



November 6, 2017

Mavis Cli-Michaud, Chair
Mackenzie Valley Land and Water Board
7th Floor – 4922 48th Street
P.O. Box 2130
Yellowknife, NT X1A 2P6

Dear Ms. Cli-Michaud,

Pine Point Mining Limited (PPML) respectfully requests written authorization from the Board for relief from Conditions #1 and #2 in Land Use Permit MV2017C0024. Specifically, PPML seeks permission to conduct limited exploration drilling within the 300 meter buffer of one cabin and the Pine Point substation, operated by Northwest Territories Power Corporation, both of which are located within our mineral claims. The buffers around these features are marked in yellow on the attached maps and the proposed drill pads are identified as PEXA-### locations.

PPML does not know if the cabin is used for traditional activities, which would make it eligible for avoidance measures under Permit Condition #1, but we are willing to assume that it is. We would like to drill 6 holes within the buffer of the cabin this winter. None of the holes will be closer than 150 meters from the structure. We would be willing to restrict drilling activities to weekdays in order to avoid conflicts with recreational use if the Board wishes to instruct us to do so. We will attempt to contact the owner of the cabin to notify them of planned drilling activities within the buffer area should we be granted permission from the Board to drill. As is the case with all of our exploration activities, the holes will be plugged and sealed with cement, and the sites will be cleaned up and restored to the Inspector's satisfaction per requirements of the permit.

We would also like to drill 7 holes within the buffer of the electrical substation operated by Northwest Territories Power Company. We have contacted the company to discuss this issue and can report that they are amendable, however, they wish to field check the exact drill coordinates to confirm that there is no underground infrastructure and they need to know the dates for the drilling activities in advance (per email exchange between Dipankar Chakrabarti of NTPC and Stanley Clemmer of PPML on Nov. 3, 2017).

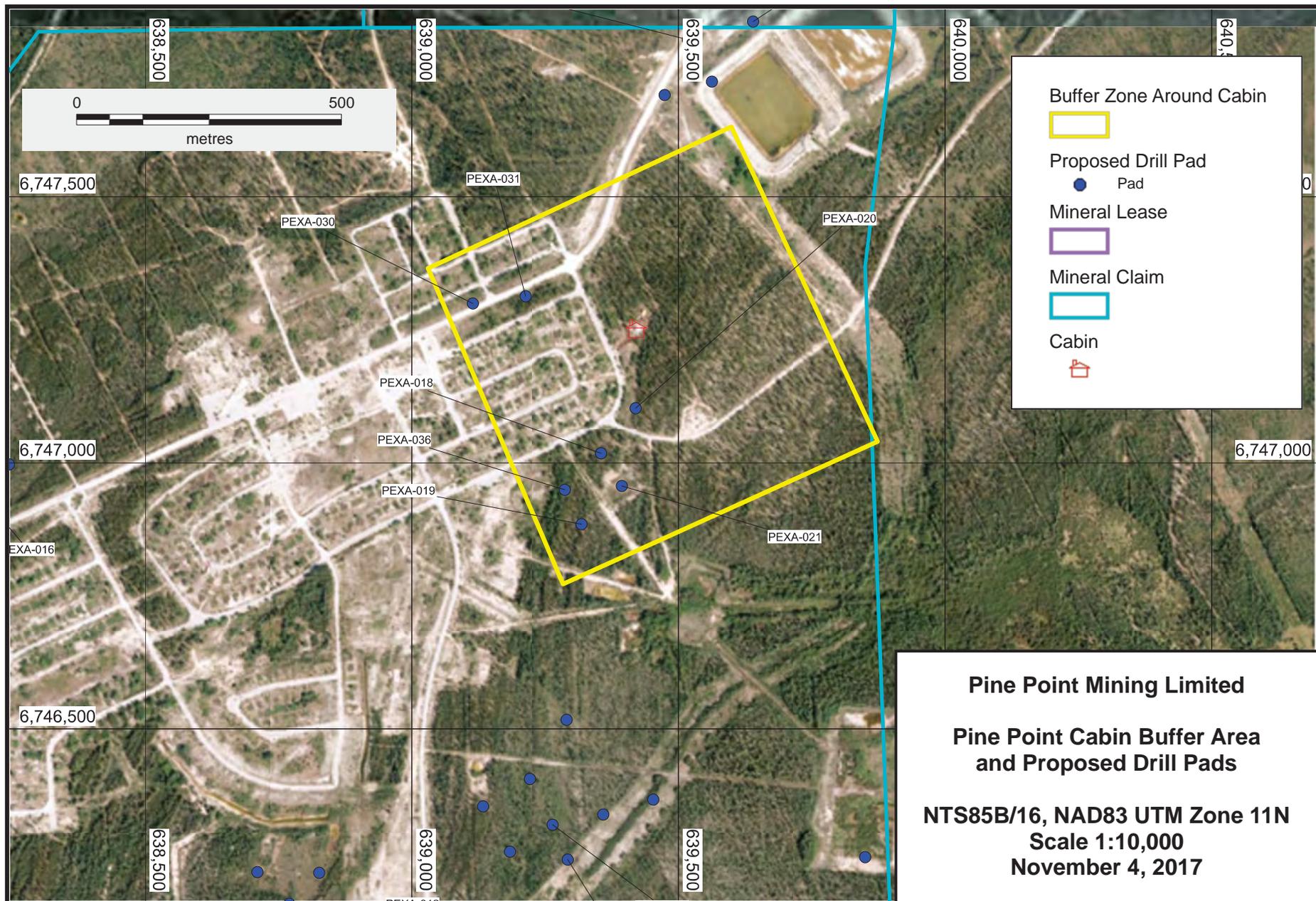
As you know, we are working with local companies and our aboriginal partners to conduct the exploration activities. The recently completed geophysics work that we completed has indicated there are strong anomalies in the area near these two locations. Diamond drilling is the next step for determination of the mineral potential in this area and regular spacing of exploration holes is necessary for proper definition of mineral distribution. We would appreciate a timely decision from the Board on this request so that we do not have delays or unnecessary mobilization expenses in our exploration program.

