

**Appendix C**  
**Kahuna Diamond Project**  
**Abandonment and Restoration Plan**  
**Dunedin Ventures Inc.**

**November 2015**  
**MODIFIED OCTOBER 2016**

Appendix C Abandonment and	Page 1	Preamble and Introduction	Date changes and minor modifications	Oct 13, 2016
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Restoration Plan				
Appendix C Abandonment and Restoration Plan	Page 2-5	Schedule, Drill Sites, Summer Program, Final Abandonment and Reclamation	Date changes and minor modifications, reverse circulation drilling added. Updated maps	Oct 13, 2016

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# Kahuna Diamond Project Abandonment and Reclamation Plan

## Preamble

This Abandonment and Restoration Plan is effective as of ~~January 1, 2016~~ **October 13, 2016**. It applies specifically to the Kahuna Diamond Project centered at 589105mE, 6999465mN (NAD 83, Zone 15), see attached maps in Appendix I.

Dunnedin Ventures Inc. currently holds a Class 1 Land Use Licence from the Kivalliq Inuit Association (KIA) and a Class A Land Use Permit from Aboriginal Affairs and Northern Development Canada (AANDC). With an increase in the proposed land use activities on the Kahuna Diamond project for ~~2016~~ **2017**; Dunnedin Ventures Inc. is submitting a permit application for a Class 3 Land Use Licence to the KIA and an extension and amendment to the company's current Class A Land Use Permit with AANDC and an application to the Nunavut Water Board (NWB) for a water licence in order to complete the proposed diamond exploration activities.

In 2015 Dunnedin Ventures Inc. completed its first years work program on the Kahuna Diamond project. **Based on positive till sample results from the 2015 field program, a follow up till sampling program was completed in 2016** under the appropriate permits and agreements; copies of the existing permits are included in Appendix II. The proposed land use activities being permitted include diamond **and/or reverse circulation** drilling, **ground** geophysics, test pit trenching, temporary fuel caches, prospecting, mapping, rock, till and soil sampling and a bulk sampling program.

## Introduction

This Abandonment and Reclamation Plan has been prepared specifically for the Kahuna Diamond project to address the land use activities **covered by the AANDC, KIA and NWB license and permit applications** being proposed for the ~~2016~~ **2017** field program.

To date the exploration program has consisted of prospecting, till sampling, mapping and the extraction of two mini bulk samples using hand tools from the Notch and PST kimberlite exposures. Small character samples were also collected from kimberlite exposures at the Kahuna and KEM showings. Based on the positive results from the 2015 **and 2016** exploration programs, Dunnedin Ventures ~~is applying~~ **has applied** for a Class 1 Land Use permit from the KIA and an amendment and extension to their Class A Land Use Permit from AANDC and a water licence from the NWB for the purpose of completing the above proposed **land use activities** ~~programs~~. At this point in time Dunnedin Ventures is not permitting for a field camp as the base of operations will be conducted from the community of Rankin Inlet.

## Schedule

The restoration of the proposed field programs for ~~2016~~ **2017** will be completed prior to the date of expiry of the land use permits unless a renewal is applied for. Drill sites will be restored at the end of each field season. Empty fuel drums will be removed from the site **and returned to the supplier or sent to an approved facility for disposal.** ~~regularly.~~ Once a fuel cache is retired, a thorough inspection will be conducted. Any contamination will be cleaned up according to the Spill Contingency Plan and debris will be removed.

## Drill Sites

Reclamation of **diamond drill or reverse circulation** drill sites will be completed immediately following the completion of the drill hole and its withdrawal from the site. Once the drill hole site has been selected and before the mobilization and setup of the drill, site pictures will be taken to document the state of the site. Site photos will also be taken to document the site during the drilling process and following the completion of the drill hole. All debris and refuse will be removed from the drill site prior to leaving the drill target. Casing will either be removed or will be cut off at ground level. A picket will be placed in the abandoned drill hole at completion documenting the drill hole number and date of completion.

