



**ENVIRONMENTAL & WILDLIFE
MANAGEMENT PLAN
BAFFIN GOLD PROPERTY
KIVALLIQ ENERGY CORPORATION**

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Effective Date: June 1, 2017

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1. Introduction

This Environmental and Wildlife Management Plan (EWMP) shall be in effect from June 1, 2017 and has been specifically prepared for Kivalliq Energy Corp.'s (Kivalliq Energy) Baffin Gold Property. A copy of this plan will be kept in the office at site and at the head office in Vancouver. Copies of this plan may be obtained from Kivalliq Energy Corporation.

Kivalliq Energy is an exploration company with a Nunavut focus. The company endeavors to take every reasonable precaution toward ensuring the protection and conservation of the natural environment, and the safety and health of all employees and contractors from any potential harmful effects of stored materials and operations.

1.1. Corporate Details

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1.2. Purpose and Scope

This Environmental and Wildlife Management Plan outlines Kivalliq Energy's environmental policy and will be implemented to ensure that exploration activities at the Baffin Gold Property are operating in an environmentally responsible manner.

This plan includes:

- Kivalliq Energy's environmental policy.
- Applicable legislation and guidelines.
- Environmental protection measures.
- Wildlife predicted impacts and mitigation measures.
- Potential impacts to aquatic life, air and noise quality.
- Vegetation and soil disturbance mitigation.
- Archaeological site procedures.
- Hazardous materials mitigation measures.
- A summary of the Waste Management Plan and Abandonment and Restoration Plan.

This Environmental and Wildlife Management Plan should be used in conjunction with other property plans and best management practices. Copies of all plans will be located in the office at site and at the head office in Vancouver and are available upon request. Other plans at the Baffin Gold Property include:

- Abandonment and Restoration Plan

- Emergency Response Plan
- Field Safety Manual
- Fuel Management Plan
- Spill Contingency Plan
- Waste Management Plan

1.3. Environmental Policy

Kivalliq Energy endeavours to take every reasonable precaution toward ensuring the protection and conservation of the natural environment and the safety and health of all employees and contractors from any potential harmful effects of stored materials and operations.

The company's environmental policy includes:

- Ensuring all personnel and contractors adhere to Kivalliq Energy's environmental policies.
- Minimizing the risks to the health and safety of all employees.
- Complying with all applicable environmental legislation and regulations.
- Assess and mitigate any potential environmental impacts.
- Advancing the project in an environmentally and socially responsible manner that includes community consultation.
- Cooperate with relevant regulatory bodies and governments on all aspects of environmental protection and policy.
- All plans, licences and permits will be reviewed with employees and contractors when hired and copies of the plans will be available in the site office for reference.

1.4. Project Description

The Baffin Gold Property on Baffin Island in the Qikiqtani Region of Nunavut consists of 15 prospecting permits, 6 mineral claims and two Mineral Exploration Agreements (MEA's) with Nunavut Tunngavik Inc. (NTI) on Inuit Owned Land Parcel BI-35. The property is located 260 kilometres southwest of Clyde River and 360 kilometres northwest of Qikiqtarjuaq, measures 160 kilometres in an east-west direction by approximately 30 kilometres north-south and comprises a total area of 408,981.6 hectares (Appendix B).

All prospecting permits, mineral claims and the MEA's are contiguous and the property extends north, south, east and west between latitudes 68.375° and 68.75° North and longitudes 70.5° and 74.5° West in NTS map areas 027 B/05, 027 B/12, 027 B/11, 037 A/06, 037 A/07, 037 A/08, 037 A/09 and 037 A/10 (UTM coordinates: 7,584,000mN to 7,615,000mN and 520,500mE to 622,500mE, NAD83, Zone 18 and 7,586,000mN to 7,628,500mN and 377,500mE to 439,500mE Zone 19).

Property access is limited to fixed-wing aircraft or helicopter. Chartered fixed-wing flights from Iqaluit to the Fox-3 Airstrip (a North Warning System airstrip) will be used to transport personnel and equipment to the Dewar Lakes Camp. Helicopters will be used to support exploration activities. The property location is extremely remote and the only people expected on site will be employees and contractors.

The work proposed for the 2017 exploration program consists of low-impact activities including: prospecting, geological mapping, rock and soil/till sampling, airborne geophysics, ground geophysics, drone surveying, environmental baseline monitoring and fuel transport (fixed wing).

Kivalliq Energy intends to utilize Commander Resources Ltd.'s (Commander) existing Dewar Lakes Camp (Permits Pending) on Crown lands administered by INAC to facilitate the program. The camp is located at 68°37'59" N Lat., 71°06'38" W Long. and operated seasonally from 2003 to 2011 but has been unoccupied since 2013. In June 2017, Commander will mobilize a crew to rehabilitate the camp and prepare it to accommodate field personnel. As the permittee, Commander has a separate EWMP in place for the Dewar Lakes Camp. This document is consistent with the Commander EWMP.

Due to the size of the property Kivalliq Energy is permitting two temporary fly camps to accommodate workers and provide effective daily access to and from priority target areas that are remote from the Dewar Lakes camp location. The proposed Malrok Fly Camp will be located adjacent to Malrok Lake on IOL BI-35 on Inuit Owned Lands administered by QIA at 68° 30' 06" N Lat., 72° 27' 08" W Long. The proposed Tuktu Fly Camp will be located on Crown lands proximal to the Fox-B Airstrip and adjacent to Nadluardjuk Lake at 68° 37' 10" N Lat., 73° 12' 45" W Long.

The temporary fly camps will accommodate up to 15 people and will be comprised of: 1 kitchen tent, 1 office tent, 1 dry tent, 1 utility tent, 5 supplementary sleep tents, a Pacto or outhouse latrine facility, a portable fuel-fired incinerator and a small generator shed. The structures will consist of a combination of WeatherPort vinyl tents, canvas prospectors' tents and small plywood structures. These camps will be fully closed and dismantled completely once exploration activities cease. The sites will then be reclaimed and restored to their original state.

Full details regarding the temporary fly camps can be found in the Baffin Gold Property Project Description and Work Plan.

