

Interim Closure and Reclamation Plan Annual Review 2018

**Mon Gold Mine
New Discovery Mines Ltd
December 2018**

As part of the requirements for MV2013C0021 and MV2014L2-0002 we have reviewed the Interim Closure and Reclamation Plan filled on these licenses and includes that document for reference.

No operations have taken place, and discussions regarding the submission and review of MV2015C0015 and MV2015L2-0004 which have been filed for additional work at this site have had no changes to this document. As such, our review has had minor changes defining PAG according to rocks identified on the property. Historic mining dating back to 1937 has excavated and deposited the same rocks that are anticipated in this operations. As no acid has been identified as being generated from these rocks over the past 75 years, it is expected that similar rocks will act the same today.

Interim Closure and Reclamation Plan

For:

New Discovery Mines Ltd.
1909 108 W. Cordova St.,
Vancouver, B.C.
V6B 0G5

Effective:

December, 2018

1.0 PREAMBLE

This Closure and Restoration Plan relates to mining activities in the Discovery Lake area under MV2013C0021 and MV2014L2-0002 known as the Mon Gold Mine to be established near coordinates **NAD83 Zone 11 Easting 635,740 m Northing 6,977,330 m, or** latitude 62° 54' 02.05" N, longitude -114° 19' 41.99" W. The locations of the project are shown on the attached map.

2.0 INTRODUCTION

This Closure and Restoration Plan applies to the mining activities on the Mon Gold Mine operated by New Discovery Mines Ltd. (NDM). A camp and mine north of Discovery Lake. The camp and mine are covered by MV2013C0021 and MV2014L2-0002 and the abandonment and restoration plans attached thereto. This abandonment and restoration plans apply to the equipment and facilities referenced in the above mentioned permits.

3.0 SCHEDULE

The mine and camp will be operated on a summer only basis to start and will expand as warranted. Consumables will be trucked in by winter road access during January to March each year and will largely constitute one year's requirements. Back hauls of scrap, garbage, and unnecessary equipment will coincide with this trucking season.

Routine or progressive restoration practices will be used wherever possible. This will minimize the scale of the final reclamation. Final restoration will begin upon completion or cessation of exploration activities. No buildings, equipment, or waste will remain beyond the expiration date of the permits unless new permits are being obtained.

