessories will be allowed to dry out thoroughly in well

ventilated locations with care taken to prevent contact of waste with people and wildlife. Dried out waste

paint can be shipped off site for landfill disposal.

Bulk liquid waste will be shipped off site to either a paint recycler or for disposal at an approved hazardous

waste facility.

8.1.6. Waste Oil

<u>Storage</u>

Waste oil will be temporarily stored on site until sufficient volumes are collected for cost effective

transport to a recycler or disposal facility. Waste oil will be stored as follows:

• When possible, re-use the original container, containers manufactured for the purpose or

bulked into good quality 16 gauge (or lower) steel or plastic 205 L drums;

Use only containers that are sound, sealable and not damaged or leaking; and

Containers will be clearly labelled according to the WHMIS, relevant TDG and IATA

requirements.

Labeling

Waste oil containers will be labeled as follows:

Shipping label:

WASTE OIL

Disposal

Bulk waste oil will be shipped off site to an approved recycling or disposal facility.

8.1.7. Waste Aerosols

Storage

Waste aerosols will be temporarily stored on site until sufficient volumes are collected for cost effective

transport to a recycler or disposal facility. Waste aerosols will be stored as follows:

Cans will be punctured and drained if possible;

• Cans will be stored in drums;

Containers will be kept sealed and closed at all times; and

Containers will be clearly labelled according to the WHMIS, relevant TDG and IATA

requirements.

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Labeling

Waste aerosol containers will be labeled as follows:

Shipping label: Aerosols, Flammable

Class 2

Disposal

Waste aerosols will be shipped off site to an approved facility for recycling or disposal.

8.2. Hazardous Waste Storage

Hazardous wastes are temporarily stored on site pending transport to an approved hazardous waste treatment/ disposal facility off-site when there is backhaul space on the weekly service flights.

BCC plans to construct a lined cell exclusively for hazardous waste storage. In the interim, fuel related hazardous wastes are temporarily stored within the Ulu camp tank farm containment area for secondary containment. Small quantities of other compatible hazardous wastes are bulked into 16 gauge or equivalent metal or plastic 205 litre (45 gallon) drums for the purpose of secondary containment and stored in an empty sea can for security and protection. For example; waste glycol in a sealed 20 litre pail would be the primary containment. It will then be placed inside a steel and/or plastic 205 litre drum, which is sealed. This is the secondary containment.

Wastes are temporarily stored in accordance with the following procedures:

- The person in charge of the facility and storage area is trained in the TDG, WHMIS, and IATA for packaging, storage and shipping procedures for hazardous wastes.
- All persons interacting with hazardous wastes are required to wear the appropriate Personal Protective Equipment (PPE);
- Regular inspections are performed and recorded;
- Containers are placed so that each container can be inspected for signs of leaks or deterioration;
- All hazardous wastes are stored in a location that provides the maximum amount of safety for site personnel and protection of the environment;
- Incompatible chemical wastes are not packaged or stored together;
- All hazardous wastes are stored on-site for the shortest practical length of time and in a manner that prevents release to the environment;
- Containers sized appropriately and are composed of appropriate non-reactive material;
- Efforts are made not to contaminate the outside of the container during filling. Containers and packages with visible signs of external contamination will not be used in the storage or transport of hazardous wastes;
- All container and package lids are secured tightly;
- All approved containers and packages are structurally capable of withstanding the aggregate weight of all containers within the package;

- All containers are properly packaged. All containers other than 4 or 10 L plastic containers, 20 L
 pails, or 205 L drums must be enclosed in a package with sufficient appropriate packing material
 to ensure that the container(s) will not be damaged during transport;
- Leaking or deteriorated containers are removed as soon as practical and their contents transferred to a sound container;
- Records are maintained of the type and amount of waste in storage;
- The storage facility is equipped with emergency response equipment appropriate for the type and volume of materials stored within (i.e. spill kit, appropriate type of fire extinguisher, etc.);
- All waste containers and packages are properly labeled according to the appropriate WHMIS, MSDS and/or federal TDG Regulations.

8.3.Transport

The transport of potentially hazardous wastes by aircraft must conform to the IATA, TDGR and ICAO Technical Instructions for classification, packaging, labelling and manifesting depending upon the mode of transport.

