

N2015C0014
2016 INAC LAND USE ANNUAL REPORT

FOR THE ASTON BAY PROPERTY
(ALSO KNOWN AS THE STORM PROPERTY)
NUNAVUT, CANADA

Prepared For:

Aston Bay Holdings Ltd.
303-80 Richmond St. W
Toronto, ON M5H 2A4

Prepared By:

APEX Geoscience Ltd.
110-8429 24th St. NW
Edmonton, AB T6P 1L3

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1 Summary

INAC Land Use Permit Number: **N2015C0014**

NWB License Number: **2BE-STO1520**

Work Completed: Diamond Drilling, Borehole Geophysics, Soil Sampling, Prospecting, Mineral Claim Staking

Dates Work Completed: June 20, 2016 to August 20, 2016

Property Location: NTS 058C10, C11, C13, and C14; Somerset Island, Nunavut, Canada

Storm Camp Location: 73°39'23" N latitude; 94°27'07" W longitude

2 Introduction

In 2016 Aston Bay Holding Ltd. (“Aston Bay”) completed a joint exploration program at the Aston Bay Property (the “Property”), also known as the Storm Property, with a wholly owned Canadian subsidiary of BHP Billiton Ltd. (“BHP Billiton”).

The Aston Bay Property is located on northern Somerset Island, Nunavut in the Canadian Arctic Archipelago (Figure 1). The nearest community is the hamlet of Resolute Bay, located 112 km north of the Property, on Cornwallis Island. The Property is approximately 1,500 km northwest of Iqaluit, the capital of Nunavut, and about 1,500 km northeast of Yellowknife, Northwest Territories. The Aston Bay Property includes the Seal Zinc prospect and multiple copper-silver showings, collectively known as the Storm Copper prospect.

The 2016 Aston Bay Property exploration program comprised diamond drilling, borehole geophysical surveys, historical drill core logging, prospecting, soil geochemical sampling and mineral claim staking. All exploration activities were helicopter supported and based out of a seasonal exploration camp known as Storm Camp, located along the Aston River at approximately 73°39'23" N latitude and 94°27'07" W longitude. The program was completed between June 20 and August 20, 2016, including mobilization and demobilization of camp.

The 2016 Aston Bay Property exploration program was conducted in accordance with the Indigenous and Northern Affairs Canada (“INAC”) Land Use Permit N2015C0014, and Nunavut Water Board (“NWB”) Water License 2BE-STO1520, both issued to Aston Bay. A water license inspection was conducted on July 8, 2016 (Appendix 5).

3 Land Use Area Description and Location

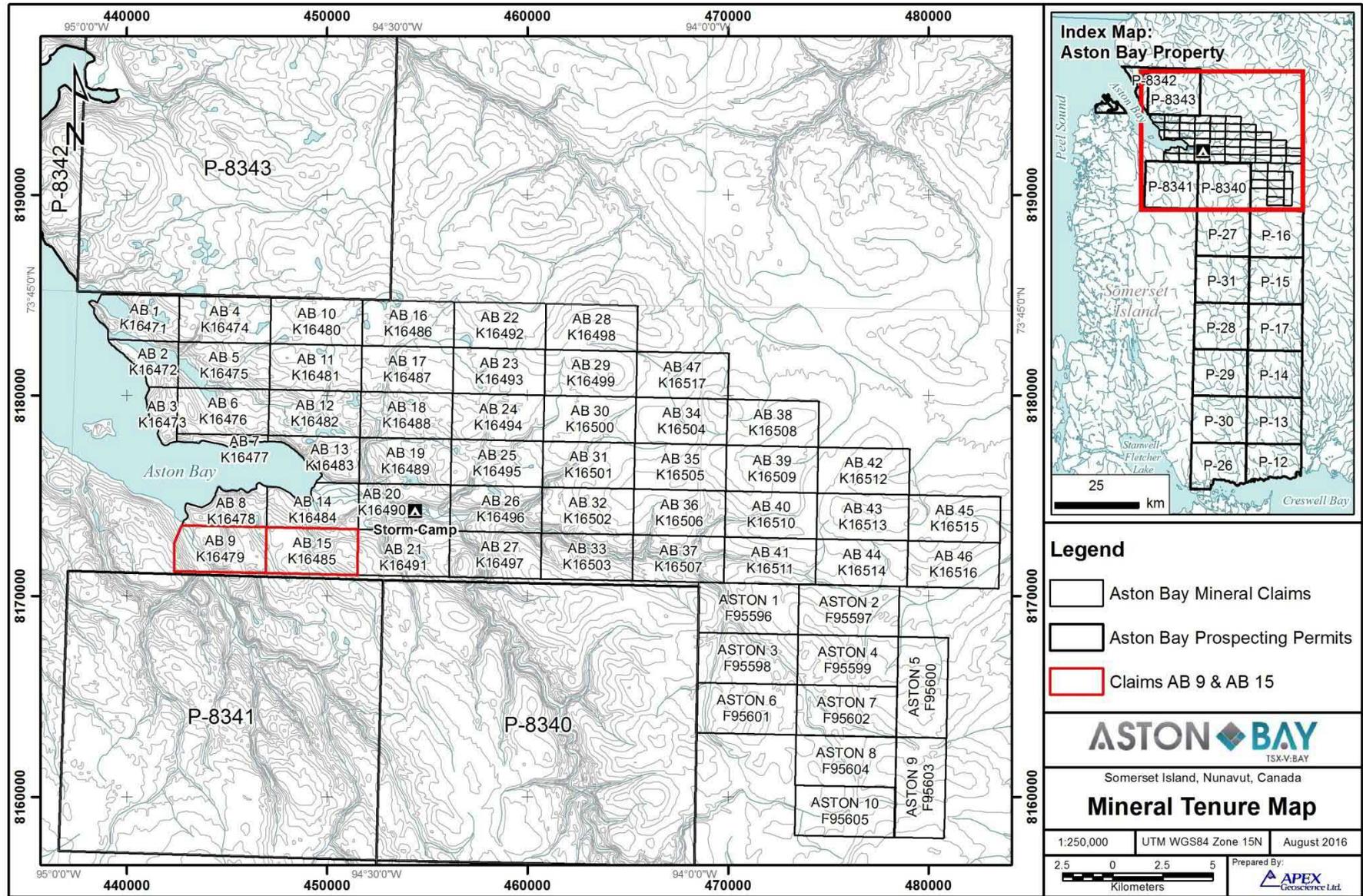
The Aston Bay Property is situated in the Qikiqtaaluk Region of Nunavut, within the 1:50,000 scale NTS (National Topographic System) map sheets 058B14 and 15, and 058C02, 03, 06, 07, 10, 11, 13 and 14. The Property comprises fifty seven contiguous mineral claims numbered AB 1 to AB 47 and ASTON 1 to ASTON 10, and sixteen prospecting permits numbered P-8340 to P-8343, P-12 to P-17 and P-26 to P-31 (Appendix 1, Figure 2). The mineral claims and prospecting permits are 100% owned by Aston Bay. A total of 77 new mineral claims were staked in 2016 on behalf of Aston Bay, mainly within prospecting permits P-8340, P-8341, P-8342 and P-8343.

The Aston Bay Property covers a combined area of approximately 976,357.1 acres (395,118.0 ha). The Property is bound by latitudes 72°45' N and 73°52.5' N, and longitudes 93°30' W and 95°30' W, and is centred at approximately 73°20' N latitude and 94°30' W longitude.

Figure 1 Aston Bay Property Location



Figure 2 Aston Bay Property Mineral Tenure Map



4 2016 Exploration

4.1 Introduction

The 2016 Aston Bay Property exploration program comprised diamond drilling, borehole geophysical surveys, historical drill core logging, prospecting and soil geochemical sampling. The 2016 drilling was completed by Geotech Drilling Services Ltd. (“Geotech”) of Prince George, BC. Initial Exploration Services Inc. (“IES”) of Vancouver, BC was contracted to conduct the borehole geophysical surveys. Personnel from APEX Geoscience Ltd. (“APEX”) of Edmonton, AB, were retained to complete the sampling and prospecting programs.

All field activities during the 2016 program were helicopter supported and based out of a temporary exploration camp known as Storm Camp, located along the Aston River at approximately 73°39’23” N latitude and 94°27’07” W longitude (Figures 2 and 3). A BK 117 850 D2 twin engine helicopter and an Astar 350 B3 were contracted from Great Slave Helicopters Ltd. (“GSH”) of Yellowknife, NT, for personnel movement and long line support, respectively. A fixed wing Twin Otter aircraft based in Resolute Bay, NU was chartered from Kenn Borek Air Ltd. (“Kenn Borek”) of Calgary, AB, for the duration of the program. Camp services and logistical support was provided by 1984 Enterprises Inc. (“1984”) of Vancouver, BC, Atco Structures & Logistics (“Atco”) of Resolute Bay, NU, Canadian Arctic Holidays Ltd. (“CAH”) of Alcouve, QC, and Discovery Mining Services Ltd. (“DMS”) of Yellowknife, NT.