## Bulk Sample Sites

**Winter Program** – Sites where bulk sampling is completed under snow cover and frozen ground conditions.

Equipment and supplies would be transported overland by Caterpillar Challenger hauling sleighs to the proposed bulk sample sites. Please see the attached document describing each of the proposed bulk sample sites with the aid of maps and figures. Transporting the equipment from site to site during the winter months while snow cover is still on the ground makes overland travel possible without disturbing or impacting the underlying ground and vegetation beneath the snow cover.

Photos will be taken to document the area of the bulk sample site before any ground disturbance has taken place. Photographs will document the Bulk sample activities through the sampling process to completion.

In preparation of the bulk sample site, the snow will be removed to expose the frozen ground. Excavated material will be segregated into separate piles of vegetation, humus, topsoil and till comprising boulder, sand and gravel.

The kimberlite bulk sample is collected and bagged and the stockpiled material is returned to the excavation in reverse order i.e. the sand, gravel and boulder till will be placed at the bottom of the trench followed by the stockpiled layers of topsoil, humus and surface vegetation. The trench site will be hand **re-**contoured as best as possible given the frozen conditions and will then be covered

by a blanket of stockpiled snow. Photographs will be taken to document the site reclamation. The disturbed sample sites will be revisited during the summer months and photographs will document the state of the reclaimed bulk sample locations.

**Summer Program** – Summer bulk sample sites are located on high, dry and well drained locations away from lakes and active streams. A summer bulk sampling **program will require the placement of heavy equipment during the winter months while the ground is frozen and covered by snow. Moving equipment during the summer months** will require the support equipment to be broken down to sizes amenable to slinging by helicopter.

As in the winter program, photographs of the bulk sampling program at each summer site will document the sites condition before ground disturbance and will record the bulk sampling activities to completion.

The surface material including vegetation, humus and topsoil will be stockpiled separately as will the till including boulders, sand and gravel. Once the kimberlite sample is extracted from the excavation, the stockpiled material will be replaced in reverse order of till including boulders, sand and gravel followed by topsoil, humus and surface vegetation. The topsoil, humus and vegetation will be replaced ~~using hand tools~~ and re contoured as much as possible to mimic the original landscape.

## Seasonal Shutdown

### Fuel Caches

At the end of every field season, an inspection and inventory will be completed at each active fuel cache site. Photographs will document the state of each before winter conditions set in. All empty drums will be removed from the site and returned to Rankin Inlet, any half barrels of fuel will be stored standing at an angle to prevent the accumulation of rain and snow from accessing the fuel. Should damaged or compromised drums be encountered, fuel will be transferred to a good drum and the damaged drum identified and removed from circulation. Full drums will be stored on their sides with the bungs positioned at 9:00 and 3:00 o'clock.

### Drill Sites

Drill sites will be inspected; any lingering debris will be collected and removed. Photographs will document the various stages of the drill hole site including shots before, during and after the completion of the drilling activities. Once the drill is removed from the site, a picket will be placed at the collar location identifying the drill hole number and date of completion.

## **Bulk Sample Sites**

Bulk sample sites will be inspected before seasonal shutdowns. Photographs will document the state of the bulk sample site following reclamation at various times of the year.

## **Contamination Cleanup**

Soil that has become contaminated and gone unnoticed will be treated following Dunnedin's Spill Contingency plan and procedures. Photographs will document the contamination and clean up procedures.

## **Inspection and Documentation**

A complete inspection will be conducted of all areas prior to seasonal shutdown. Photographs will be taken to document conditions at the various work sites and inventories will be conducted.

## **Final Abandonment and Restoration**

### **Equipment**

All equipment used on site including diamond **and reverse circulation** drill and bulk sampling equipment will be dismantled and removed from the project area.

### **Fuel Caches**

All fuel containers will be removed from site and fuel cache locations will be thoroughly inspected. Any signs of contamination will be cleaned up and debris will be removed. Final site photographs will be taken and submitted in the final closure report.

### **Sumps**

All drill sumps will be inspected; photographs will be taken to document their effectiveness and will be back filled and re-contoured as required. Photographs of each drill site sump will be included in the final closure report.