Thank you for considering this request.

Sincerely,

Stanley Clemmer,
Chief Geologist

cc: Julian Morse, MVLWB Regulatory Officer; Derise Rehm-Lepine, Lands Officer Department of Lands;
Mike Vassal, GNWT Lands Inspector



Buffer Zone Around Cabin

Proposed Drill Pad

Mineral Lease

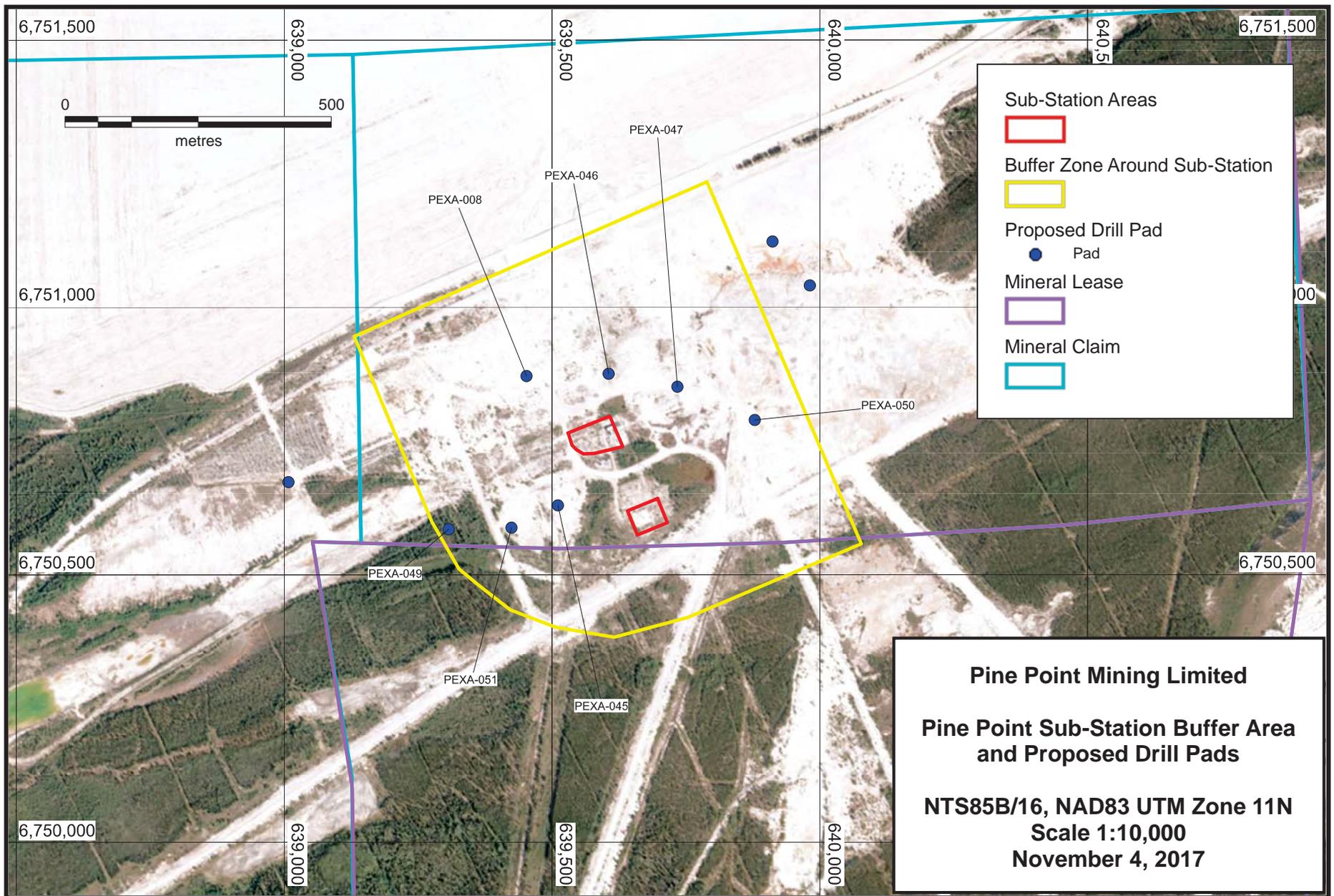
Mineral Claim

Cabin

Pine Point Mining Limited

**Pine Point Cabin Buffer Area
and Proposed Drill Pads**

NTS85B/16, NAD83 UTM Zone 11N
Scale 1:10,000
November 4, 2017



Stanley Clemmer

From: Dipankar Chakrabarti <DChakrabarti@ntpc.com>
Sent: November-03-17 7:40 PM
To: Stanley Clemmer
Cc: Grant Penney
Subject: RE: Drilling Near the Pine Point Sub Station

Hi Stanley,

We may send a line person to see each of your drilling locations prior to issuing you a permit. When are you planning to start and finish your drilling operation? We will determine the permit validity period based on your start and finish date.

Regards,

Dipankar Chakrabarti P.Eng. MBA
Director, Transmission and Distribution
Northwest Territories Power Corporation
4, Capital Drive
Hay River
NT X0E1G2
Tel : 867 874 5236
Cell: 867 876 0455