1.5. Applicable Legislation and Guidelines

Exploration at the Baffin Gold Property will be conducted in accordance with Federal and Territorial Acts, Regulations, Guidelines and Recommendations including, but not limited to

1.5.1. Federal

- Aeronautics Act
- Canada-Wide Standards for Dioxins and Furans (Canadian Council of Ministers of the Environment)
- Canada Wildlife Act
- Canadian Environmental Protection Act (Environment Canada)
- Department of Fisheries and Oceans Operational Statements and Guidelines
- Draft Fuel Storage and Handling Guidelines, April 2009, Indian and Northern Affairs Canada - Nunavut
- Fisheries Act (Fisheries and Oceans Canada; DFO)
- Guidelines for Spill Contingency Planning (INAC)

- Migratory Birds Convention Act and Migratory Birds Regulations
- National Fire Code of Canada (Federal)
- Nunavut Land Claims Agreement
- Public Health Act
- Species at Risk Act
- Territorial Lands Act
- Transportation of Dangerous Goods Act (Transport Canada)
- Workers' compensation Board
- Workplace Hazardous Materials Information System (WHMIS)

1.5.2. Territorial

- Caribou Protection Plan/Caribou Protection Measures
- Draft Recommended Best Practices For The Storage And Handling Of Petroleum And Allied Petroleum Products on Federal Crown Lands in Nunavut
- Environmental Guidelines for the Burning and Incineration of Solid Waste
- Fire Prevention Act (Territorial)
- North Baffin Regional Land Use Plan (NBRLUP)
- Nunavut Environmental Protection Act
- Nunavut “Guideline for the General Management of Hazardous Waste”
- Nunavut Waters Act and Nunavut Surface Rights Tribunal Act
- Nunavut Wildlife Act
- The Mine, Health and Safety Act and Regulations (Nunavut)
- The NWT and Nunavut Safety Act, the Occupational Health and Safety Regulations

1.5.3. Municipal

- Municipal Solid Wastes Suitable for Open Burning Guidelines

2. Training

All employees and contractors of Kivalliq Energy will be trained in the company’s internal policies, management plans, standard operating procedures and made familiar with the Terms and Conditions of the project’s licences and permits. Every person arriving at Kivalliq Energy’s Baffin Gold Property will undergo an orientation which includes information on health, safety, and environmental responsibilities and stewardship. Training will include, but not be limited to:

- Emergency Response Plan
- Spill Response (Spill Contingency Plan)
- Bear Safety
- General Safety

- Environmental Management Plan
- Environmental Baseline Monitoring
- Wildlife Mitigation Measures
- Field Safety Manual
- Fuel Management Plan
- Abandonment and Restoration Plan
- Waste Management Plan

All employees and contractors will receive Bear Safety Training. Bear safety information and material will be kept in a binder on site. The Government of Nunavut published the manual “Bear Safety-Reducing Bear-People Conflicts in Nunavut”. This document will be referred to in the safety orientation that all personnel, contractors and consultants receive when they arrive at site. A copy of the manual will be kept at the camp office and in Vancouver in the head office.

3. Environmental Protection Measures

Kivalliq Energy endeavors to take every reasonable precaution toward ensuring the protection and conservation of the natural environment from any potential harmful effects of stored materials and operations. All exploration activities at the Baffin Gold Property will operate in an environmentally responsible manner. The Project Manager is responsible for implementing the Environmental Management Plan and overseeing Environmental Baseline Monitoring (section 3.1).

3.1. Environmental Baseline Monitoring

Kivalliq Energy plans to implement an early stage baseline monitoring program that is designed to build an understanding of the local and regional environmental attributes in areas being worked that are of legislative, cultural, economic and/or scientific importance. The attributes selected for study are also those that will benefit from the longest record of data collection.

Initially, the monitoring program will investigate three biophysical components:

- Water Quality
- Meteorology
- Non-invasive, Observational Based Wildlife Monitoring

Additional biophysical components may be added as the program size increases over the years.

3.1.1. Water Quality

A water quality monitoring program will be established to generate baseline water quality data in areas of active exploration. Sample sites will be chosen on representative water bodies that focus on exploration targets and camp infrastructure locations. Water samples will be analyzed for hardness, metals, pH, total suspended solids, ammonia, nitrate, cyanide and alkalinity.

3.1.2. Meteorology

Meteorological data including air temperature, precipitation, wind speed and direction will be recorded on a daily basis. An automated weather station may be installed on the property in future years.

3.1.3. Wildlife Monitoring

The objective of the wildlife monitoring is to describe wildlife use of the study area and produce coarse-scale population estimates for valued ecosystem components (VECs) occurring in the study area. The 2017 wildlife program will consist of logging incidental observations of all wildlife encountered by field staff and noting any listed species or high priority VEC known to occur in the study area. The wildlife incidental observations will be included in the Annual Report to QIA, INAC and NIRB. Predicted impacts to wildlife and wildlife mitigation measures can be seen below in section 4.

4. Potential Impacts & Wildlife Management

4.1. Predicted Impacts to Wildlife

Kivalliq Energy's proposed exploration programs are of limited scope and will be operated seasonally due to weather limitations.

Kivalliq Energy has monitoring and mitigation strategies in place to minimize the potential for any temporary impact to wildlife and wildlife habitat caused by exploration activities. All terms and conditions of the permits and licences will be adhered to including Caribou Protection Measures.

The Baffin Gold Property is not located within any federal or territorial Protected Areas, as defined by Environment and Climate Change Canada. The edge of the property lies 110 kilometres northwest of the Auyuittuq National Park and the proposed Igalirtuq National Wildlife Area surrounding Clyde River is approximately 100 kilometres north of the Dewar Lakes Camp.

In developing mitigation measures toward the protection of wildlife, Kivalliq Energy Corporation has identified three areas of potential impact to wildlife due to the presence of this project: attracting wildlife; habitat disturbance; and unintentional interactions and disturbances. Mitigation measures specific to these areas of potential impact are outlined below.

4.2. Wildlife Mitigation Measures

4.2.1. Attracting Wildlife

Every effort will be made to ensure that wildlife are not attracted or encouraged to linger at the project. These efforts will include:

- Waste handling practices – All waste will be stored such that it is not accessible to wildlife. Food wastes will be incinerated on a regular basis to limit odours which could attract wildlife.
- Strict rules regarding feeding wildlife – Any personnel, contractor or consultant found to be feeding wildlife will be terminated immediately.

- Keeping lunches out of reach – Field crews and drill crews will store their lunches so that they are not accessible to wildlife. All food wastes, wrappers, drink containers are to be brought back to camp for disposal, recycling and/or cleaning.
- Keeping work areas clean and tidy – Field crews and drill crews will keep the work areas free of litter and garbage. No food or beverage will be dumped out or left behind, this includes thermoses.