### **Drill Sites**

All drill sites will be inspected immediately following the completion of the drill hole and removal of the drilling equipment. Photographs will document the state of the drill hole site before, during and after the drilling activities. During the final year of operations, all of the drill sites will be inspected for contamination, debris and any further ground disturbance. Photographs will be submitted in the final closure report.

## **Bulk Sample Sites**

During the final year of operation, all of the bulk sample sites will be re-visited and inspected for contamination, debris and signs of settling and ground disturbance. All debris will be removed and



photographs will document the state of these sites at final closure and submitted along with the final closure report.

### **Contamination Cleanup**

Any contamination resulting from Dunnedin's exploration activities will be treated according to Dunnedin's Spill Contingency Plan.

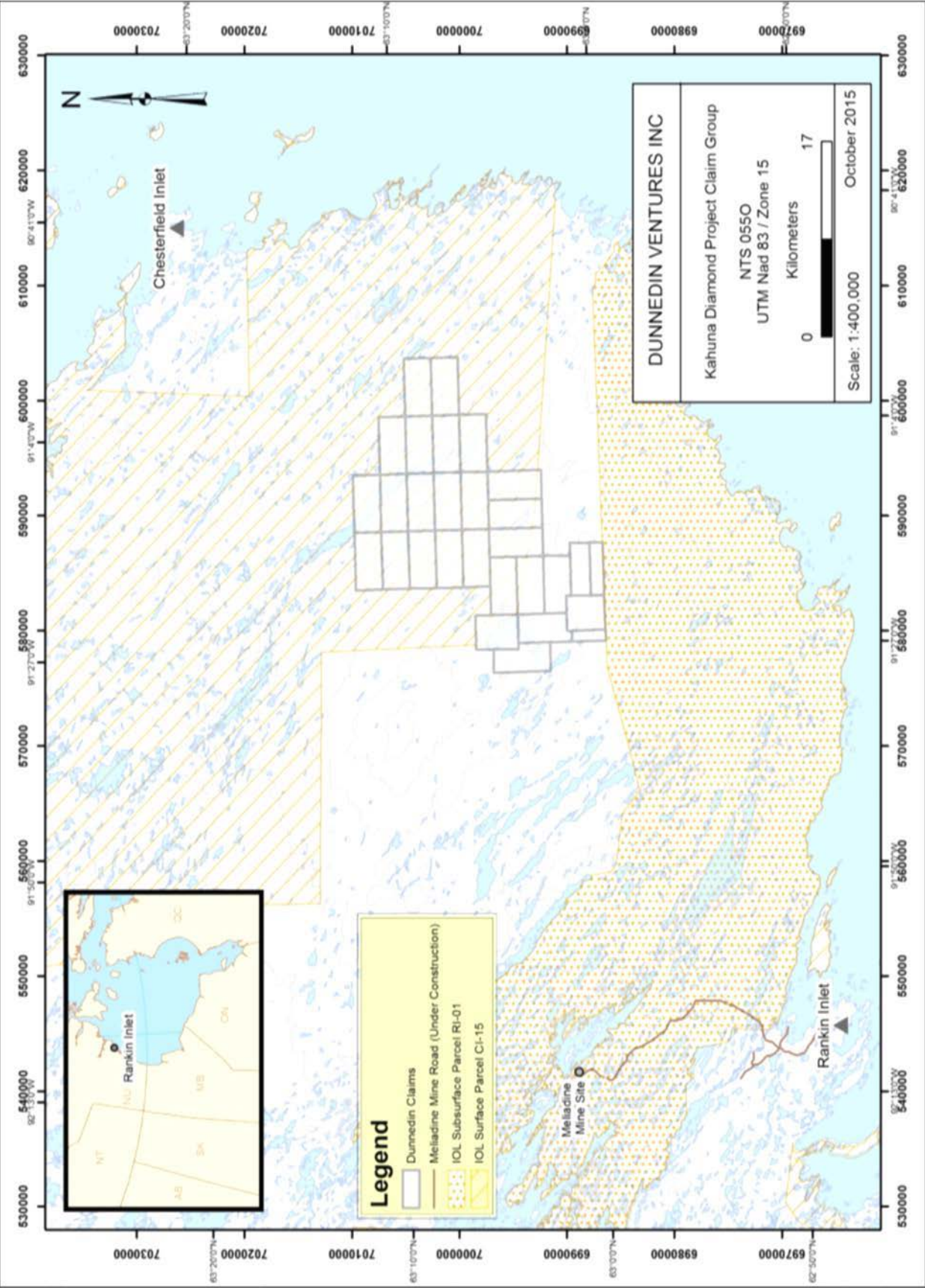
### **Inspection and Documentation**

A complete inspection will be conducted of all the work site areas. Photographs will be submitted in the final closure report documenting the conditions at each work site.