The 2016 exploration program was completed between June 20 and August 20, 2016, including mobilization and demobilization of camp. A notice of commencement for the 2016 program was sent to the INAC Engineer at landsmining@aandc.gc.ca, and to the INAC Manager of Land Administration, Resource Management officer and Water Resources Officer on June 16, 2016. A notice of commencement and safety plan was sent to the Workers Safety and Compensation Commission (WSCC) Chief Inspector of Mines and Nunavut Mines Inspector on June 15, 2016. Permission for the work program was granted by the WSCC on June 16, 2016.

4.2 Diamond Drilling & Borehole Geophysics

Twelve diamond drill holes, totaling approximately 1950 metres, were completed during the 2016 program (Table 1). Drilling was completed at the 2750N, 3600N and 4100N zones at the Storm Prospect, and at the Tornado and Hurricane targets. All drilling was completed within claims AB 32, AB 36, AB 37 and ASTON 1, and prospecting permit P-27 (Figure 4). Down-hole time-domain electromagnetic surveys were conducted on holes STOR1601D through to STOR1608D. The drill program was completed between July 6 and August 14, 2016, excluding mobilization and demobilization of the drill.

Figure 3 Storm Camp and Airstrip Locations

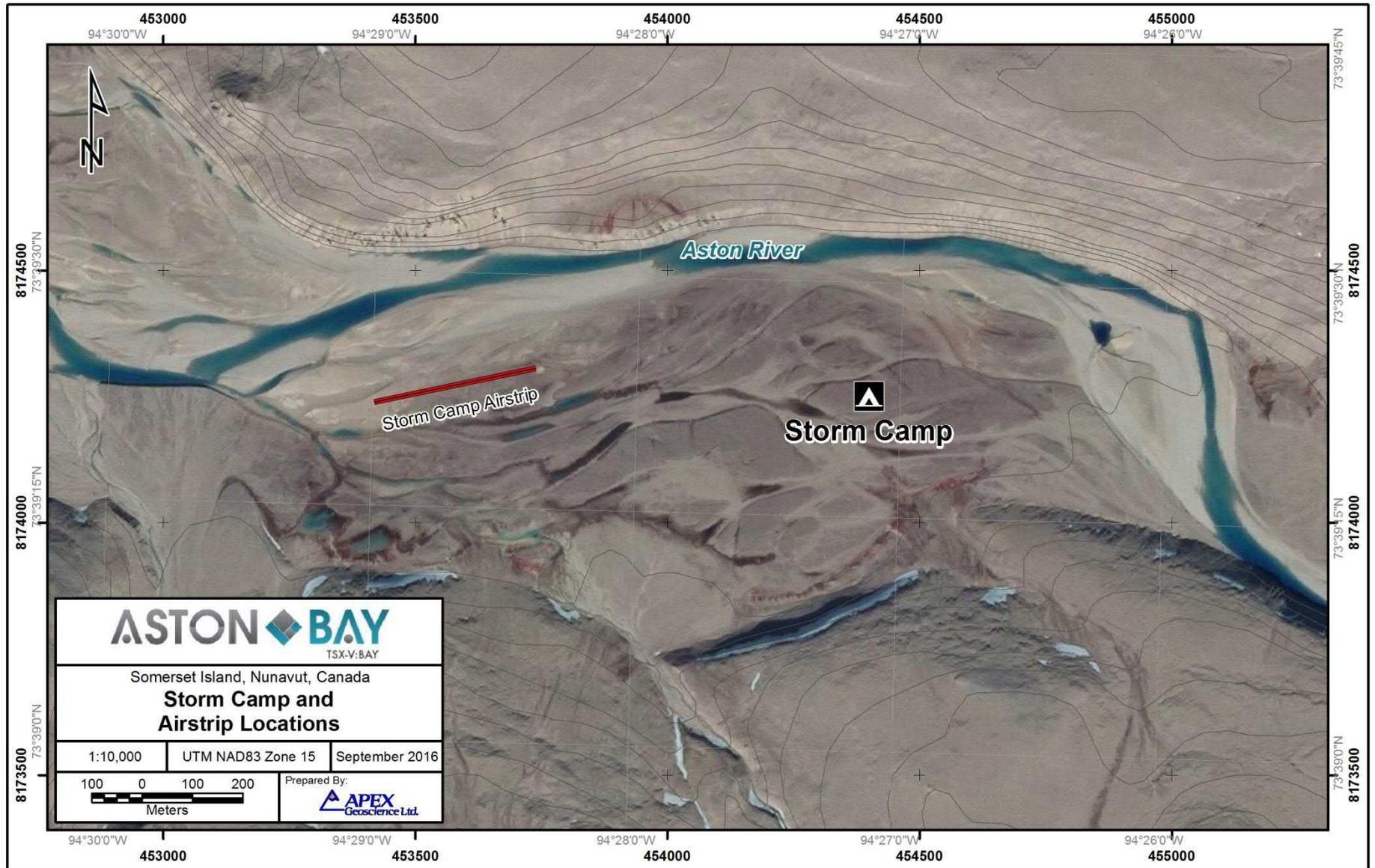


Table 1 2016 Drill Hole Locations & Depths

Hole ID	Target Area	Latitude	Longitude	Easting (WGS84)	Northing (WGS84)	Hole Depth (m)
STOR1601D	4100N	73° 39' 30.395" N	94° 5' 40.699" W	465624	8174249	149.7
STOR1602D	4100N	73° 39' 33.210" N	94° 6' 25.940" W	465231	8174343	123.4
STOR1603D	STORM	73° 39' 16.527" N	94° 4' 19.791" W	466322	8173806	179
STOR1604D	4100N	73° 39' 40.928" N	94° 8' 14.810" W	464286	8174600	122
STOR1605D	HURRICANE	73° 18' 51.124" N	94° 0' 11.590" W	467850	8135800	200
STOR1606D	HURRICANE	73° 16' 1.233" N	94° 1' 43.093" W	466945	8130550	279
STOR1607D	HURRICANE	73° 18' 16.810" N	94° 0' 26.093" W	467703	8134739	159
STOR1608D	4100N	73° 39' 32.827" N	94° 5' 41.545" W	465618	8174324	179
STOR1609D	3600N	73° 39' 12.140" N	94° 10' 25.013" W	463133	8173730	125
STOR1610D	TORNADO	73° 37' 31.422" N	93° 55' 30.205" W	470892	8170472	180
STOR1611D	TORNADO	73° 37' 33.754" N	93° 54' 58.524" W	471170	8170540	108
STOR1612D	2750N	73° 38' 48.958" N	94° 3' 49.048" W	466575	8172947	147
					Total:	1951.1

4.3 Prospecting & Soil Sampling

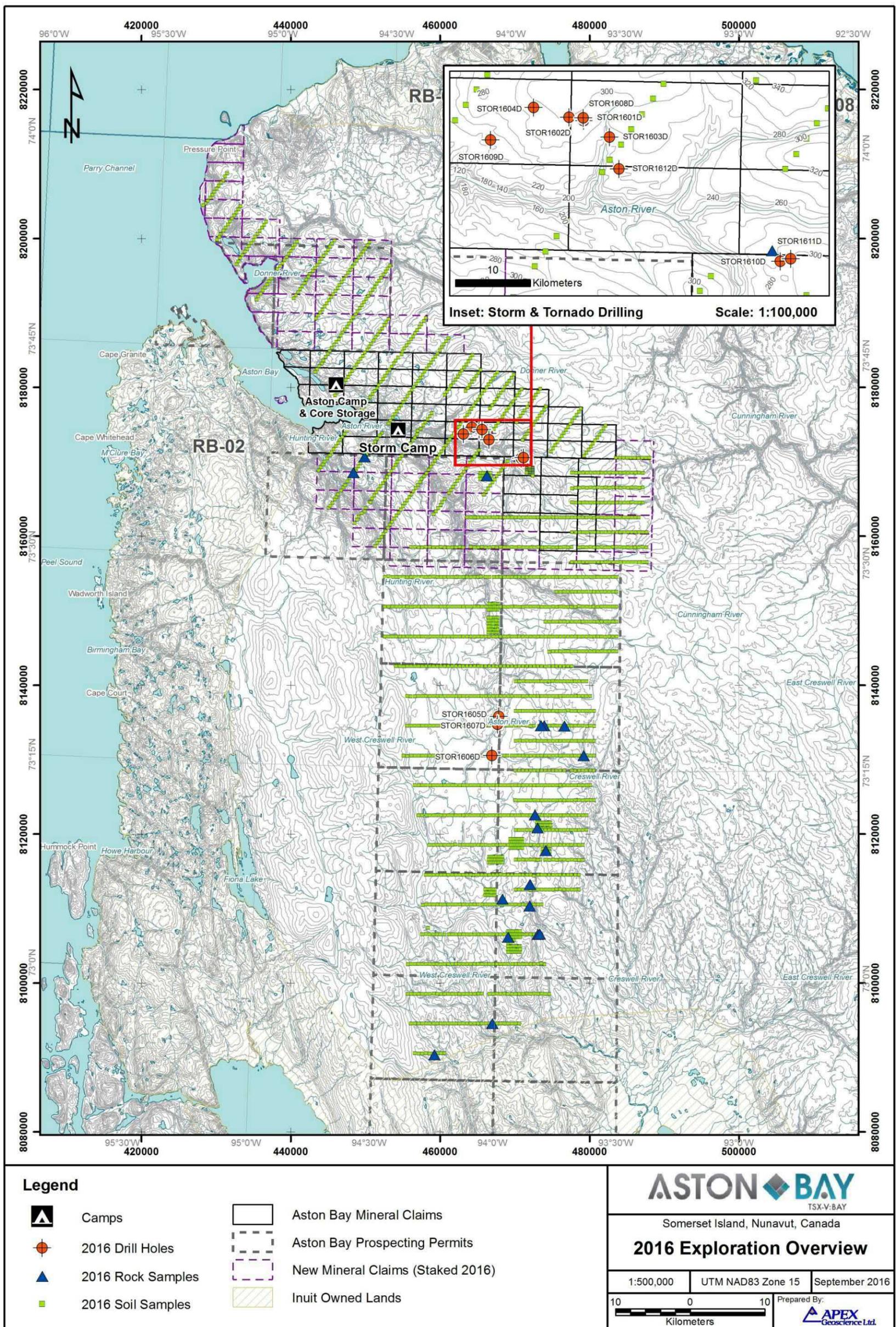
A total of 2005 soil samples and 21 rock samples were collected during the 2016 Aston Bay Property exploration program (Figure 4). The soil samples were collected on a regional grid covering the majority of the Property. Soil lines were oriented east-west (090°) or northeast-southwest (235°) with a line spacing of 4 km and a sample spacing of 500m. Line length varied from 5 to 32 km. Several detail grids were also completed with a line spacing of 500 m and a sample spacing of 100 to 200 m. The 4 km spaced lines were designed as a systematic regional prospecting and data gathering exercise whereas the detailed grids were completed to follow up on previously identified targets or anomalies. Several infill lines were also completed toward the end of the program based on preliminary XRF anomalies from the regional program. The infill lines consisted of about 20 samples each spaced 500 m apart. Rock samples were collected when any promising mineralization or alteration were encountered.

