

# **ABANDONMENT AND RESTORATION PLAN**

## **MEADOWBANK PRECIOUS METAL PROPERTY NUNAVUT, CANADA**

Prepared for:

**Western Atlas Resources Inc./  
5530 Nunavut Inc.**

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**Effective Date: January 1, 2021**

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## 1 Introduction

This Abandonment and Restoration Plan (“ARP”) has been developed on behalf of 5530 Nunavut Inc., a wholly owned subsidiary of Western Atlas Resources Inc. (the “Company”) in accordance with applicable legislation, guidelines and best practices. This ARP applies to the activities associated with the Meadowbank Precious Metal Property (the “Property” or “Project”), Nunavut, Canada.

The ARP will come into effect January 1, 2021, pending approval from all relevant regulatory bodies. Copies and updates to this plan may be obtained via the Company or APEX Geoscience Ltd. (“APEX”). The ARP will be replaced, upon approval, if there are any significant changes to the activities outlined in the existing permits which warrant changes to the ARP. Minor changes will be submitted as an addendum to the ARP and submitted to the distribution list as required.

### 1.1 Contact Details

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### 1.2 Purpose and Scope

The purpose of the Meadowbank Precious Metal Property ARP is to provide guidelines to follow during the shutdown and final abandonment of the Project, in order to return the Property to as near as possible to natural conditions.

### 1.3 Other Plans

The ARP should be considered as a part of the project-wide management system. Other management plans in place at the Meadowbank Precious Metal Property include:

- Emergency Response Plan (ERP)
- Environmental Management Plan (EMP)
- Spill Contingency and Fuel Management Plan (SCFMP)
- Waste Management Plan (WMP)

### 1.4 Project Description

The Meadowbank Precious Metal Project (the “Project”) is located in the eastern part of the District of Kivalliq, within 1:50,000 scale National Topographic System (“NTS”) map sheets 56D12, 66A09, 10 and 16 and 66H01 and 08. The Project consists of three non-contiguous claim blocks (Black A, B and C) located on Crown Lands, approximately 50 km north of the community of Qamani'tuaq (Baker Lake) and 280 km northwest of the community of Kangiqliniq (Rankin Inlet).

The mineral claims are all 100% owned by 5530 Nunavut Inc, a wholly owned subsidiary of Western Atlas Resources Inc. All claim blocks comprising the Project are accessible

by helicopter and the Agnico Eagle Mines Limited (“Agnico”) All Weather Access Road (“AWAR”), linking Baker Lake to Agnico’s Eagle’s Meadowbank and Amaruq mines. Permission is required from Agnico to use the AWAR.

Exploration activities on the Meadowbank Precious Metal Property to date include: helicopter-borne, versatile time domain electromagnetic (“VTEM”) surveys, ground induced polarization (“IP”) surveys, geological mapping, prospecting and rock geochemical sampling in 2018; a Property visit in 2019 and diamond drilling of 13 holes from 7 platforms in 2020. During the 2020 drilling program, on the request of Agnico, the AWAR was used by Agnico Eagle’s Energy and Infrastructure team to refuel an Orbit Garant fuel storage container located at Kilometer 58 on the Agnico AWAR in order to assist Western Atlas to reduce the amount of helicopter flights required to refuel the drill.

Although a 10-person temporary camp with fuel cache is currently permitted at the project, the 2018, 2019 and 2020 programs were based out of Baker Lake. The 2021 and other future programs will either be based out of Baker Lake once again or supported by a temporary 20-40 person exploration camp with fuel cache. Structures for the proposed camp will include 10 sleeper tents, 1 medical tent, 1 kitchen, 1 dry (with showers), 1 office tent, core shack, generator shack, incinerator and outhouses/pacto systems. The majority of the structures will be insulated Weatherhaven tents, or similar, with plywood floors.

5530 Nunavut Inc. proposes to drill 15,000 to 20,000 m annually. Annual drilling programs are anticipated to commence approximately April 1 and run for 12 weeks (84 days). All field work and drilling will be confined to the Meadowbank Precious Metal Property mineral claims as illustrated in the Project Location Figure located in Appendix 1.

## **2 Project Infrastructure and Equipment**

### **2.1 Camp**

The following is a list which details the structures, equipment and vehicles that may be constructed or stored at the camp.

#### **2.1.1 Structures**

- 12 14’x16’ insulated Weatherhaven tents (or similar) on plywood flooring to serve as sleeper tents, medical tent and office. Includes plywood beds, tables, chairs etc.
- 2 16’x32’ insulated Weatherhaven tents (or similar) on plywood flooring to serve as a kitchen and dry. Includes sinks, plumbing, etc. Dry also includes shower stalls.
- 1 14’x16’ Weatherhaven tent (or similar) on plywood flooring to serve as housing for a 50kW diesel generator plus backup generator. Includes exhaust piping, etc.
- 1 12’x20’ plywood latrine shack. Includes 4 Pacto toilets.
- 1 14’x32’ plywood core shack.