## **APPENDIX I**

### **MAPS**



**Figure 1: Kahuna Project General Location**



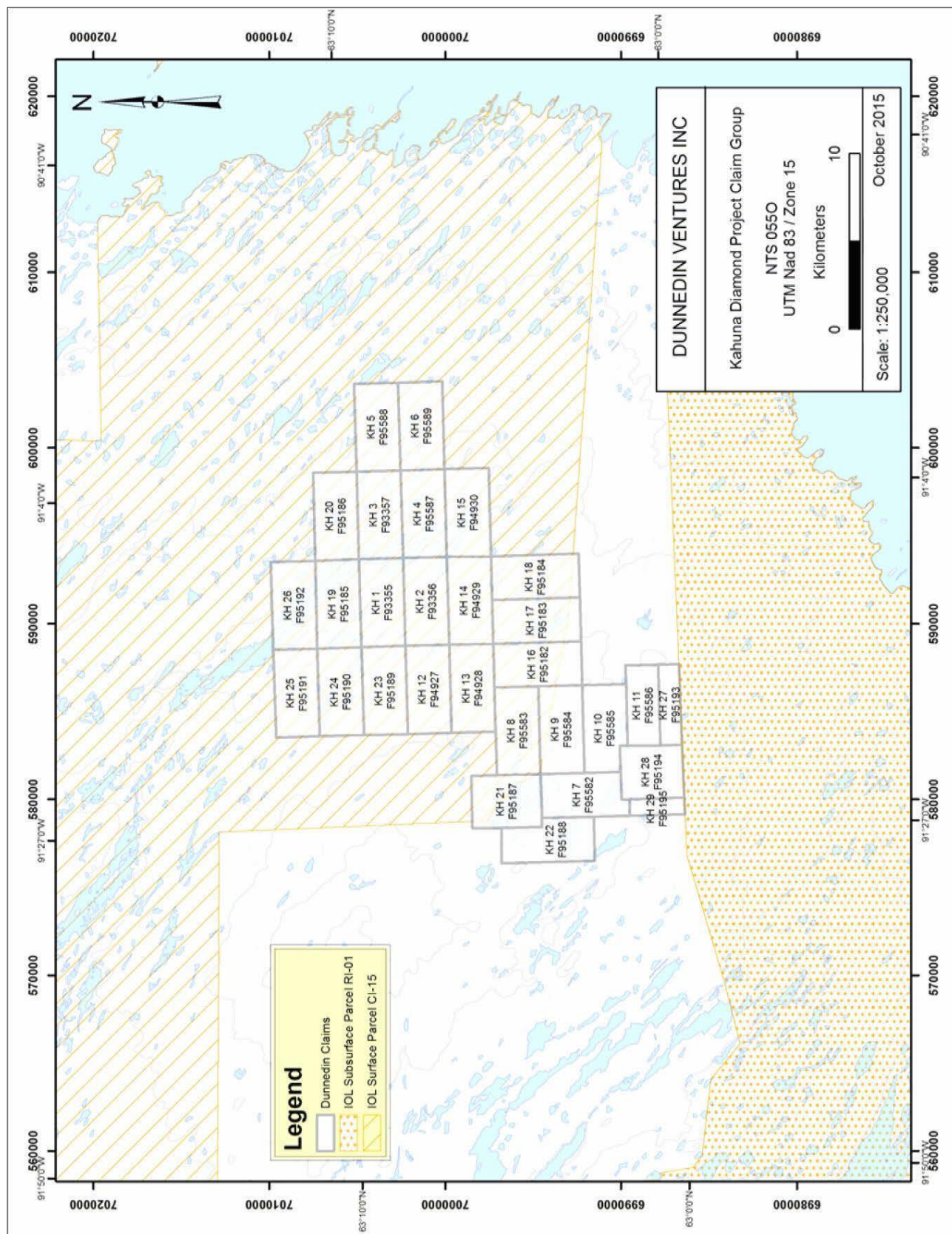


Figure 2: Kahuna Claim Group