4.2.2. Habitat Disturbance

Habitat disturbance at exploration programs is temporary and is the result of exploration activities and infrastructure. Progressive reclamation is to be practiced at site, meaning that before an exploration program is considered complete, every effort will be made to reclaim and restore the area to its original state. Refer to the Kivalliq Energy’s “Abandonment and Restoration Plan”.

4.2.3. Unintentional Interactions and Disturbances

The potential exists for unintentional wildlife interactions and disturbances despite best efforts to avoid them. These interactions and disturbances will be documented, reported immediately to the GN and the QIA and will be reported in the required annual reports.

Approaching and feeding wildlife is prohibited. There are absolutely no exceptions to this rule. If wildlife are present in the area, all employees and contractors are to avoid any contact with wildlife. These policies/regulations will be strictly enforced. Any employee or contractor who is found to be violating any of these rules will find their employment terminated and will be removed from site immediately.

Harassment and disturbance of wildlife is prohibited. If any employees and contractors are approaching a work site where migrating caribou, caribou cows and calves, muskoxen nurse groups or other wildlife are in the area, this work site will be avoided until the animals have moved on a distance of one (1) kilometre from the site.

If employees and/or contractors encounter wildlife at any time, every effort should be made to stay out of sight of wildlife or redirect travel away from wildlife where possible, to avoid impact to the wildlife.

While conducting business on behalf of Kivalliq Energy, **hunting is strictly forbidden.** There are no exceptions to this rule.

4.2.4. Caribou, Muskoxen and Other Wildlife

Migration

A one kilometre buffer is used as a measure of a safe distance for working in areas where migrating caribou are present. If migrating caribou and/or caribou cows and calves come within one kilometre of any work site, work activities must cease until the caribou have moved safely beyond the one kilometre buffer area.

Outside of the migration window, if caribou approach the work site, workers must remain out of sight where possible, must not approach the caribou and must cease activities that incidentally draw the attention of the caribou or cause them to flee.

Flights & Landings

Helicopter flights maintain a >300 metre altitude whenever possible. In areas where wildlife is observed helicopters are to maintain a minimum of altitude of 610 metres. Helicopter and aircraft pilots are instructed to avoid caribou calving grounds on their way to or from the project area.

Absolutely no landings are allowed in areas where there are migrating caribou, caribou cows and/or calves and/or muskox nurse groups present unless under an emergency situation.

Crossings

Between May 15 and September 1, no fuel cache is to be established, and no blasting is to occur within 10 kilometres of a “designated caribou crossing”. Absolutely no activities are to act as a block or in any way cause a diversion to migration of caribou. There are no designated caribou crossings on the Baffin Gold Property or in areas currently being worked by Kivalliq Energy.

Airborne Geophysical Surveys

Prior to conducting any low-level airborne geophysical surveys, work plans outlining the dates, locations and duration of the surveys will be sent to the Qikiqtani Inuit Association (QIA), Indigenous and Northern Affairs Canada (INAC) and Nunavut Impact Review Board (NIRB). If caribou and/or muskox are seen in the area, the geophysical survey will not be flown until they have moved a safe distance (at least one kilometre) from the area to be surveyed.

4.2.5. Bear and other Carnivores

If bears are present in the area, work is to cease until the bears have moved safely out of the area. All human-bear interactions or incidents are to be reported immediately to the QIA and to the GN Wildlife Biologist.

Dens

Known carnivore dens are to be avoided. Any new dens discovered are to be reported to the regional wildlife biologist and the QIA and avoided.

If a den site is discovered, the GPS coordinates will be recorded so that the site can be avoided. These coordinates will be provided to the appropriate regulatory authorities. No dens are to be disturbed.

Any exploration activities within the den buffers stated below will cease immediately. The following buffers are provided (by the Government of the Northwest Territories) for active dens, between the den and all exploration activities between May 1st and July 15th.

- Wolves 800m buffer
- Grizzly Bear 300m buffer
- Wolverine 2km buffer

- Fox 150m buffer

4.2.6. Breeding and Nesting Birds

No eggs or nests are to be disturbed by any activities. If any employee or contractor comes across any active nests, they are to cease all activities immediately to ensure that the nest is not disturbed. Coordinates are to be recorded on the wildlife incidental observation log and these coordinates are to be reported to Environment Canada. Moving or disturbing the nest of a migratory bird is in contravention of the Migratory Birds Convention Act.

The peregrine falcon has been identified as species of Special Concern by COSEWIC. If any nests are found, a buffer must be maintained. A 1.5 kilometre buffer is recommended for the peregrine falcon. Any nests discovered will be recorded on the wildlife incidental observation log and the GPS coordinates provided to the applicable regulatory authorities and interested parties.

4.2.7. Wildlife Observation Log

Sightings of wildlife will be recorded. Sightings of wildlife will be reported by all employees and contractors to an appointed staff member who will record the wildlife sighting information into the Kivalliq Energy Wildlife Incidental Observation Spreadsheet. This information will be reported in the required annual reports provided to various regulatory agencies.

4.2.8. Firearms

Registered firearms will only be carried to ensure the safety of personnel on the Baffin Gold Property. Firearms on site are required to be properly registered and stored in accordance with applicable legislation. All personnel handling a firearm must have a valid firearms licence and be approved by the Project Manager.

Hunting by all employees and contractors is strictly prohibited and will result in immediate termination. All firearm discharges must be reported immediately to the Project Manager. The use of firearms against dangerous wildlife is considered a last resort.

4.3. Aquatic Life

The following practices are in place to ensure aquatic life will be protected on the Baffin Gold Property.

- Working in and around waterbodies must be done in such a way that prevents disturbance to aquatic life and habitat.
- Waterlines must be properly placed and screened in accordance with the “Freshwater Intake End-of-Pipe Screen Guideline” (DFO).
- No wastes are to enter any water-bodies. This includes any discharge from any exploration camp.
- All sumps, fuel caches and camps must be located at least 31 metres from the high water mark of any water-body unless otherwise approved by the appropriate regulatory authority.
- Fishing while conducting business on behalf of Kivalliq Energy is strictly prohibited.

The Baffin Gold Property does not occur in or near any aquatic species at risk or their critical habitat according to the “Aquatic Species at Risk Maps” provided by the Department of Fisheries and Oceans.