The prospecting and sampling program was completed between July 2 and August 13, 2016.

4.4 Mineral Claim Staking

A total of 77 new mineral claims, totaling 91,104.4 hectares, were staked during the 2016 program on behalf of Aston Bay, mainly within prospecting permits P-8340, P-8341, P-8342 and P-8343, which are set to expire on January 31, 2017 (Figure 4). The staking program was completed between June 25 and July 2, 2016.

Figure 4 2016 Exploration Overview



5 Personnel

All personnel associated with the 2016 exploration program are listed in Appendix 2.

6 Land Use Considerations

6.1 Camp & Waste

All field activities during the 2016 program were helicopter supported and based out of a temporary exploration camp known as Storm Camp, located along the Aston River at approximately 73°39'23" N latitude and 94°27'07" W longitude (Figure 4). The camp site is located on an elevated gravel bar in the river valley, and includes an airstrip suitable for landing a Twin Otter. A staging area was established at the east end of the airstrip, approximately 600 metres west of Storm Camp (Figure 3).

The camp equipment was mobilized from Yellowknife to Resolute Bay ahead of the program by chartered 737 and was shuttled to site by Twin Otter during June 2016. Most of the lumber was delivered prior to the arrival of the camp construction crew on June 20. Between June 20 and July 1, the remainder of the camp supplies was delivered to site.

Twenty six structures were constructed for the 2016 program, including two offices, core shack, helicopter tent, medical tent, kitchen, men's dry, women's dry, drillers' dry, storage shack, generator shack, pacto toilet shack and 13 sleepers. The majority of the structures were insulated Weatherport or Weatherhaven tents with plywood floors. An electrified bear fence was erected around camp as a wildlife deterrent. Tables 2 and 3 list the structures and equipment used during the 2016 program. Storm Camp photos are included in Appendix 3.

Table 2 Storm Camp Structures during Operations (2016)

Quantity	Item
1	16'x32' insulated Weatherhaven/Weatherport tent on plywood flooring to serve as a kitchen. Includes plywood kitchen counters, sink, plumbing, tables, chairs, etc.
1	16'x16' insulated Weatherhaven/Weatherport tent on plywood flooring to serve as a water tank and storage tent. Includes shelving, plumbing, etc.
10	14'x16' insulated Weatherhaven/Weatherport tents on plywood flooring to serve as sleeper tents. Includes plywood beds, tables, chairs etc.
3	14'x16' insulated Weatherhaven/Weatherport tents on plywood flooring to serve as dries. Includes shower stalls, sink, plumbing, etc.
3	14'x16' insulated Weatherhaven/Weatherport tents on plywood flooring to serve as offices, rec tent and first aid tent. Includes tables, chairs, etc.

Quantity	Item
1	12'x20' plywood latrine shack. Includes 5 pacto toilets.
1	10'x16' plywood storage shack
1	10'x12' plywood generator shack. Includes exhaust piping, etc.
4	14'x14' Polar Chief tents (no floors) to serve as sleeper tents
2	14'x16' canvas tents with aluminum frames (no floors) to serve as core shack and helicopter storage tent.

Table 3 Storm Camp Equipment during Operations (2016)

Quantity	Item
2	Water tanks (500gal & 250gal)
2	Hot water tanks
2	Water supply pumps (1 backup) with fish screen and hose line
2	Water pressure pumps (1 backup)
1	25 kVA diesel generator
1	15 kVA diesel generator (backup)
1	Electrified bear fence
1	Batch feed dual-chamber controlled air incinerator
4	Refrigerators
3	Chest freezers
3	Cooking stoves
3	Washing machines
2	Dryers
18	Toyotomi heating stoves
2	Oil drip stoves
5	Pacto toilets
6	Containment berms for fuel cache
20	Mini berms for tent drums and fuel transfer
2	Satellite communication systems
	Heavy electrical cables and panel boxes
	Various lumber (stacked by generator shack)
	Various office, camp and medical supplies

All tent skins and frames, Toyotomi heating stoves, wiring harnesses, pressure pumps, pacto toilets, communications equipment and a variety of other smaller items were dismantled and removed at the end of the program. Tent floors were left in place for future use. Drums, sandbags and other heavy items were used to weigh down the floors. Any remaining equipment was stored inside or secured to the outside of the hard-sided shacks. All remaining lumber was stacked at the east end of camp for future use. Tables 4 and 5 list the remaining structures and equipment at the close of the season on August 20, 2016. Camp closure photos are included in Appendix 3.

Table 4 Storm Camp Remaining Structures (August 20, 2016)

Quantity	Item
1	16'x32' plywood tent floor (kitchen) Includes plywood kitchen counters, tables
1	16'x16' plywood tent floor (water tank tent)
16	14'x16' plywood tent floor (offices, dries, sleepers) Includes plywood beds, tables, barrel stands
1	12'x20' plywood latrine shack (pacto toilets removed)
1	10'x16' plywood storage shack
1	10'x12' plywood generator shack (generators removed)

Table 5 Storm Camp Remaining Equipment (August 20, 2016)

Quantity	Item
2	Water tanks (500gal & 250gal)
2	Hot water tanks
1	Water supply pump with fish screen and hose line
4	Refrigerators
3	Chest freezers
3	Cooking stoves
3	Washing machines
2	Dryers
2	Oil drip stoves
1	Containment berms for fuel cache
	Various lumber (stacked by generator shack)
	Various office, camp and medical supplies

Camp water was drawn from the Aston River for cooking and cleaning. Drinking water was flown in from Resolute Bay in 5 gallon jugs. A total of 66.72 m³ of water was drawn from the Aston River for camp use between July 1 and August 15, 2016, averaging 1.45 m³ per day. During this time, running water, laundry and showers were available in camp. Water was drawn from the river using a 5.5 HP gas powered trash pump. The pump intake hose was equipped with a screen to ensure fish were not entrained. Water was pumped to camp through standard red drill hose. No fuel was stored at the pump site. Water volumes were measured using markings on the water storage tanks at 25 gallon increments. The pumped volumes were recorded in a log daily by the camp foreman (Appendix 4).

Prior to July 1 and after August 15 (during mob/demob), the camp water tanks were empty and the water jugs were used for all camp purposes. No showers or running water was available during mob/demob.

Grey water from the kitchen and each dry was piped to excavated sumps behind the buildings and over 100 m from the nearest water body. A grease trap was used for the kitchen sump. The trap was emptied as needed and the contents were sealed in 5 gal pails and removed from site for disposal. No leaks or overflows were observed in any of the sumps.

All combustible waste was incinerated on site using a batch feed dual-chamber controlled air incinerator. Any residual waste (ash) was sealed in 205L drums and backhauled to Resolute Bay for proper disposal. All non-combustible and hazardous wastes were sealed in appropriate containers and backhauled to Resolute Bay for proper disposal. Pacto toilets were used at Storm Camp during the 2016 program. All pacto bags were incinerated on site in a batch feed dual-chamber controlled air incinerator.