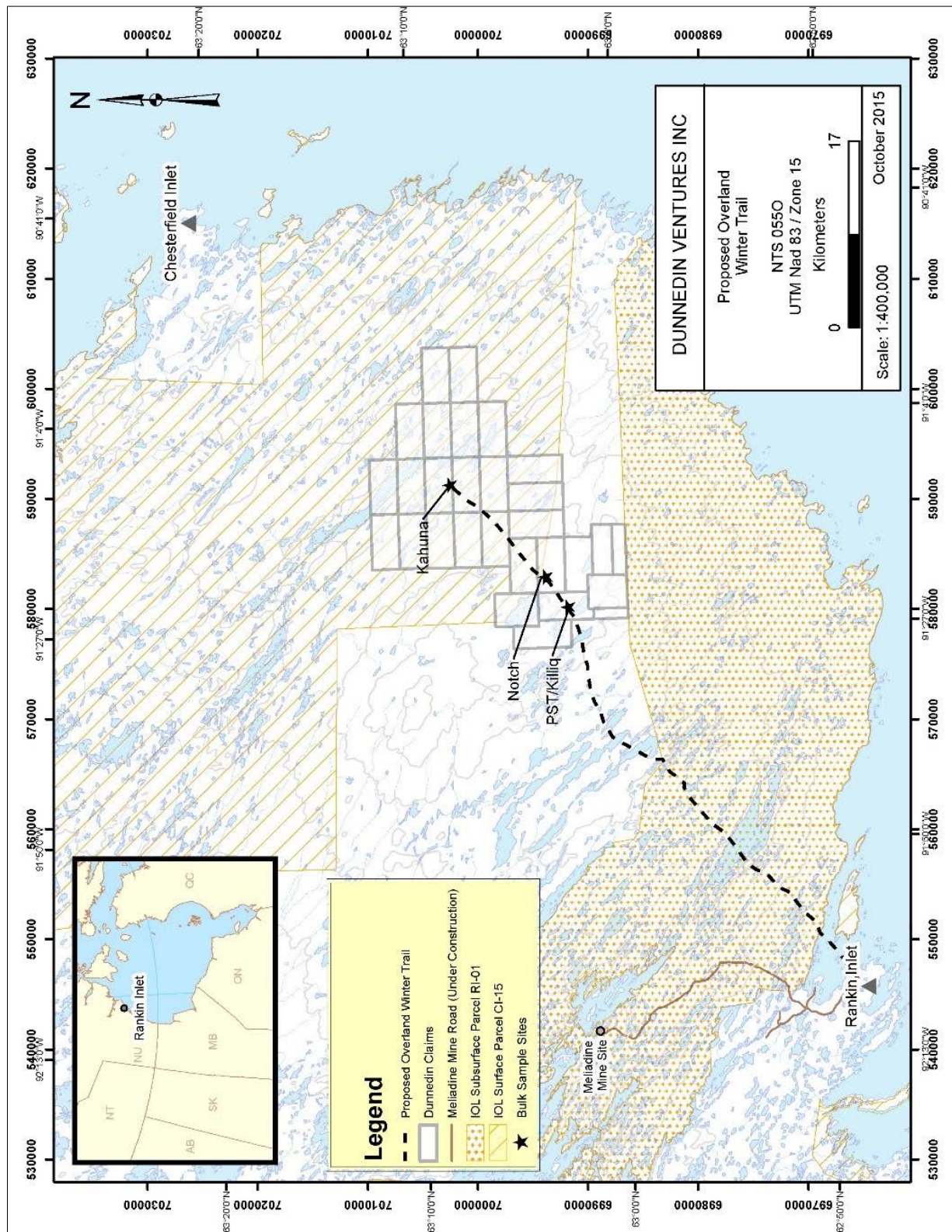
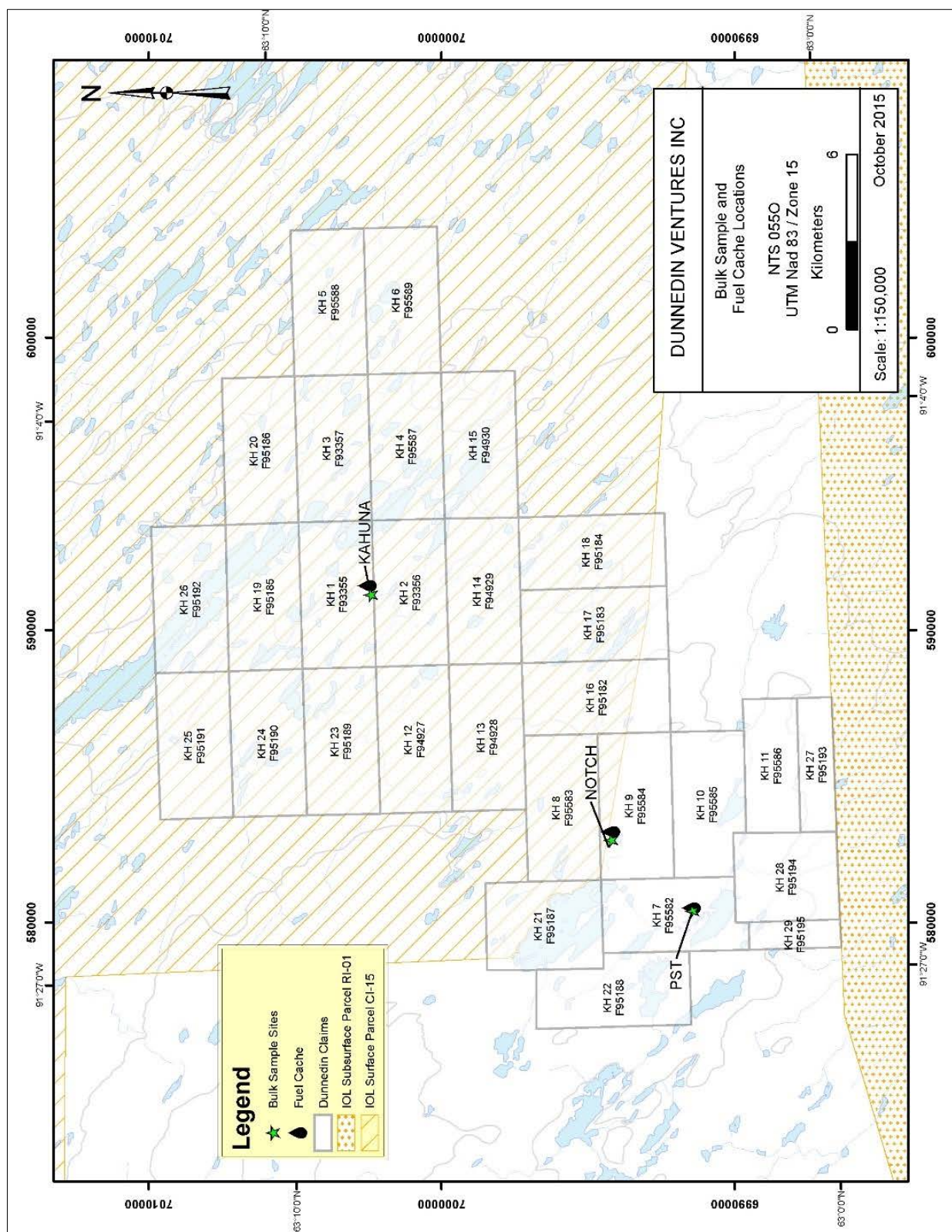