4.4. Air and Noise Quality

Potential impacts on air quality resulting from activities on the Baffin Gold Property include discharge of exhaust from airplanes, helicopters and generators and incinerator emissions. Exploration programs are generally small in nature and operated seasonally in the northern regions due to weather limitations. Due to the short duration of the program, the low-impact activities involved and the remote location of the property, measurable impacts to the air quality are not anticipated. As exploration program scope expands over the years, a dustfall collection program may be initiated to generate baseline air quality data.

Noise quality on the Baffin Gold Property may be affected by airplanes, helicopters and generators which can disturb wildlife. Wildlife mitigation measures are outlined above in Section 4.2. If caribou and/or muskox are seen in the survey area, the geophysical survey are not to be flown until they have moved a safe distance (at least one kilometre) away. Helicopters are to maintain a minimum of altitude of 610 metres in areas where wildlife is observed and are instructed to avoid caribou calving grounds on their way to or from the project area.

4.5. Vegetation and Soil Disturbance Mitigation

A grassroots exploration program is proposed for the Baffin Gold Property in 2017. Activities planned are considered to be low impact and are predicted to have none to very little effect on vegetation and soil. Vegetation on the property mainly consists of mosses, lichen, grasses and saxifrage.

Potential impacts to vegetation and soil on the Baffin Gold Property include disturbance due to camp and exploration activities. The Baffin Gold Property is located above the tree line; therefore, line cutting is not required for exploration activities. All-terrain vehicles will be restricted to designated pre-existing trails between the airstrip and camp. Kivalliq Energy will not construct any roads.

Any sumps associated with Kivalliq Energy's proposed temporary fly camps will utilize a naturally occurring depression free from vegetation and any potential runoff contamination as a sump. All sumps will be backfilled and restored to the pre-existing natural contours of the land during final abandonment and restoration.

Soil quality can be impacted from hazardous materials spills and waste discharge. Refer to Section 7: Hazardous Materials for mitigation measures regarding hazardous materials spills and Sections 8: Waste Management Plan for an outline of waste discharge protocols.

4.6. Archeological Sites

Any archaeological sites identified during the course of exploration activities will be handled with the utmost care. Site coordinates will be recorded, reported to the Government of Nunavut and the Qikiqtani Inuit Association and designated off limits to all workers. **Disturbance is prohibited.** Kivalliq Energy shall assist communities and government(s) in identifying and protecting archaeological sites and carving-stone sites, as required by law (Code of Good Conduct for Land Users, NBRLUP). Any archeological sites

identified will be reported to the Chief Archaeologist at the Department of Culture, Language, Elders and Youth (CLEY), the INAC Land Administrator and the QIA.

This is the first year Kivalliq Energy will be conducting exploration activities on the Baffin Gold Property and as such a regional assessment of the property is required. Once specific target areas have been identified as a focus of future exploration programs, archeological investigations will be conducted. Areas of potential disturbance will be examined to ensure archeological sites are identified, recorded and avoided.

5. Community Consultation and Inuit Qaujimajatuqangit

Kivalliq Energy is committed to Nunavut and the Nunavummiut. Kivalliq Energy will establish working relationships with local communities and respect the traditional users of the land as per the Code of Good Conduct for Land Users in the North Baffin Regional Land Use Plan. The company has planned visits to communities adjacent to the property (Clyde River, Qikiqtarjuaq, Pangnirtung and Iqaluit) prior to the start of the exploration program to discuss available Inuit Qaujimajatuqangit, the exploration program and any potential concerns the communities may have. Kivalliq Energy will record the visits in a community consultation log which will be included in the Annual Report to INAC, QIA and NIRB.

6. Internal Inspections

All personnel are responsible for maintaining a clean and safe workspace; The Project Manager will inspect camp and exploration sites periodically to ensure cleanliness is satisfactory.

Regular inspections of fuel drums, tanks and hoses for leaks, or potential to leak, and for proper storage will be conducted by the designated Camp Supervisor. Records are kept for daily camp water use, incinerator use and backhaul logs.

An inspection will be conducted of all areas prior to seasonal closure. Photographs will be taken to document the conditions prior to leaving the site. All appropriate agencies (QIA, INAC, NIRB, NWB, and WSCC) will be contacted and notified that exploration operations have ceased for the season.

A complete inspection will be conducted of all areas prior to final closure. Photos will be taken to document the conditions prior to leaving the site for use in the final plan. All appropriate agencies will be contacted and notified once the final clean-up has been conducted. The photos will make up part of the final closure reports to be submitted to Indigenous and Northern Affairs Canada, Qikiqtani Inuit Association and Nunavut Impact Review Board.

7. Hazardous Materials

Complete procedures for storing and handling hazardous materials are included in the Baffin Gold Property “Fuel Management Plan” and “Spill Contingency Plan”. The Camp Manager is required to oversee the handling of hazardous materials and will be trained in WHMIS, first aid and all Baffin Gold Property management plans. The Project Supervisor is responsible for the shipping of all dangerous goods and will

be trained in the “Transportation of Dangerous Goods Act”. All hazardous materials will be clearly labeled in accordance with WHMIS.

The following preventative measures illustrate a proactive approach to environmental stewardship. In addition, these actions minimize the potential for spills during fuel storage, handling and transfer and will prevent any chemicals, petroleum products or wastes from entering any water bodies.

7.1. Fuel Storage, Handling and Transfer

- All fuels and other hazardous materials will be stored in secondary containment (“berms”).
- All Secondary containment will be capable of holding 110 percent of the volume of the largest fuel reservoir that is housed within the secondary containment.
- All secondary containment will be of sufficient height and depth to hold any potential spill or failure.
- Secondary containment berms will be made of material (Arctic Grade) that is sufficiently durable to withstand Nunavut’s climate and the natural terrain.
- Secondary containment berms will be equipped with hydrocarbon filtration systems (rain drains) to safely remove water that is collected inside the berms.
- Secondary containment berms will be inspected daily during operations.
- Within the secondary containment berms fuel drums will be stored in rows on their sides with bungs facing at the 3:00 and 9:00 position.
- All operating personnel will be trained in proper fuel handling and spill response procedures.
- Propane cylinders will be stored standing up and away from any potential sources of ignition.
- Personnel will carefully monitor fuel content in the receiving vessel during transfer and always have absorbent pads available while transferring fuel. Drips or leakages are cleaned immediately.
- All drums, tanks and hoses will be regularly inspected for leaks. All fuel storage/transfer sites will be located a minimum of 31 metres from the normal high-water mark of any water body and will be inspected regularly.
- Spill Kits will be placed and will be easily identifiable with clear signage at each fuel storage/transfer site.
- “NO SMOKING” signs will be erected at each fuel cache and fuel storage/transfer area.
- Smoking, open flame and any potential sources of ignition are prohibited within 31 metres of any fuel storage/ transfer locations.
- Empty fuel drums will be removed from site regularly.