### 2.1.2 Camp Equipment

- 2 250 gal or 350 gal water tanks (1 for kitchen and 1 for dry)
- 2 Hot water tanks (1 for kitchen and 1 for dry)
- 2 Water pumps with fish screens and hose line
- 2 5 kW gas generators
- 1 Dual chamber, controlled air incinerator
- 4 Pacto toilets
- 17 Toyotomi (or similar) heating stoves
- 3 Large containment berms (for fuel caches)
- 20 Small containment berms (for tent drums and fuel transfer)
- Kitchen appliances (e.g. refrigerator, freezer, cooking stove, dishwasher, etc)
- Dry appliances (washing machine, dryer, etc)
- Office and Medical supplies
- Camp hazardous materials/fuel cache, with secondary containment.

### 2.2 Vehicles

- 2 Helicopter (A-Star, Bell 407, Longranger, or similar)
- 2 All-terrain vehicle with trailer

### 2.3 Drilling Equipment

- 4 Zinex A5 (or similar) diamond drill complete with: motor, gear box, drill head, tower, overshot, skids, and housing
- 4 Water pump
- 4 Water Tank
- 4 Mix tank with pressure pump
- 4 Generator
- 4 Coil heater
- 4 Fuel Tank
- 4 Utility basket for drill equipment, spares, supplies, etc.
- 400 3 metre NQ drill rods x 400
- 50 NQ casing (various sizes) x 50
- 150 100' hose line with fish screens x 150

### 2.4 Fuel

- 200 205 L Drums Diesel Fuel
- 200 205 L Drum Jet Fuel
- 25 205 L Drum Gasoline
- 25 100 lb Cylinder Propane

Alternatively, some or all of the drummed fuel may be replaced with tanks (e.g. 4,000 L tanks at main camp and AWAR km 58 fuel caches and 600 L tanks at drillsites).

### 3 Progressive Reclamation

From the *Guidelines for the Closure and Reclamation Cost Estimate for Mines in the Northwest Territories*, prepared by Mackenzie Valley Land and Water Board and Aboriginal Affairs and Northern Development Canada, November 2013:

*“Progressive reclamation takes place prior to permanent closure to reclaim components and/or decommission facilities that no longer serve a purpose. These activities can be completed during operations with the available resources to reduce future reclamation costs, minimize the duration of environmental exposure, and enhance environmental protection. Progressive reclamation may shorten the time for achieving closure objectives and may provide valuable experience on the effectiveness of certain measures that might be implemented during permanent closure.”*

Progressive reclamation will be continually carried out at the Meadowbank Precious Metal Property. The progressive reclamation activities will include, but not be limited to:

- Photos will be taken at the drill site before, during and after drilling operations.
- Fuel and any other hazardous materials will be kept within secondary containment and appropriate precautions will be taken when refuelling or topping up other fluids/chemicals, but in the event of a spill it will be treated immediately as per the “Meadowbank Precious Metal Property Spill Contingency and Fuel Management Plan.”
- Proper training and waste receptacles will be provided to ensure waste is separated appropriately and can be easily disposed of as required.
- Waste receptacles will be appropriately protected from the environment to ensure garbage is not allowed to spread to the environment. If in the event waste material is spilled or released to environment it will be immediately cleaned up.
- Waste material and equipment that has no further use for the Project will be backhauled to Baker Lake on a regular basis.
- Drilling will utilize recirculation and filtration systems to minimize loss of water and drill additives and nonhazardous and bio-degradable drilling fluids will be used at all times wherever possible.
- Drilling greywater placed in excavated sumps or natural depressions and will be monitored to ensure adequate freeboard.
- Camp greywater placed in excavated sumps, which will be monitored to ensure adequate freeboard.

- If any artesian water flow is detected, the hole will be plugged and cemented in bedrock to prevent continued flow.

## **4 Seasonal Shutdowns**

### **4.1 Inspection and Documentation**

Prior to seasonal shutdown, a complete inspection of all areas will be conducted. Photographs at all sites (camp, fuel cache, drilling, etc.) will be taken to document the conditions prior to leaving the site for winter and will be archived along with photos taken at the beginning of each season. Copies of these photos will be included as part of the Annual Report.

### **4.2 Buildings, Contents and Fuel**

A full inventory of all structures, equipment, fuel, and other supplies will be taken at the beginning and end of each exploration season.