The previous camp site, known as Aston Camp, is located at approximately 73°42'30" N latitude and 94°43'15" W longitude. Aston Camp is the storage site for historical drill core and was used to support recent exploration in 2014 and 2015. The camp included a fuel cache of 27 drums and 2 propane cylinders. During 2016, all fuel was removed from the Aston Camp fuel cache. The only remaining infrastructure at Aston Camp is one 14'x16' wooden storage shack containing various camp and survival equipment, and a small amount of lumber.

6.2 Fuel Storage

The 2015 fuel cache at Aston Camp, located at approximately 73°42'30" N latitude and 94°43'15" W longitude, was removed during the 2016 program. A total of 8 drums of jet fuel, 18 drums of diesel, 1 drum of gas and 2 propane cylinders were transported by helicopter from Aston Camp to Storm Camp for use during the 2016 program. Seventy nine empties were also moved to Storm Camp for backhaul to Resolute Bay. With the fuel removed, the berm was cleaned and removed from site. The ground around the fuel cache was inspected for any signs of hydrocarbon contamination. No contamination was observed. Photos of the Aston Camp site are included in Appendix 3.

Prior to the field program in April 2016, 246 drums of jet fuel were shuttled by Twin Otter from Resolute Bay to a winter airstrip located adjacent to the summer airstrip and lay down area at approximately 73° 39' 27" N latitude and 94° 28' 39" W longitude. All fuel was stored within covered "Insta-Berms". The fuel was relocated to camp at the beginning of the 2016 program.

During the 2016 program, a main fuel cache area was established adjacent to Storm Camp at approximately 73° 39' 23" N latitude and 94° 26' 58" W longitude. Diesel, jet fuel, gasoline and propane were stored in separate caches within the same general area. Up to 250 drums of jet fuel, 20 drums of diesel (excluding tent drums), 2 drums of gas, and 30 cylinders of propane were stored in the camp fuel caches. All drummed fuel was stored within "Insta-Berms" or

similar and all larger berms were equipped with “Rain Drain” hydrocarbon filters. Mini berms were used for tent drums, incinerator fuel, gasoline storage and fuel transfer. On the recommendation of Water Resources Officer Andrew Keim, all fittings on fuel lines in camp were wrapped in absorbent matting to mitigate fuel leakage (Appendix 3).

A small diesel fuel cache was also established adjacent to the airstrip in the drill staging area, approximately 600 metres west of Storm Camp, to support drilling. Up to 20 drums were stored within an “Insta-Berm” at the airstrip cache. Fuel for the drill was transported in double-walled transport containers (tidy tanks) with built-in drip trays and engineered four point steel cable slings. The tidy tanks were filled at the staging area and flown to the drill site as needed. The staging area fuel cache was removed at the end of the 2016 program.

During mobilization, due to the high volume of fuel being delivered to camp, some fuel was stored temporarily without secondary containment at the airstrip awaiting transfer to the Storm Camp fuel cache. The fuel drums were moved as soon as possible and the storage area was inspected regularly for leaks or contamination. As the program progressed and fuel deliveries became less frequent, drums were rolled directly into a berm at the airstrip awaiting transport to the camp fuel cache.

The majority of the fuel mobilized to site in 2016 was used during the exploration program. A small fuel cache remains at the Property (Table 6), located at the Storm Camp fuel cache site (73° 39' 23" N latitude; 94° 26' 58" W longitude). Tent drums were placed upright on tent floors for added weight and the remaining fuel drums were consolidated into a single “Insta-Berm” equipped with a cover and “Rain Drain” hydrocarbon filter. Propane cylinders were placed on tent floors and secured.

Table 6 Storm Camp Fuel Inventory (August 20, 2016)

Material	Container	Quantity on Site
Diesel	205 L Drum	15 Drums*
Jet Fuel (Jet A)	205 L Drum	6 Drums
Gasoline	205 L Drum	1 Drum
Propane	100 lb Cylinder	20 Cylinders

*Tent drums were left standing upright on the tent floors for added weight.

All fuel caches at the Aston Bay Property are located a minimum of 31 metres from the normal high water mark of any water bodies. Prior to the completion of field work, and during the course of field work, drums were inspected for damage or leaks. No damaged or leaking drums were identified. Drums were stored in an organized manner with the bungs at the 9 o'clock and 3 o'clock positions.

All empty fuel drums and waste fuel drums were backhauled to Resolute Bay, NU on an ongoing basis, for cleaning and storage/disposal. In addition, a number of small fuel caches from previous operators and/or government agencies were discovered and removed during the 2016 program. A total of 410 empty drums and 12 drums of waste fuel were removed from the Aston Bay Property, including 25 drums from historical exploration sites.

No spills were reported during the 2016 program.

6.3 Flights

All field work completed during 2016 was helicopter supported, using Storm Camp as a base. A BK 117 850 D2 twin engine helicopter and an Astar 350 B3 were contracted from GSH for the duration of the program. Personnel and gear were transported to and from the field daily using the BK-117. Sampling crews were moved during the day, as necessary. Drill moves and other external cargo operations were completed using the Astar. Pilots were instructed, when possible, to avoid landing in areas with soft ground to avoid rutting. Helicopter pads at the camps and drill sites were situated on firm, level ground a safe distance from work sites.

A fixed wing Twin Otter aircraft based in Resolute Bay, NU was chartered from Kenn Borek for the duration of the program. The Twin Otter was used to move personnel, samples, fuel and supplies between Resolute Bay and the Storm Camp airstrip. Two dedicated Twin Otters were used during the mobilization, along with the Resolute base Twin Otter, when available. The base Twin Otter was also used several times during the demobilization.

Multiple aircraft were chartered during the 2016 program to move personnel, food and supplies between Yellowknife and Resolute Bay or Arctic Watch Lodge, including 737 jets, and Dash 7, ATR 72, Dornier 228 and King Air 350 turboprops.

6.4 Drilling

Twelve drill sites were used during the 2016 program (Table 1). All drilling was completed using a heli-portable Hydracore 2000 diamond drill rig. The Hydracore is lighter and has a smaller footprint than the Zinex A-5 drill rig approved in Aston Bay's land use permit. All drill pads were located on stable ground a minimum of 31 metres from any water bodies. All drilling activities, including drill moves, were helicopter supported.

Fuel for the drill and supply pump was stored and transported in double-walled transport containers (tidy tanks) with built-in drip trays and engineered four point steel cable slings. The tidy tanks were filled at the Storm Camp staging area and flown to each drill site as needed.

Spill kits were located at the drill, pump and staging area. No spills were reported during the 2016 program. All wastes were removed from site daily.

Water for the drill was drawn from the Aston River or its tributaries. A total of approximately 1200 m³ was used for drilling between July 6 and August 14, 2016, averaging 30 m³ per day. Water was drawn using a 2 stage pump system. An electric trash pump equipped with a mesh-screened intake hose was located adjacent to the water sources. The trash pump was used to move water to a diesel supply pump located away from the water body. The diesel pump provided the necessary pressure to supply water to the drill.

A recirculation system was used to minimize the amount of water used and cuttings deposited on the land around drill sites. Return from the drill was typically clean and free of any significant amount of cuttings. All drill cuttings collected in the recirculation system were deposited in natural sumps or, when possible, back down the open drill hole. Any drill casings that could not be removed were cut down to ground level and sealed. No artesian flow was encountered.

Upon completion of each hole, all equipment and any remaining wastes were removed and the site was inspected for cleanliness and any sign of contamination. All sites were deemed to be acceptable. Final inspections of all the drill pads were completed on August 15, 2016. Final drill pad photos are included in Appendix 3.

6.5 Archaeological Sites

No new or known archaeological sites were encountered during the 2016 exploration program.

6.6 Inuit Owned Land

Aston Bay Prospecting Permits P-12 and P-26, and portions of P-13, P-30, P-8341 and P-8342 lie within IOL parcel RB-02. No work was completed on Inuit Owned Land during the 2016 Aston Bay Property exploration program.

7 Wildlife and Environment

Personnel were encouraged to record any wildlife seen throughout the 2016 program. As a general rule, any interaction with wildlife was discouraged, however all personnel were instructed on the appropriate action to take when encountering wildlife in the field. Whenever possible, the helicopter pilot was instructed to maintain a minimum altitude of 610 metres above ground level and, when necessary, alter course to avoid disturbing any wildlife spotted during flight. Prior to, and after dropping off field crews, the pilot conducted high altitude (>610 m) reconnaissance in order to identify and locate any wildlife in the area.

Several herds of muskox were observed from the helicopter and on the ground by field crews during the course of the program. An arctic hare was observed at Aston Camp. No polar bears were sighted but tracks were seen south of Aston Bay near the Hunting River. Seals were regularly observed from the helicopter swimming in Aston Bay and along the western coast of Somerset Island, and beluga whales were spotted in a small bay north of Aston Bay. Sea birds and ravens were commonly observed around camp and in coastal areas. Fewer birds were seen inland, but snowy owls were spotted on two occasions. With the exception of sea birds and ravens, no wildlife was observed in the immediate areas surrounding camp or any drill sites. No sensitive wildlife sites are known to exist within the areas of exploration.