8. Waste Management Plan

Waste will be managed properly in accordance with the Baffin Gold Property “Waste Management Plan”.

Proper food storage and handling of cooking wastes will prevent problems with attracting wildlife. Food waste will be stored such that it is not accessible to wildlife and will be burned in an incinerator on a regular basis. All combustible waste will be incinerated according to the “Environmental Guidelines for the Burning and Incineration of Solid Waste” and the “Canada-Wide Standards for Dioxins and Furans” by the

Canadian Council of Ministers of the Environment. Untreated wood and large pieces of cardboard will be burned in a controlled open burn in compliance with the “Municipal Solid Wastes Suitable for Open Burning Guidelines”. Ash generated from the on-going incineration will be stored in sealed metal 45 gallon drums and removed from site via regularly scheduled backhauls.

All non-combustible and recyclable wastes will be packaged in the appropriate containers and backhauled to Iqaluit for recycling or proper disposal. Hazardous wastes will be sealed in the appropriate containers, labeled and documented in accordance with the “Transportation of Dangerous Goods Act” and removed from site for proper disposal at an accredited facility.

Kitchen grey water is discharged through a grease trap and screen to a grey water sump. The discharge pipe will be inaccessible to wildlife. The grey water pit will be located at least 31 metres away from a water body.

At the Dewar Lakes Camp, Pacto latrine facilities are used. Bags containing waste are incinerated. Ash generated from black water incineration will be stored in designated, sealed metal 45 gallon drums and removed from site for proper disposal. If outhouse latrine facilities are used at the proposed temporary fly camps, they will be located at least 31 metres away from a water body. When full, the pits will be covered with at least 30 cm of compacted soil.

9. Abandonment and Restoration Plan

Land use permits and water licences will be maintained for the life of project and will be extended or renewed as required to maintain activities. Reclamation of work sites is on-going as work is conducted. Final abandonment and restoration of the camp sites will begin once the program is deemed complete and no further work is warranted. Empty fuel drums will be removed from site 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 from the site.

Tent sites and areas disturbed by exploration activities may be fertilized to encourage re-growth of vegetation. The Kivalliq Energy exploration program will utilize naturally occurring depressions free from any potential runoff contamination as a sump. All sumps will be backfilled and restored to the pre-existing natural contours of the land during final abandonment and restoration.

A complete inspection will be conducted of all areas prior to closure. Photos will be taken to document the conditions prior to leaving the site for use in the final plan. All appropriate agencies will be contacted and notified once the final clean-up has been conducted. The photos will make up part of the final closure reports to be submitted to Indigenous and Northern Affairs Canada, Qikiqtani Inuit Association and Nunavut Impact Review Board.

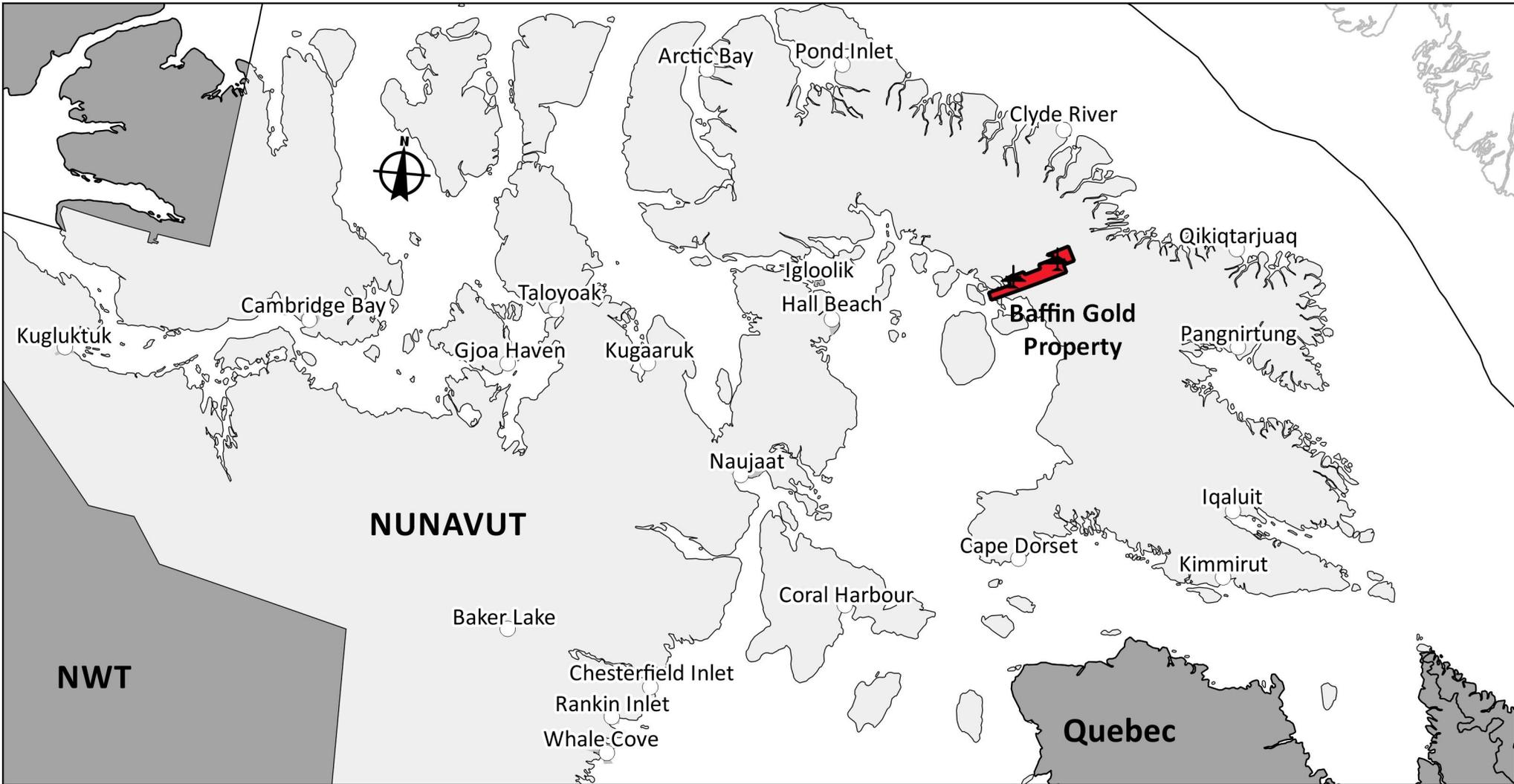
Please refer to the “Abandonment and Restoration Plan” for the Baffin Gold Property for complete details regarding abandonment and restoration.