All food, wastes, empty fuel drums, and valuable or sensitive equipment will be removed from site. All structures to be left on site will be winterized, closed off, and secured. One or more tent(s) or plywood building(s) will be designated to house any chemicals or other hazardous materials that are not suited to outdoor storage. All water tanks and pipes will be drained at the end of each season. Pumps and hoses will be drained and stored inside a tent. All mechanical equipment, including vehicles, drill equipment, and generators will be winterized, be drained of fuel and, where necessary, stored in berms for secondary containment.

The remaining fuel cache will be winterized. It will be secured and covered to mitigate the influx of snow and water. Fuel drums will be stored on their sides in organized rows with the bungs in the three o'clock and nine o'clock positions. All fuels and other hazardous materials will be stored within "Arctic Insta-Berms", or similar products, for secondary containment. "RainDrain" or similar hydrocarbon filtration systems will be used to safely remove any water collected inside the berms, and as a safeguard against any potential overflows of contaminated water. Should any temporary fuel caches be established during the program to support drilling and exploration activities, upon shutdown will be removed or properly winterized using the aforementioned procedure.

### **4.3 Waste**

All wastes will be separated into combustible, non-combustible, recyclable or hazardous at the source. Refer to the Meadowbank Precious Metal Property Waste Management Plan for detailed waste management practices during program operations. Any contamination will be treated as per the Meadowbank Precious Metal Property Spill Contingency and Fuel Management Plan.

## **5 Final Abandonment and Restoration**

### **5.1 Inspection and Documentation**

Prior to final abandonment, a thorough inspection of all areas will be conducted. Any contaminated areas around the camp or drill sites that have gone unnoticed will be treated

as per the Meadowbank Precious Metal Property Spill Contingency and Fuel Management Plan. Photographs will be taken to include in the final reports submitted to CIRNAC and NWB. All relevant regulatory agencies will be notified upon final abandonment of the Property.

## **5.2 Buildings, Equipment and Fuel**

Prior to land use permit, water licence or mineral tenure termination, all structures, equipment, supplies, and fuel will be removed from the Property with the exception of the drill core stacks, if any, which will be permanently secured on site. Tent floors will be burned in accordance with the *Nunavut Environmental Guideline for the Burning and Incineration of Solid Waste*. Materials of value will be salvaged. Local businesses and residents will have the opportunity to salvage any remaining materials that will otherwise be disposed of.

Drills and drilling equipment will be dismantled, packaged, secured, and shipped as per the drill contract. Any drill casing that could not be removed will be cut off below ground level and capped.

All remaining fuel and empty drums/tanks will be removed from site. The soil under and surrounding any area where fuel was stored will be thoroughly inspected for any contamination and photographs will be taken.

## **5.3 Waste**

All waste will be disposed of in accordance with the Meadowbank Precious Metal Property Waste Management Plan and any contamination will be treated as per the Meadowbank Precious Metal Property Spill Contingency and Fuel Management Plan. Sumps will be inspected to ensure there is no leaching or run-off. Back filling and levelling will be employed as necessary.

All waste will be separated into combustible, recyclable or hazardous waste and will be backhauled for proper disposal. Any materials not able to be processed at the Baker Lake Waste Facility will be shipped for proper disposal at an accredited facility.

## **5.4 Restoration**

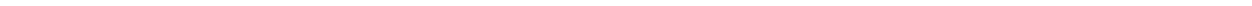
Any contaminated areas around camp, fuel caches or drillsites will be treated in accordance with the Meadowbank Precious Metal Property SCFMP. Any washed-out areas will be filled and re-contoured to natural levels. Any areas of disturbed vegetation, including drill site or fuel cache will be photographed and managed as per recommendation of the CIRNAC inspector. Remediation procedures (in areas such as tent sites) may include fertilization to encourage re-growth.