Table 7 Wildlife Record Log

Animal Species	Number	Age	Animal Activity	Habitat Type	Date	Location Description	Approx. Latitude	Approx. Longitude
Muskox	1	Adult	Grazing	Tundra	July 17	Soil Line L34	73° 0.9' N	94° 11.5' W
Muskox	3	Adult	Grazing	Tundra	July 11	Soil Line L33	73° 3.1' N	93° 51.3' W
Muskox	5	Adult	Grazing	Tundra	July 17	Soil Line L35	72° 58.7' N	94° 12.2' W
Muskox	Approx. 10	Adults/Juveniles	Grazing	Tundra	August 13	Soil Line F17	73° 41.2' N	94° 3.5' W
Muskox	Approx. 15	Adults/Juveniles	Grazing	Tundra	July 21 - 25	Between Soil Lines 4-8	73° 49' N	94° 45' W
Snowy Owl	1	Adult	Standing/Flying	Tundra	July 24	Soil Line L24 (west)	73° 22.4' N	94° 19.5' W
Snowy Owl	1	Adult	Standing/Flying	Tundra	July 29	Soil Line L26 (west)	73° 18.1' N	94° 14.5' W
Beluga	Approx. 10	Adult	Swimming	Ocean	July 25	Small bay north of Aston Bay	73° 50.5' N	95° 3.0' W
Arctic Hare	1 or 2	Adult	Moving around casually, foraging	Tundra	Multiple days June 25 - August 15	Aston Camp	73° 42.5' N	94° 43.3' W

A number of preventative measures were employed to avoid wildlife interaction in camp and at the drill. Storm Camp was equipped with an electrified “bear fence” as a wildlife deterrent and each tent was equipped with an air horn and bear spray. A dog was kept in camp as an additional deterrent and for warning of any approaching animals. The site supervisors and camp foreman had access to firearms in case of emergency. All food wastes were stored in appropriate bear-proof containers and incinerated daily to remove attractants. Personnel were instructed to avoid bringing food into sleeper tents and to remove waste regularly.

No environmental studies were conducted in 2015.

8 Reclamation Work

Progressive reclamation included keeping work areas clean and removing wastes from work sites daily. All wastes were stored in appropriate containers for later incineration or removal. All tent skins and frames, Toyotomi heating stoves, wiring harnesses, pressure pumps, pacto toilets, communications equipment and a variety of other smaller items were dismantled and removed at the end of the program. The camp and all drill sites were inspected by the site supervisors for cleanliness and any sign of contamination prior to the close of the field program. All sites were deemed acceptable.

All drill cuttings produced were deposited in natural sumps or, when possible, back down the drill hole. Any drill casings that could not be removed were cut down to ground level and sealed. All other materials and wastes were backhauled to camp. All drill materials were removed from site upon completion of the program.

A number of small fuel caches from previous operators and/or government agencies were discovered and removed during the 2016 program. The caches contained a mix of full, partial and empty drums of diesel, aviation fuel and/or gasoline. A total of 25 drums were removed from the historical sites, along with a small amount of solid waste.

The old Aston Camp, located at approximately 73°42'30" N latitude and 94°43'15" W longitude, was partially reclaimed during the 2016 program. The fuel cache, empty drums and most other materials were removed from the camp site. The site was cleaned and the fuel cache area was inspected for any hydrocarbon contamination. No contamination was noted. A single wooden storage shack remains at Aston Camp for use as a survival shelter.

9 Waste Disposal

All combustible wastes were incinerated on site using a batch feed dual-chamber controlled air incinerator. Any residual waste (ash) was sealed in 205L drums and backhauled to Resolute Bay for proper disposal. All non-combustible and hazardous wastes were sealed in appropriate containers and backhauled to Resolute Bay for proper disposal.

Grey water from the kitchen and each dry was piped to excavated sumps behind the buildings and over 100 m from the nearest water body. A grease trap was used for the kitchen sump. The trap was emptied as needed and the contents were sealed in 5 gal pails and removed from site for disposal. No leaks or overflows were observed in any of the sumps.

Pacto toilets were used to collect sewage. All pacto bags were incinerated on site using a batch feed dual-chamber controlled air incinerator.

10 2017 Work Plan

The 2017 Aston Bay Property exploration program may include soil and rock sampling, geological mapping, ground and airborne geophysical surveys, and diamond drilling. The program will start as early as June and continue until as late as September. All exploration activities at the Aston Bay Property will be helicopter supported and based out of Storm Camp.

A 30 to 40 person tent camp is proposed for the Storm Camp site to support the 2017 program. The proposed camp will be similar to the 2016 camp and is likely to include an operations office, geology office, core shack, medical tent, kitchen, men's' dry, women's' dry, drillers' dry, storage shack, generator shack, pacto toilet shack and 8 to 10 sleepers. The majority of the structures will be insulated Weatherport or Weatherhaven tents with plywood floors.

A fuel cache of approximately 80,000L (~400 drums) will be established at the current fuel cache location, adjacent to the camp. The cache will be primarily diesel and jet fuel, with small quantities of gasoline and propane. Each fuel type will be stored separately. All fuel will be stored within "Insta-Berms", or other industry standard containment berms. When possible, "Rain Drain" hydrocarbon filters will be utilized.

With proper design and execution, environmental impacts of the proposed exploration program are expected to be minimal. Plans are continuously being updated for storage and handling of fuel, waste management, reclamation, and wildlife management, all with the goal of ensuring minimal impact on the environment.

Appendix 1 – 2015 Aston Bay Property Mineral Claims and Prospecting Permits

Mineral Claims						
Claim Name	Claim Number	Recording Date	Anniversary Date	Area (acres)	Area (ha)	Owner Name
AB 1	K16471	2012-09-12	2019-09-12	2,237.0	905.3	Aston Bay Holdings Ltd. (100%)
AB 2	K16472	2012-09-12	2019-09-12	1,331.0	538.6	Aston Bay Holdings Ltd. (100%)
AB 3	K16473	2012-09-12	2017-09-12	895.2	362.3	Aston Bay Holdings Ltd. (100%)
AB 4	K16474	2012-09-12	2018-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 5	K16475	2012-09-12	2017-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 6	K16476	2012-09-12	2017-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 7	K16477	2012-09-12	2017-09-12	550.7	222.9	Aston Bay Holdings Ltd. (100%)
AB 8	K16478	2012-09-12	2017-09-12	1,506.0	609.5	Aston Bay Holdings Ltd. (100%)
AB 9	K16479	2012-09-12	2016-09-12	2,545.0	1,029.9	Aston Bay Holdings Ltd. (100%)
AB 10	K16480	2012-09-12	2017-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 11	K16481	2012-09-12	2017-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 12	K16482	2012-09-12	2017-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 13	K16483	2012-09-12	2017-09-12	1,661.0	672.2	Aston Bay Holdings Ltd. (100%)
AB 14	K16484	2012-09-12	2017-09-12	2,189.0	885.9	Aston Bay Holdings Ltd. (100%)
AB 15	K16485	2012-09-12	2016-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 16	K16486	2012-09-12	2017-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 17	K16487	2012-09-12	2017-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 18	K16488	2012-09-12	2018-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 19	K16489	2012-09-12	2018-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 20	K16490	2012-09-12	2018-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 21	K16491	2012-09-12	2018-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 22	K16492	2012-09-12	2017-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 23	K16493	2012-09-12	2017-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 24	K16494	2012-09-12	2018-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 25	K16495	2012-09-12	2018-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 26	K16496	2012-09-12	2019-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 27	K16497	2012-09-12	2019-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 28	K16498	2012-09-12	2017-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 29	K16499	2012-09-12	2017-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 30	K16500	2012-09-12	2018-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 31	K16501	2012-09-12	2018-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 32	K16502	2012-09-12	2022-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 33	K16503	2012-09-12	2022-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 34	K16504	2012-09-12	2018-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 35	K16505	2012-09-12	2018-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 36	K16506	2012-09-12	2022-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 37	K16507	2012-09-12	2022-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 38	K16508	2012-09-12	2017-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 39	K16509	2012-09-12	2018-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 40	K16510	2012-09-12	2021-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 41	K16511	2012-09-12	2021-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 42	K16512	2012-09-12	2017-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 43	K16513	2012-09-12	2018-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)