APPENDIX A: WILDLIFE CONTACTS

Name	Company/Position	Phone Number(s)
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		(604) 603-0260 (cell)
Nunavut Department of Environment	Iqaluit Main Office	(867) 975-7700
NAC Manager of Field Operations	Iqaluit	(867) 975-4295 (phone)
		(867) 979-6445 (fax)
Nunavut Wildlife Management Board	Iqaluit	(867) 793-2944

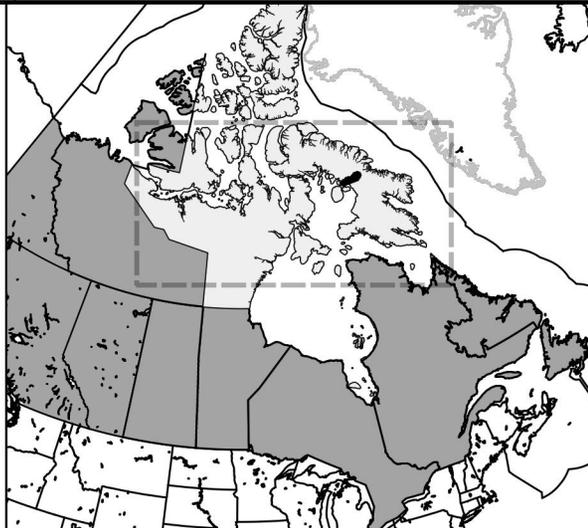
Name	Position	Community	Phone
Jason Aliqatuqtuq	Wildlife Manager - South Baffin	Iqaluit	(867) 975-7900
Drikus Gissing	Wildlife Director	Iqaluit	(867) 975-7734
Peterloosie Papatsie	Conservation officer II	Iqaluit	(867) 462-4002
Vicki Sahanatien	Wildlife Deterrent Specialist	Iqaluit	(867) 975-7724
Caryn Smith	Senior Wildlife Advisor	Iqaluit	
Alden Williams	Wildlife Officer III	Iqaluit	(867) 975-7900
Malik Awan	Wildlife Biologist - Carnivores	Igloolik	(867) 934-2179
Mitch Campbell	Biologist	Arviat	(867) 857-3171
Markus Dyck	Polar Bear Biologist II	Other	(867) 934-2181
Joseph Guay	Conservation Officer II	Qikiqtarjuaq	(867) 927-8966
George Koonoo	Wildlife Officer II	Pond Inlet	(867) 899-8819
Maha Ghazal	Advisor - Marine Mammals	Pangnirtung	(867) 473-2669
Chris Wex	Conservation Officer III	Pangnirtung	(867) 473-8937
Navarana Beveridge	Executive Director, QIA	Iqaluit	(867) 975-8400
Joel Fortier	Acting Director or Lands, QIA	Iqaluit	(867) 975-8400
Rosanne D'Orazio	Director of Lands, QIA	Iqaluit	(867) 975-8400
Mathew Akavak	Lands and Resources Officer, QIA	Iqaluit	(867) 975-8400

APPENDIX B: MAPS



Legend

- Baffin Gold Property
- Nunavut Communities
- Airstrip





KIVALLIQ ENERGY CORP.

BAFFIN GOLD PROPERTY

Figure 1: Property Location

Nunavut Territory

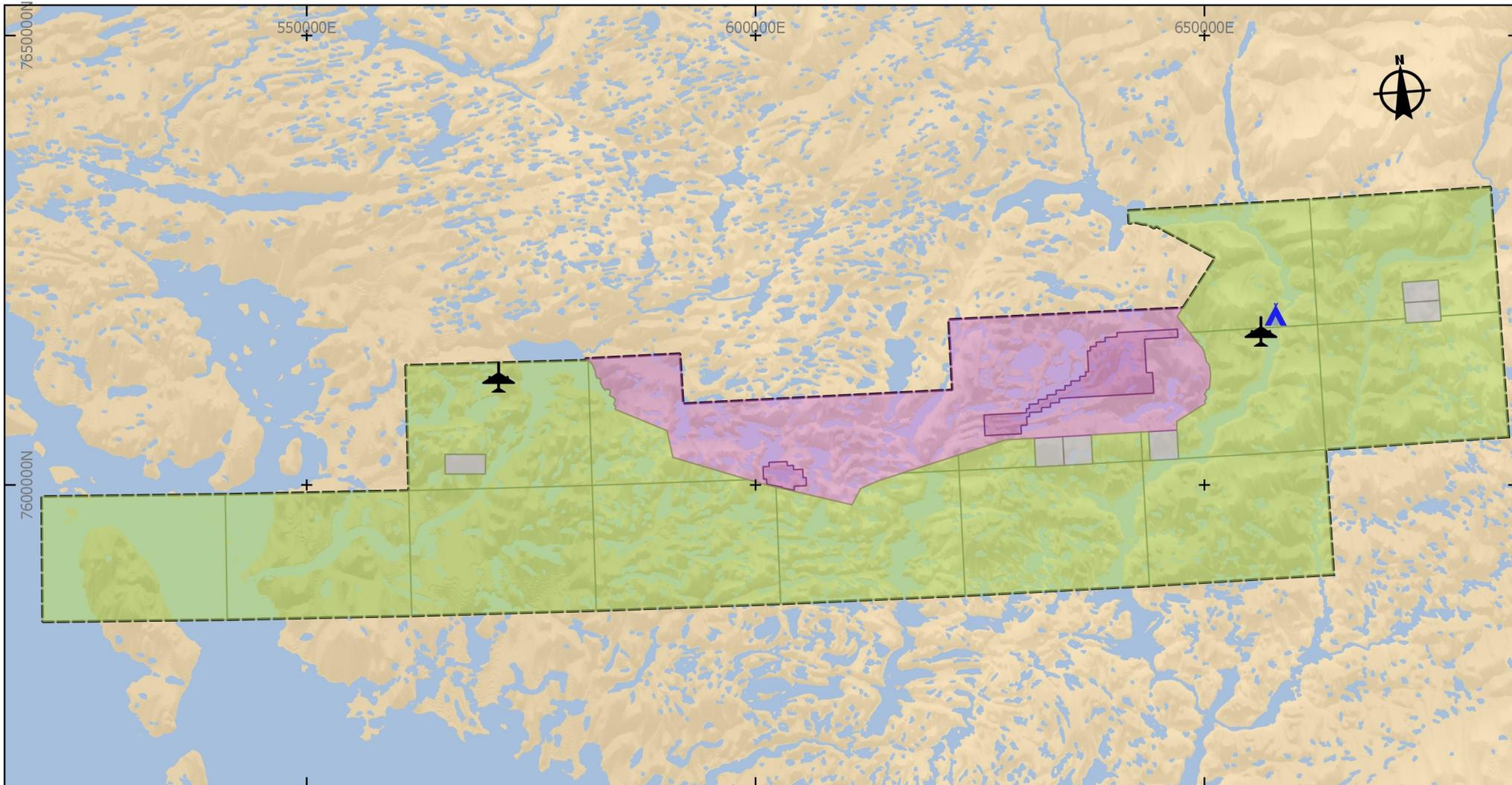
April 2017 UTM NAD83 Zone 18 1:10,000,000