Prior to shipping, all containers will be inspected to ensure that they are sound, securely covered, and clearly labeled.

Hazardous waste generators, carriers and receivers must be registered with the Government of Nunavut Department of Environment. BCC is registered as a hazardous waste generator (NUG 100049).

8.4.Manifests

The TDG and IATA require that a completed hazardous waste manifest form accompany each shipment of hazardous waste. The Federal Government also requires completion of the Interprovincial Movement of Hazardous Waste manifests for all hazardous waste shipments being transported out of the province or territory where it was generated. Manifests are available from the Government of Nunavut Environmental Protection Service and are completed prior to the off-site shipment of any hazardous wastes. The completed manifest form includes:

- Detailed information on the types and amounts of hazardous waste being shipped;
- A record of the generator, carriers and receivers involved in the shipment; and
- Information on the storage, treatment or disposal of the waste and confirmation that they reached their intended final destination.

The manifest form must be signed by one of the following BCC personnel prior to shipment:

- Site Manager;
- Purchaser; or
- Designee.

The transporter must sign and date the manifest upon accepting the waste for shipment. The returned copy of the manifest with the handwritten signature of the owner or operator of the recycling or disposal facility will be retained on site for at least three (3) years.

In addition, the IATA requires that all shipments of hazardous wastes tendered to air carriers be accompanied by the IATA Shipper's Declaration of Dangerous Goods. A BCC representative (Site Manager, Purchaser, or Designee) will complete the form in accordance with IATA requirements and ensure all packaging, placards and labeling is consistent with the product being transported.

8.5. Record Keeping and Reporting

At a minimum the following records are kept on file:

- Test results, waste analysis or other determinations made in evaluating whether wastes are hazardous;
- Facility inspection reports;
- Types, amounts, location and containers of wastes in storage;
- Types and amounts of waste transported;
- MSDS sheets for all types of waste on site;
- Signed manifests;
- Agreements with local police, fire, hospitals or emergency response teams, emergency response
 contractors, and with the local health department, as appropriate, for the types of hazardous
 wastes handled at the Ulu site and the potential need for the services of these agencies.

9. Training

At a minimum BCC personnel responsible for the management of waste will receive training in the following areas:

- Incinerator Training;
- Workplace Hazardous Material Information System (WHMIS);
- Transportation of Dangerous Goods (TDG); and
- International Air Transport Association (IATA).

10. Roles and Responsibilities

Table 2: Role and Responsibilities

Position	Responsibility
	Inspect facilities
Site Manager	 Ensure supplies and resources are available
	for waste management activities
Manager of Environment	 Review and update Waste Management Plan
Manager of Environment	 Audit waste handling records
	 Complete shipping documents
	 Maintain shipping records
	 Receive and file disposal records
Trained waste management personnel	 Track waste generation volumes
Trailled waste management personner	 Package waste in accordance with applicable
	regulations
	 Assist all employees and contractors with
	waste storage and packaging

11. References

Government of Nunavut, Department of Environment, Environmental Guidelines. Source: http://env.gov.nu.ca/programareas/environmentprotection/legislation

Letter from P. Smith, Environment Canada, to P. Beaulieu, NWB, Re: 2BM-ULU0914 Waste Management Plan D13, dated September 23, 2011.

Letter and Technical Review Memorandum from I. Parsons, Aboriginal Affairs and Northern Development Canada, to P. Beaulieu, NWB, Re: 2BM-ULU0914 – Waste Management Plan - Ulu Mine Site – Elgin Mining Ltd., dated September 30, 2011

Letter and Technical Review Memorandum from J. Allen, Aboriginal Affairs and Northern Development Canada, to P. Beaulieu, NWB, Re: 2BM-ULU – Bonito Capital Corporation – Ulu Gold Project – Renewal Application, dated August 22, 2014

National Instrument 43-101 Technical Report prepared by Buena Tierra Developments Ltd, North Face Software Ltd. and Giroux Consultants Ltd., *Technical Report on the Ulu Gold Property Nunavut, Canada*, effective date April 14, 2015 as amended July 10, 2015.