March 30, 2017

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Mineral Claims						
Claim Name	Claim Number	Recording Date	Anniversary Date	Area (acres)	Area (ha)	Owner Name
AB 44	K16514	2012-09-12	2018-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 45	K16515	2012-09-12	2017-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 46	K16516	2012-09-12	2017-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
AB 47	K16517	2012-09-12	2017-09-12	2,582.5	1,045.1	Aston Bay Holdings Ltd. (100%)
ASTON 1	F95596	2014-09-02	2016-09-02	3,088.8	1,250.0	Aston Bay Holdings Ltd. (100%)
ASTON 2	F95597	2014-09-02	2016-09-02	3,088.8	1,250.0	Aston Bay Holdings Ltd. (100%)
ASTON 3	F95598	2014-09-02	2016-09-02	3,088.8	1,250.0	Aston Bay Holdings Ltd. (100%)
ASTON 4	F95599	2014-09-02	2016-09-02	3,088.8	1,250.0	Aston Bay Holdings Ltd. (100%)
ASTON 5	F95600	2014-09-02	2016-09-02	3,088.8	1,250.0	Aston Bay Holdings Ltd. (100%)
ASTON 6	F95601	2014-09-02	2016-09-02	3,088.8	1,250.0	Aston Bay Holdings Ltd. (100%)
ASTON 7	F95602	2014-09-02	2016-09-02	3,088.8	1,250.0	Aston Bay Holdings Ltd. (100%)
ASTON 8	F95603	2014-09-02	2016-09-02	3,088.8	1,250.0	Aston Bay Holdings Ltd. (100%)
ASTON 9	F95604	2014-09-02	2016-09-02	3,088.8	1,250.0	Aston Bay Holdings Ltd. (100%)
ASTON 10	F95605	2014-09-02	2016-09-02	3,088.8	1,250.0	Aston Bay Holdings Ltd. (100%)
			Claim Total:	144,520.4	58,485.4	
Prospecting Permits						
Permit Number	Issue Date	Expiry Date	Area (acres)	Area (ha)	Owner Name	
8340	2012-02-01	2017-01-31	54,265.0	21,960.3	Aston Bay Holdings Ltd. (100%)	
8341	2012-02-01	2017-01-31	54,265.0	21,960.3	Aston Bay Holdings Ltd. (100%)	
8342	2012-02-01	2017-01-31	15,285.1	6,185.7	Aston Bay Holdings Ltd. (100%)	
8343	2012-02-01	2017-01-31	53,321.1	21,578.3	Aston Bay Holdings Ltd. (100%)	
P-12	2015-02-01	2020-01-31	41,647.1	16,854.0	Aston Bay Holdings Ltd. (100%)	
P-13	2015-02-01	2020-01-31	56,423.3	22,833.7	Aston Bay Holdings Ltd. (100%)	
P-14	2015-02-01	2020-01-31	56,023.0	22,671.7	Aston Bay Holdings Ltd. (100%)	
P-15	2015-02-01	2020-01-31	55,221.6	22,347.4	Aston Bay Holdings Ltd. (100%)	
P-16	2015-02-01	2020-01-31	54,820.4	22,185.1	Aston Bay Holdings Ltd. (100%)	
P-17	2015-02-01	2020-01-31	55,622.4	22,509.6	Aston Bay Holdings Ltd. (100%)	
P-26	2016-02-01	2021-01-31	56,824.8	22,996.2	Aston Bay Holdings Ltd. (100%)	
P-27	2016-02-01	2021-01-31	55,223.0	22,348.0	Aston Bay Holdings Ltd. (100%)	
P-28	2016-02-01	2021-01-31	55,623.8	22,510.2	Aston Bay Holdings Ltd. (100%)	
P-29	2016-02-01	2021-01-31	56,024.4	22,672.3	Aston Bay Holdings Ltd. (100%)	
P-30	2016-02-01	2021-01-31	56,424.8	22,834.3	Aston Bay Holdings Ltd. (100%)	
P-31	2016-02-01	2021-01-31	54,821.8	22,185.6	Aston Bay Holdings Ltd. (100%)	
		Permit Total:	831,836.7	336,632.6		
		Total:	976,357.1	395,118		

Appendix 2 – 2015 Exploration Program Personnel

Name	Position	Company	Dates on Site
Thomas Ullrich	COO & Executive VP / Site Supervisor	Aston Bay Holdings Ltd.	July 1 - July 18, July 27 - August 17
Benjamin Mace	Operations - International & North America, Copper	BHP Billiton Ltd.	July 1 - August 1
David Bertuch	Country Manager Exploration (USA), Copper	BHP Billiton Ltd.	July 1 - July 9, August 12 - August 14
Juan Fajardo	Senior Exploration Geologist	BHP Billiton Ltd.	July 1 - July 25
Carlos Galdames	Exploration Geologist	BHP Billiton Ltd.	July 1 - July 18, July 27 - August 14
Marie-Christine Gosselin	Exploration Geologist	BHP Billiton Ltd.	July 1 - August 6
Timothy Stockhausen	Exploration Geologist	BHP Billiton Ltd.	July 1 - July 25, August 3 - August 14
Michael Dufresne	President	APEX Geoscience Ltd.	August 6 - August 8
Robert L'Heureux	Vice-President	APEX Geoscience Ltd.	June 20 - July 5
Christopher Livingstone	Project Geologist / Site Supervisor	APEX Geoscience Ltd.	June 20 - July 9, July 18 - August 20
Sarah Clay	Geologist / Sampler	APEX Geoscience Ltd.	July 1 - August 11
David Dockman	Geologist / Sampler	APEX Geoscience Ltd.	July 5 - August 6
Rachelle Hough	Geologist / Sampler	APEX Geoscience Ltd.	July 1 - August 11
Nicholas Kerr	Geologist / Sampler	APEX Geoscience Ltd.	July 1 - August 11
Kyle McMillan	Geologist / Sampler	APEX Geoscience Ltd.	July 1 - August 11
Jordan Mathieu	Geologist / Sampler	Canadian Arctic Holdiays Ltd.	July 12 - August 11
Jim Robinson	Consulting Geologist	Aurora Geosciences Ltd.	August 12 - August 14
Scott Smith	Geophysical Operator	Initial Exploration Inc.	July 5 - August 8
Joel Lawlor	Drill Foreman	Geotech Drilling Services Ltd.	July 1 - August 16
Keelan Edwards	5th Man	Geotech Drilling Services Ltd.	July 1 - August 16
Jeff Campbell	Driller	Geotech Drilling Services Ltd.	July 1 - August 16
Glenn Humphries	Driller	Geotech Drilling Services Ltd.	July 5 - August 16
James Blake	Drill Helper	Geotech Drilling Services Ltd.	July 5 - August 16
Nick Zechel	Drill Helper	Geotech Drilling Services Ltd.	July 5 - August 14
Valeria Douglas	Medic / 2nd Cook	1984 Enterprises Inc.	July 18 - August 6
Diane Pohl	Medic / 2nd Cook	1984 Enterprises Inc.	June 20 - July 18, August 6 - August 16
Arlin Fukushima	1st Cook	1984 Enterprises Inc.	July 1 - July 9
Andryjko Moskal	1st Cook	1984 Enterprises Inc.	July 9 - August 14
Melina Idlout	Cook's Assistant	Canadian Arctic Holdiays Ltd.	July 27 - August 14
Brandy Iqaluk	Cook's Assistant	Canadian Arctic Holdiays Ltd.	July 5 - July 27
Paul Attagootak	Bear Guard	Canadian Arctic Holdiays Ltd.	July 27 - August 3
Peter Eckalook	Bear Guard	Canadian Arctic Holdiays Ltd.	July 5 - July 27, August 3 - August 14
Oolahtetah Iqaluk	Bear Guard	Canadian Arctic Holdiays Ltd.	July 5 - August 14
Daniel Salluvinig	Bear Guard	Canadian Arctic Holdiays Ltd.	July 12 - July 25

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Name	Position	Company	Dates on Site
Terry Retieffe	Camp Foreman	Discovery Mining Services Ltd.	June 20 - July 18, August 6 - August 20
David Scott	Camp Foreman	Discovery Mining Services Ltd.	June 20 - August 6
Michael Davidson	Camp Builder	Discovery Mining Services Ltd.	June 25 - July 5
Brian Fehr	Camp Builder	Discovery Mining Services Ltd.	June 20 - July 1
Michael Schamborzki	Camp Builder	Discovery Mining Services Ltd.	June 20 - July 5
Rod Brown	Camp Builder	Discovery Mining Services Ltd.	August 14 - August 20
Andy	Camp Builder	Discovery Mining Services Ltd.	August 14 - August 20
Joe	Camp Builder	Discovery Mining Services Ltd.	August 14 - August 20
Darryl Ressler	Helicopter Pilot (BK-117)	Great Slave Helicopters Ltd.	June 20 - July 18
Robert Taylor	Helicopter Pilot (BK-117)	Great Slave Helicopters Ltd.	June 20 - July 18
David Pretorius	Helicopter Pilot (BK-117)	Great Slave Helicopters Ltd.	July 18 - August 14
Mathis Stoeckle	Helicopter Pilot (BK-117)	Great Slave Helicopters Ltd.	July 18 - August 17
Michael Friedrichsmeier	Helicopter Pilot (Astar)	Great Slave Helicopters Ltd.	June 20 - July 18
Allison Smit	Helicopter Pilot (Astar)	Great Slave Helicopters Ltd.	June 20 - July 18
David Bell	Helicopter Pilot (Astar)	Great Slave Helicopters Ltd.	July 18 - August 17
Sarah Blancher	Helicopter Pilot (Astar)	Great Slave Helicopters Ltd.	July 18 - August 14
Adam Lundy	Helicopter Engineer	Great Slave Helicopters Ltd.	June 20 - July 9
Matthew Kelly	Helicopter Engineer	Great Slave Helicopters Ltd.	July 9 - August 17