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Kilometres

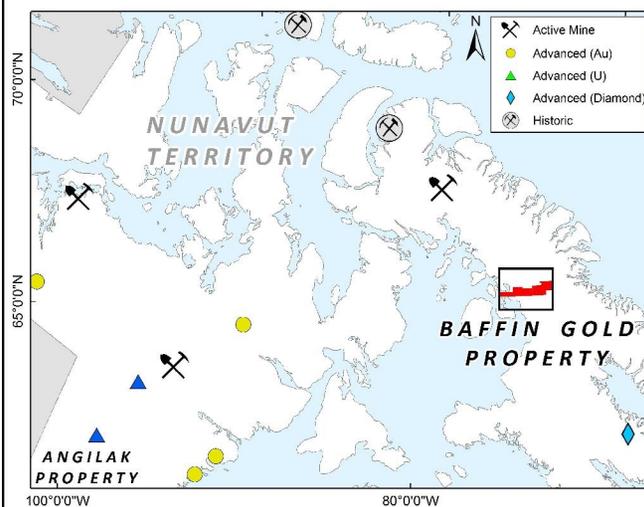
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Legend

-  Baffin Gold Property
-  IOL BI-35 MEA -Kivalliq
-  Prospecting Permits - Kivalliq
-  IOL BI-35 MEA - CMD Option
-  Mineral Claims - CMD Option
-  Airstrip
-  Dewar Lakes Camp



KIVALLIQ ENERGY CORP.