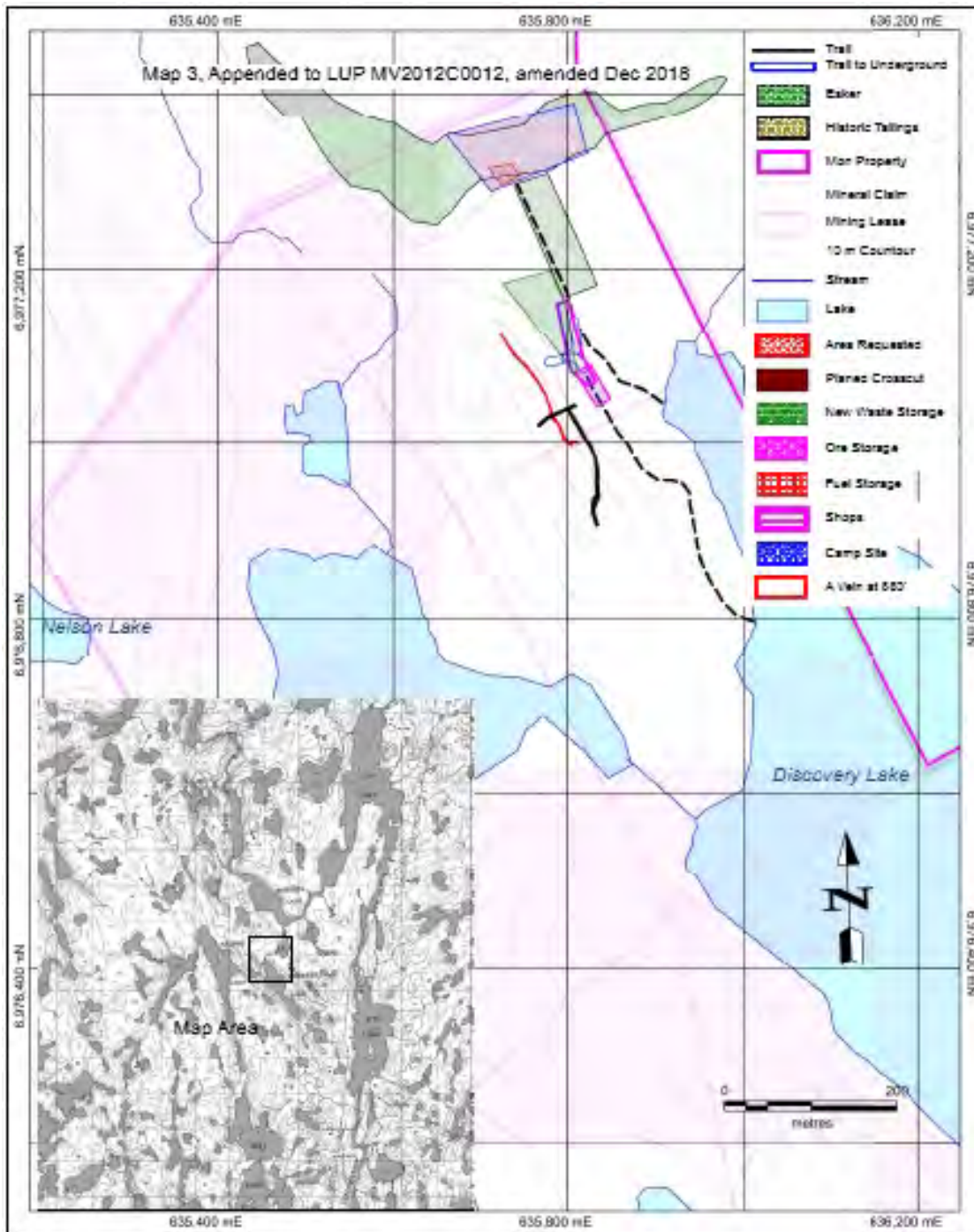


Figure 1. Map of Disturbed Land for MV2013C0021.

4.0 SITE INFRASTRUCTURE

The layout of the mine and camp is shown in the attached figures. It consists of the following structures:

- camp trailers
- 3 shipping containers (storage, shops)
- 1 lined water tank (make up water)
- Miscellaneous equipment, hoses, pipes, cables
- Explosives and cap magazines
- Generator and Compressor shacks
- Bioreactor (sewage treatment)
- Incinerator
- Fuel tank

5.0 ROUTINE AND PROGRESSIVE RESTORATION

5.1 Waste Rock

Waste rock will be characterized as NAG, PAG (<1.5% sulphide), PAG >1.5% sulphide) and AG. It will have been used to construct laydown areas. No PAG >1.5% sulphide and AG waste rock is known to exist on the property.

5.2 Rock, Not Waste

Rock, not waste refers to material being stockpiled for further processing under MV2013C0021 & MV2014L2-0002. It will be stockpiled in areas shown on map 1 and will be monitored until moved.

5.3 Fuel and Oils

All fuel and oils, and any other liquids brought onto site remaining at shutdown will be removed and returned to Yellowknife and disposed of at approved facilities.

5.4 Drill Sites

All drill sites will be cleaned of all debris, leveled and brushed according to current standards. Anchors will be cut flush to the ground and collars will be removed. The top 3 m of the drill hole that is in bedrock will be cemented closed.

7.0 FINAL ABANDONMENT AND RESTORATION

The following plans are made for final abandonment and restoration of the project once all exploration on the projects ceases and prior to expiration of the land and water use permits.

7.1 Buildings and Contents

All buildings will be removed. All equipment and other building contents will be removed from the site.

Final inspection will be made after restoration of the camp site to ensure that no waste or materials remain. Photos will be taken to record the final condition.

7.5 Re-vegetation

Disturbing of natural vegetation will be minimal, restricted only to laydown areas, camps, drill pads and sumps. These will be left to re-vegetate naturally and will be monitored.

7.6 Contamination Clean-up

All sites will be inspected for contamination and if necessary treated according to the Spill Prevention and Response Plan. Any sites requiring cleanup activities will be documented including GPS locations and photographs. All chemicals will be removed from the site at the end of the project.

7.7 Final Inspection and Documentation

Upon completion of the final abandonment and restoration, photos will be taken and activities documented. This information will be provided in a final report to the appropriate licensing agencies.