Appendix 3 – 2016 Aston Bay Property Photos



Photo 1: Storm Camp during Operations - Aerial (looking northeast)
(Photo Credit: Nick Kerr)



Photo 2: Storm Camp during Operations (looking east)
(Photo Credit: Nick Kerr)



Photo 3: Storm Camp Airstrip and Laydown Area (looking west)
(Photo Credit: Nick Kerr)

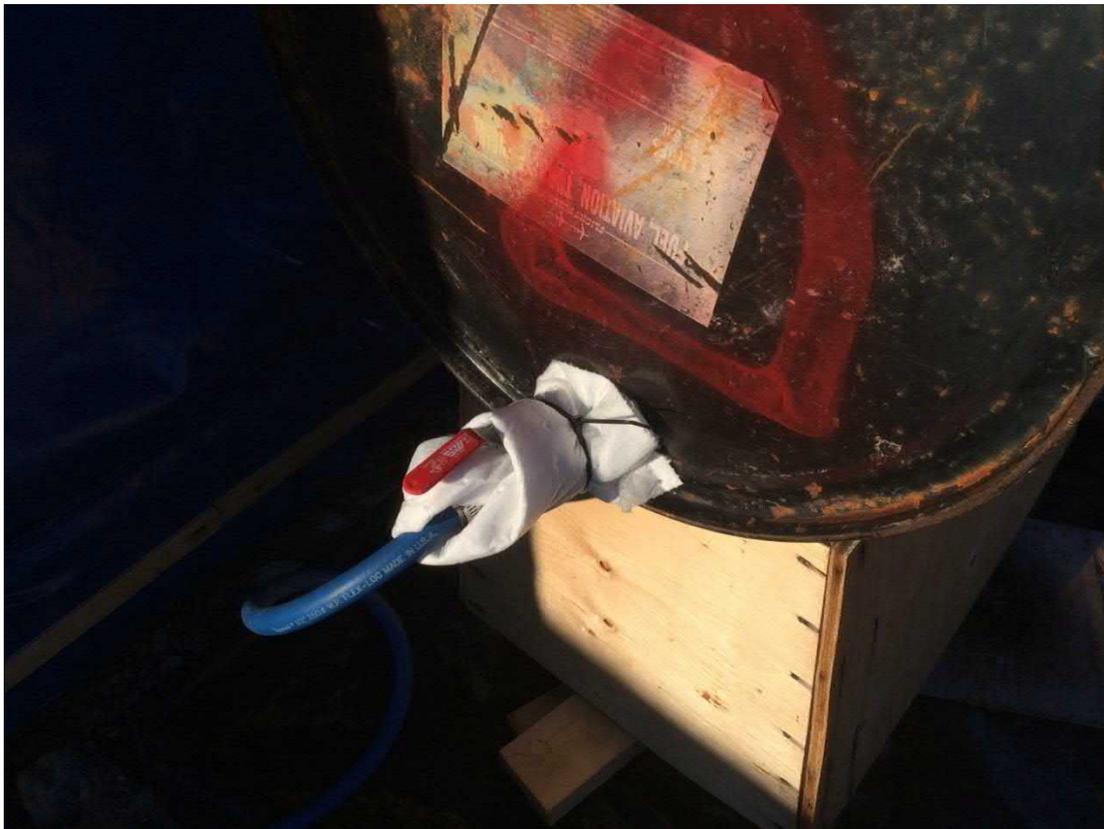


Photo 4: Absorbent Matting Wrapped Around Tent Drum Fuel Line Fitting



Photo 5: Storm Camp after Shutdown (looking west)



Photo 6: Storm Camp after Shutdown (looking west)



Photo 7: Storm Camp after Shutdown (looking northeast)



Photo 8: Storm Camp after Shutdown (looking east)



Photo 9: Storm Camp after Shutdown (looking south)



Photo 10: Storm Camp Fuel Cache after Shutdown (looking east)



Photo 11: Aston Camp after Shutdown (looking north)



Photo 12: Aston Camp and Historical Drill Core Stacks after Shutdown – Aerial (looking north)



Photo 13: Drill Pad STOR1601D



Photo 14: Drill Pad STOR1602D



Photo 13: Drill Pad STOR1603D



Photo 14: Drill Pad STOR1604D



Photo 13: Drill Pad STOR1605D



Photo 14: Drill Pad STOR1606D



Photo 13: Drill Pad STOR1607D



Photo 14: Drill Pad STOR1608D



Photo 13: Drill Pad STOR1609D



Photo 14: Drill Pad STOR1610D



Photo 13: Drill Pad STOR1611D



Photo 14: Drill Pad STOR1612D

Appendix 4 – Storm Camp 2016 Water Usage

Date	Total Use (m3)	Checked By
01-Jul-16	2.84	Terry Rieteffe
02-Jul-16	0.00	Terry Rieteffe
03-Jul-16	0.00	Terry Rieteffe
04-Jul-16	0.00	Terry Rieteffe
05-Jul-16	2.84	Terry Rieteffe
06-Jul-16	0.00	Terry Rieteffe
07-Jul-16	0.00	Terry Rieteffe
08-Jul-16	2.46	Terry Rieteffe
09-Jul-16	0.00	Terry Rieteffe
10-Jul-16	1.89	Terry Rieteffe
11-Jul-16	1.89	Terry Rieteffe
12-Jul-16	0.00	Terry Rieteffe
13-Jul-16	1.89	Terry Rieteffe
14-Jul-16	0.00	Dave Scott
15-Jul-16	1.89	Terry Rieteffe
16-Jul-16	0.00	Dave Scott
17-Jul-16	1.89	Dave Scott
18-Jul-16	1.70	Dave Scott
19-Jul-16	1.32	Dave Scott
20-Jul-16	1.51	Dave Scott
21-Jul-16	1.89	Dave Scott
22-Jul-16	1.32	Dave Scott
23-Jul-16	1.89	Dave Scott
24-Jul-16	1.89	Dave Scott

Date	Total Use (m3)	Checked By
25-Jul-16	1.51	Dave Scott
26-Jul-16	1.14	Dave Scott
27-Jul-16	1.70	Dave Scott
28-Jul-16	1.51	Dave Scott
29-Jul-16	1.70	Dave Scott
30-Jul-16	1.70	Dave Scott
31-Jul-16	1.70	Dave Scott
01-Aug-16	1.89	Dave Scott
02-Aug-16	1.70	Dave Scott
03-Aug-16	1.89	Dave Scott
04-Aug-16	1.51	Dave Scott
05-Aug-16	1.89	Dave Scott
06-Aug-16	1.89	Dave Scott
07-Aug-16	1.51	Terry Rieteffe
08-Aug-16	1.89	Terry Rieteffe
09-Aug-16	1.42	Terry Rieteffe
10-Aug-16	1.89	Terry Rieteffe
11-Aug-16	1.70	Terry Rieteffe
12-Aug-16	1.89	Terry Rieteffe
13-Aug-16	1.89	Terry Rieteffe
14-Aug-16	1.70	Terry Rieteffe
15-Aug-16	1.89	Terry Rieteffe
TOTAL:	66.72	
Daily Average:	1.45	

Appendix 5 – Water License Inspection Report



WATER LICENCE INSPECTION FORM

Original
 Follow-Up Report

Licensee Mr. Christopher Livingstone, B.Sc., G.I.T Project Geologist APEX Geoscience Ltd. Email: clivingstone@apexgeoscience.com Mr. Robert Cameron Commander Resources Ltd. Aston Bay Holdings Ltd. Email: rcpgeo@gmail.com	Licensee Representative Ulrich Thomas- Aston Bay Chris Livingstone- Apex Geoscience Ben Mace- BHP Billiton
Licence No. / Expiry 2BE-STO1520	Representative's Title C.O.O and Exec VP
Land / Other Authorizations N2015C0014 (Aston Bay Holdings LTD)	Land / Other Authorizations
Date of Inspection July 8, 2016	Inspector A.Keim
Activities Inspected <input checked="" type="checkbox"/> Camp <input checked="" type="checkbox"/> Drilling <input type="checkbox"/> Mining <input type="checkbox"/> Construction <input type="checkbox"/> Reclamation <input checked="" type="checkbox"/> Fuel Storage <input type="checkbox"/> Roads/Hauling <input type="checkbox"/> Other: Water Discharge <input type="checkbox"/> Other: Municipal	

Conditions: **A - Acceptable** **C - Concern** **U - Unacceptable** **NA – Not Applicable** **NI – Not Inspected**