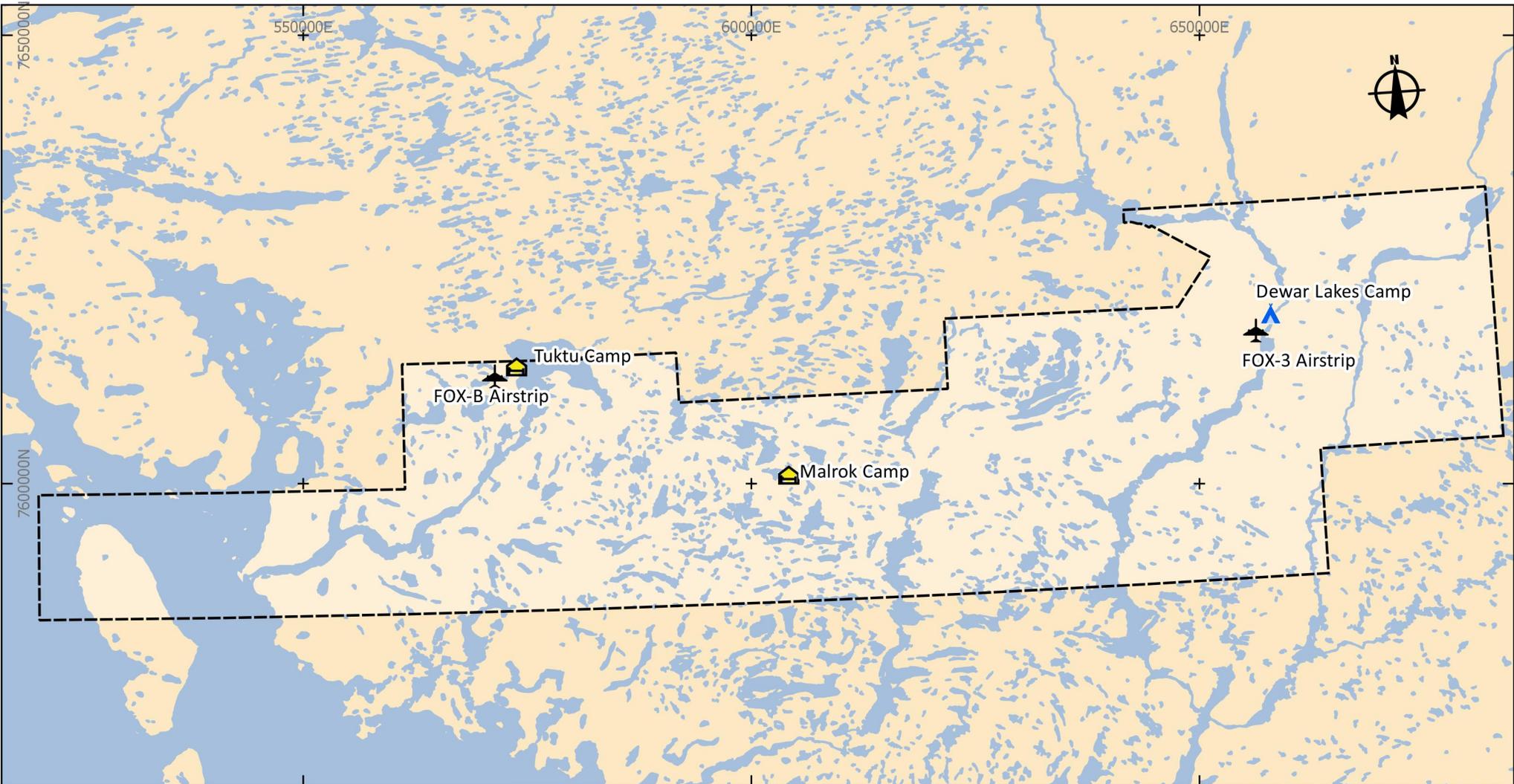
BAFFIN GOLD PROPERTY

Figure 2: Land Tenure

Nunavut Territory

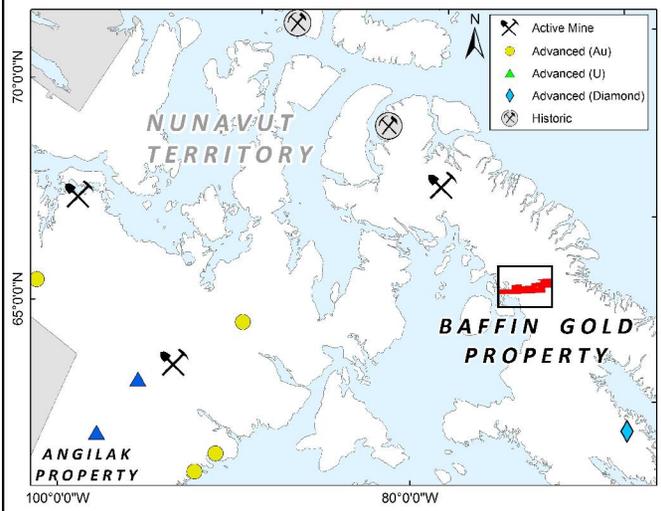
April 2017 UTM NAD83 Zone 18 1:625,000





Legend

- Baffin Gold Property
- Dewar Lakes Camp (existing)
- Fly Camp (Proposed)
- Airstrip



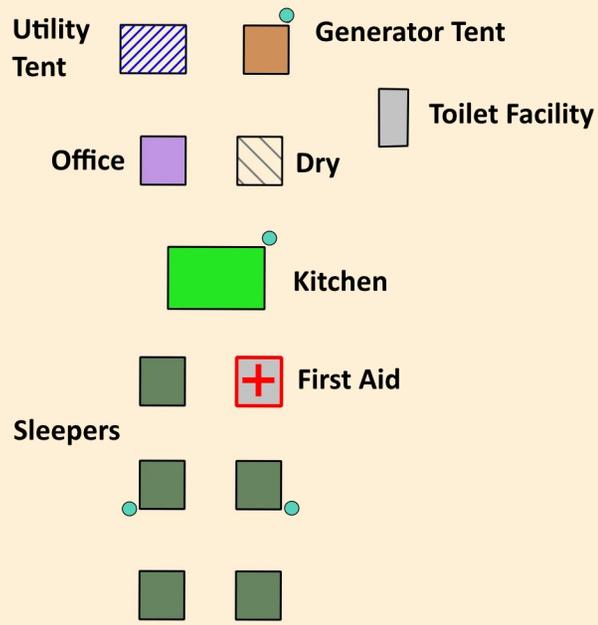
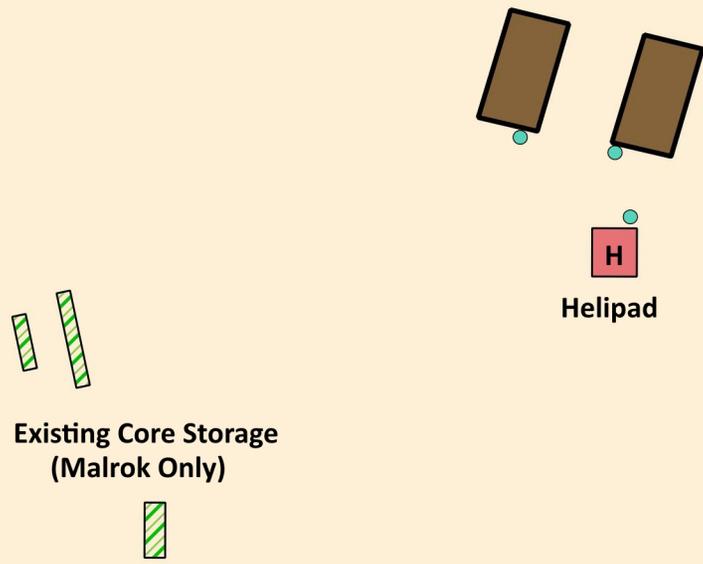
BAFFIN GOLD PROPERTY

Figure 3: Proposed Fly Camps

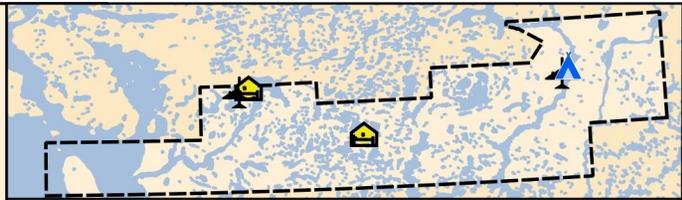
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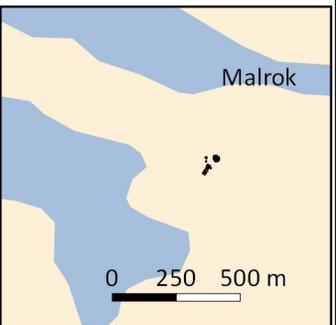
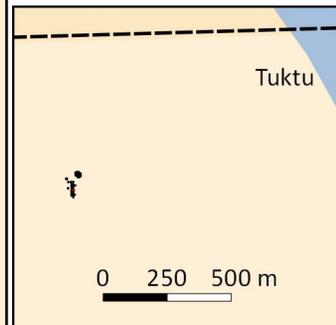


Proposed Fly Camp layout for Malrok site. Tuktu site will have identical layout.



Legend

- | | |
|------------------------|-----------------------|
| Airstrip | Generator Tent |
| Dewar Lakes Camp | Utility Tent |
| Proposed Fly Camp | Helicopter Pad |
| Fly Camp Layout | |
| Kitchen | Fuel Berm |
| Dry | Toilet Facility |
| Office | Existing Core Storage |
| Sleeper | Spill Kits |



BAFFIN GOLD PROPERTY Figure 4: Proposed Fly Camp Layout

Nunavut Territory

May 2017 UTM NAD83 Zone 18 1:500