Figure 3: Overland Winter Trail and Bulk Sample Site Locations







**Figure 4: Bulk Sample Sites and Proposed Fuel Cache Locations**  
**APPENDIX II**

**PERMITS**

## **Land Use Permit N2015C0019**



**LAND USE PERMIT**  
**NORTHERN AFFAIRS PROGRAM**

**PERMIS D'UTILISATION DES TERRES**  
**PROGRAMME DES AFFAIRES DU NORD**

Permit Class - Permis Catégorie

**A**

Permit No - NE de permis

**N2015C0019**

Subject to the Territorial Land Use Regulations and the terms and conditions in this permit, authority is hereby granted to:

Sous réserve du Règlement sur l'utilisation des terres territoriales et des conditions de ce permis:

**Dunnedin Ventures Inc.**

Permittee - Détenteur de permis

To proceed with the land use operation described in the application of:

Est autorisé à entreprendre les travaux d'exploitation des terres décrits dans la demande de permis du:

Signature

**Rick Kemp**

Date

**April 13<sup>th</sup>, 2015**

Type of Land Use Operation - Genre de travaux d'exploitation des terres

**Mining (Exploration)**

Location - Emplacement

**Chesterfield Inlet Area, Kivalliq, NU, NTS 550**

The conditions attached to this permit are incorporated into and form an integral part of the permit.

Les conditions attachées à ce permis en font partie intégrante.

This permit may be assigned, extended, discontinued, suspended or cancelled pursuant to the Territorial Land Use Regulations.

Ce permis peut faire l'objet d'une cession, d'une prolongation d'une cessation d'une suspension ou d'une annulation, en vertu du Règlement sur l'utilisation des terres territoriales.

Dated at

Date à **Iqaluit**

Engineer

Ingénieur

This

Ce **17<sup>th</sup>** Day of **July**, **2015**

Day of

jour de

**July**

Expiry Date

Commencement Date

Date du début des travaux **July 17<sup>th</sup>, 2015**

Date d'achèvement **July 16<sup>th</sup>, 2017**

**NOTE**

**REMARQUE**

IT IS A CONDITION OF THIS PERMIT THAT THE PERMITTEE COMPLY WITH ANY OTHER APPLICABLE ACT, REGULATION, ORDINANCE BY - LAW OR ORDER DEFAULT HEREOF MAY RESULT IN SUSPENSION OR CANCELLATION OF THIS PERMIT.

LE DÉTENTEUR DU PRÉSENT PERMIS DOIT SE CONFORMER À TOUT AUTRE RÈGLEMENT, LOI, DÉCRET RÈGLEMENT MUNICIPAL OU ARRÊTÉ APPLICABLE. LE MANQUEMENT À CETTE OBLIGATION POURRAIT DONNER LIEU À LA SUSPENSION OU À L'ANNULATION DU PERMIS.

**Canada**

**Kivalliq Inuit Association**

**Land Use Licence KVL115B02**



**INUIT LAND USE LICENSE**  
**KIVALLIQ INUIT ASSOCIATION**  
**LICENSE NUMBER: KVL115B02**

Subject to the terms and conditions in this license and to the terms and conditions and general minimum standards set out in the application for an Inuit Land Use License, authority is hereby granted to:

Dunnedin Ventures Inc

To proceed with the land use operation described in the attached application dated:

April 13, 2015

**STAKING & PROSPECTING**

Purpose: \_\_\_\_\_

CI-15 055003, 055002

Location: \_\_\_\_\_

Dated at: Rankin Inlet Director of Lands: 

Luis Manzo

This 20<sup>th</sup> Day of June 2016

Commencement Date July 16, 2016 Expiry Date July 16, 2018

**This copy is to be signed and returned to the Kivalliq Inuit Association. The License will not become effective until a signed copy is received by the Kivalliq Inuit Association.**

  
Signature of Applicant

CHRIS TAYLOR  
Print Name

CEO  
Position

JUNE 22 2016  
Date