Water Use	Condition	Comment	Site Conditions	Condition	Comment	Haz/Mat Management	Condition	Comment
Intake/Screen	A		Water Management Structures	NA		Storage	A	
Flow Measure. Device	C		Culverts / Bridges	NA		Spills	NI	
Source: Aston River	C		Drainage	NA		Spill Plan	A	
Water Use:	A		Erosion / Sediment	NA				
Recirculation (y /n)	NA		Mitigation Measures	NA		Administrative		
			Reclamation Activities	NA		Records	A	
			Materials Storage	A		Reports	A	
Waste Disposal			Signage	A		Plans	A	
Waste Water	A					Notifications	NA	
Solid Waste	A		Monitoring			Other		
Hazardous Waste	NI		Sample Collection / Analysis	A				

**The number in the comments field will correspond with specific comments provided below.*

Samples taken by Inspector: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Location(s): AANDC Inspectors collected a RAW water sample from the Aston River adjacent to camp
--	--

SECTION 1	<input checked="" type="checkbox"/> Comments (s. __)	<input type="checkbox"/> Non-Compliance with Act or Licence (s. __)	<input type="checkbox"/> Action Required (s. __)
<p>On July 8, 2016 an Inspection was undertaken of the Aston Bay Storm project including the Camp, lay down areas, fuel containment structures and off camp drilling activities. The Project I licensed for up to 2 cubic meters of water per day for camp use as well as 15 cubic meters per day of water for drilling activities. The Camp is located approximately 110 km south of Resolute Bay nu, at N 73°39.4504' X W94°27.1407' in a wide valley adjacent to the Aston river on Somerset Island.</p> <p>The current Water License has been renewed and assigned from Commander Resources to Aston Bay Holdings.</p> <p>At the time of the Inspection activities on site included;</p> <ul style="list-style-type: none"> Camp construction (Camp was still not finished and had been open for only 6 days at the time of the inspection) Fuel containment and consolidation Movement of materials to Drill site Set up of waste management equipment Installation of a raw water intake system. (water for use in camp is pumped from the Aston river however drinking water is being flown in) Drilling activities were being set up and drilling was scheduled to commence that afternoon. 			



Observations:

Camp

- Tents in camp are heated by Fuel oil stoves. Fuel is stored outside in 45 gallon drum on Secondary containment. It is recommended the joints on all connections are wrapped with pads to prevent leaking. Metal or plastic stands are recommended.

Water usage

- Records of water usage were up to date on site
- Water for consumption was being flown in during the period of the inspection. Inspectors have collected a sample of water from the river and will provide the results to the licensee.

Waste Disposal

- Records of back hauling of wastes and hazardous wastes including drums should be recorded and available for review by the Inspector.
- An Incinerator was noted on site.
- All hazardous waste is to be removed from site and transported to an approved facility licensed to treat and dispose of hazardous wastes.

Fuel storage

- Secondary containment was present on site and it was noted that the Licensee has covered secondary containment for any barrels that will be overwintering on site.
- Rain drains are recommended for all secondary containment.
- Secondary containment at all fuel transfer areas is required. This includes areas servicing the helicopters and four wheelers.

Drilling Operations

- All fuel was stored in double walled containers.
- Drilling had not yet started however cuttings containment was discussed and a plan was reviewed by the inspector on site.

Legacy issues.

- Drilling and other activities in the area during the 70's have left a number of sites with drill collars extending up from the ground up to three feet in places. These are to be cut off and sealed.
- Old camp is to be removed and the materials marshalled to the main camp. The option to leave one building standing as shelter is at the discretion of the licensee but should be included in the Abandonment and Reclamation Plan.

SECTION 2 **Comments (s. __)** **Non-Compliance with Act or Licence (s. __)** **Action Required (s. __)**

The Licensee is reminded that the following items are due on or before September 12th, 2016 by Aston Bay Holdings Ltd;

Submission of the following updated Plans;

- Spill Contingency Plan (Under Part H, Item 1 of License No. 2BE-STO1520)
- Abandonment and Restoration Plan (Under Part I, Item 1 of License 2BE-STO1520)

No instances of non-compliance were noted during the period of the inspection.

Photo Log

Date	Authorization	Camera	Inspector
July 8, 2016	2BE-STO1520	Sony Cyber shot	A. Keim



Figure 1 Barrels at airstrip to be sent to camp



Figure 2 Barrels at new strip cache in Containment



Figure 3 Drilling supplies at strip



Figure 4 Old Camp site (legacy) core storage to be closed this year



Figure 5 Old camp site (2)



Figure 6 Return water from line at drill

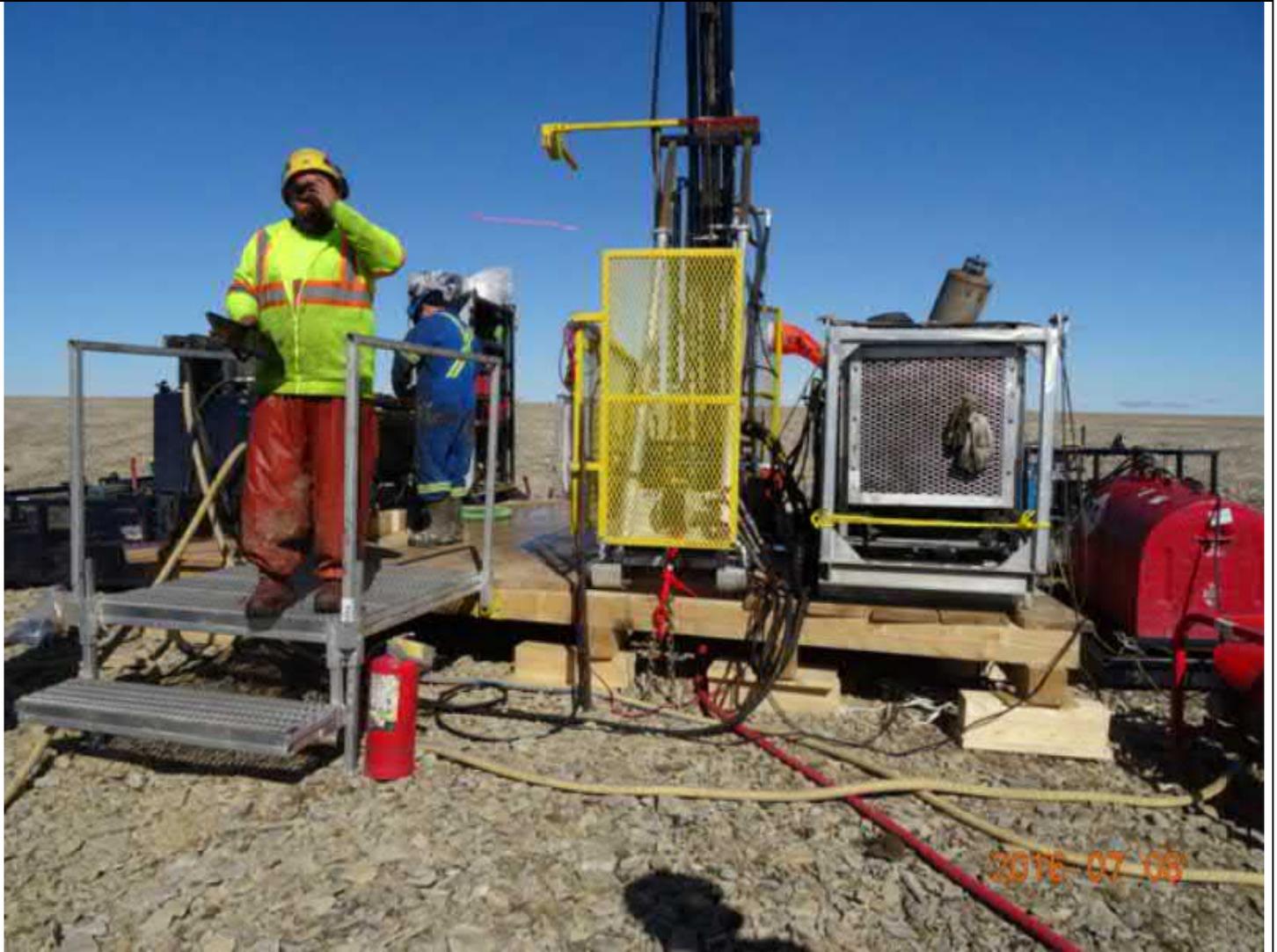


Figure 7 Drill on station



Figure 8 Fuel storage all double walled transport containers



Figure 9 Legacy Site. Collars to be cut off and capped this year



Figure 10 Camp



Figure 11 Camp #2



Figure 12 Gen shack with back up



Figure 13 Inciner8 - Incinerator on site.



Figure 14 Barrels on secondary Containment - Walls to be erected



Figure 15 Barrel storage site



Figure 16 Water usage records



Figure 17 Inspectors collected a raw water sample

Licensee or Representative	Inspector's Name Andrew Keim
Signature	Signature Original on File.
Date	Date July 26, 2016

Office Use Only: Follow-up report to be issued by Inspector Yes No