

Abandonment and Restoration Plan

Iqaluit Hydro-electric Project 2013 Field Programs

Prepared by Qulliq Energy Corporation, November 1, 2012

Introduction

Qulliq Energy Corporation (QEC) is planning to carry out geotechnical drilling and environmental baseline study programs in 2013 at its two hydro-electric sites: Jaynes Inlet and Armshow South (Figure 1). The following provides a brief description of the program and the measures the company will undertake to close out the temporary facilities planned to be used during the field program.

Project Description

The field program will involve the following activities:

- The establishment of an emergency shelter near the proposed dam location at Armshow South and two emergency shelters at Jaynes Inlet (one each at the upper lake and powerhouse) in March 2013
- Conducting on ice geotechnical drilling using a diamond drill at the dam locations for each project in April 2013, staging the program out of Iqaluit using helicopter
- The use of two snowmobiles during the April program
- The establishment of a temporary 20-person tent camp in late June 2013, equipped with a greywater sump, incinerating toilets and an incinerator for food wastes
- Land-based geotechnical drilling and the excavation of shallow hand excavated test pits from early July to the end of September
- The use of all-terrain vehicles (ATVs) during the summer field program
- Conducting field aquatic and terrestrial baseline studies

The program is expected to conclude by the end of September 2013. It is possible that an additional supplemental field program may be carried out in 2014.

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At the end of September 2013, QEC will make a decision to either initiate complete abandonment and restoration of the field sites at that time, or carry out partial abandonment activities with the intent of resuming field work again in 2014.

Partial abandonment, if undertaken, will consist of the following:

- The tent camp will be dismantled and returned to Iqaluit for storage
- The drill will be dismantled and returned to Iqaluit
- All fuel drums will be removed to Iqaluit for storage (full drums) or disposal (empty drums)
- Drillholes and testpits will be backfilled with cuttings
- Excavated sumps for greywater or drilling fluid disposal will be backfilled

The following equipment will be left behind in a secure manner if partial abandonment is completed:

- Wooden tent platforms for the summer camp
- Emergency shelters
- Snowmobiles and/or ATVs

If the field program successfully reached its conclusion as planned, then complete abandonment and restoration will be undertaken with the above equipment and materials also removed from site. Final reclamation will include a walk-over of the investigation and camp areas and removal of any waste or soils affected by minor fuel spills, and repair of any major rutting or other erosion inadvertently created by ATVs or drilling.