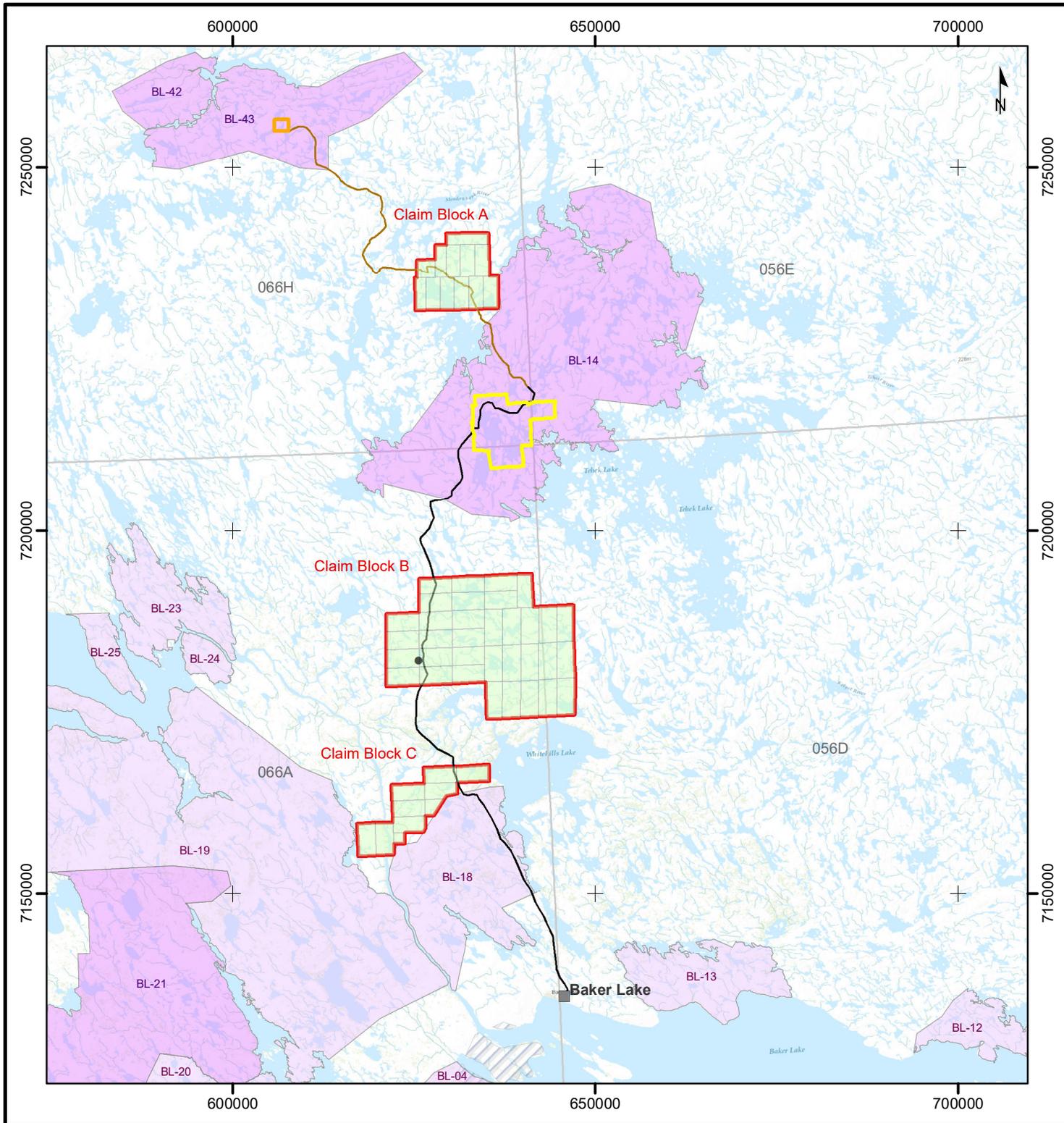
## **6 Post-Closure Site Monitoring**

After reclamation is complete, if required, annual monitoring may take place. The monitoring may consist of soil and water testing, measuring and documenting plant re-growth, examining potential run-off and erosion problems, and checking the stability and condition of the core boxes. Reports, including photographs, will be submitted to the

appropriate regulatory bodies. The monitoring will continue as long as the regulating bodies deem it necessary.

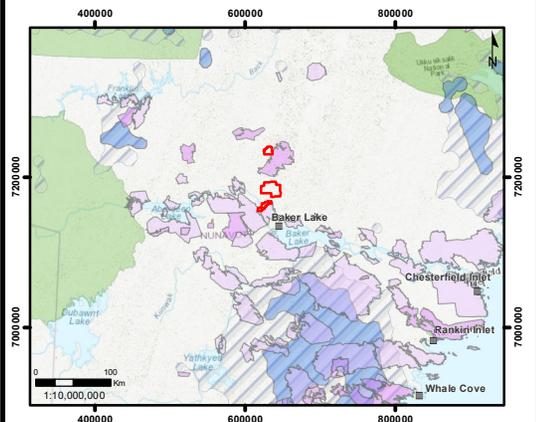
## **Appendix 1: Figures**





### Legend

- Km 58 Fuel Cache
- Community
- AEM All Weather Access Road
- AEM Amaruq All Weather Access Road
- Major Watercourse
- Major Waterbody
- Caribou Core Calving Range
- Caribou Post Calving Range
- Federal Protected Area
- Meadowbank Property Mineral Claim
- Meadowbank Property Claim Block
- AEM Meadowbank Mine
- AEM Amaruq Mine
- IOL Surface and Subsurface Ownership
- IOL Surface Ownership



### Western Atlas Resources Inc.

Meadowbank Precious Metal Project, Nunavut, Canada

### Project Location

0 1:750,000 20 Km

UTM NAD83 Zone 14  
APEX Geoscience Ltd.

Edmonton, AB January, 2021