From: Stanley Clemmer [mailto:sclemmer@pinepointmining.com]
Sent: November 3, 2017 3:06 PM
To: Dipankar Chakrabarti <DChakrabarti@ntpc.com>
Cc: Scott Spencer <SSpencer@ntpc.com>; Colin Steed <CSteed@ntpc.com>; Grant Penney <GPenney@ntpc.com>; Ken Bell <kbell@ntpc.com>; Jay Grewal <JGrewal@ntpc.com>; John Key <jkey@pinepointmining.com>; Tim Smith <tsmith@pinepointmining.com>; Judy Dudley <jdudley@pinepointmining.com>
Subject: RE: Drilling Near the Pine Point Sub Station

Dipankar:

Thank-you for responding so quickly. Here is a map and a spreadsheet of UTM coordinates (NAD83, Zone 11N) of each hole. The holes are drilled using a diesel powered diamond drill as shown on attached photo. Each hole takes less than two days to drill. Dust generation is minimal as any dust is suppressed by water used in drilling. Each site will only occupy an area around 15 by 15 metres and the drill hole is small diameter drilled vertically down to a depth of 100 metres. All holes are plugged using a VanRuth grouting plug and cement to prevent any seepage.

Stan

From: Dipankar Chakrabarti [mailto:DChakrabarti@ntpc.com]
Sent: November-03-17 3:23 PM
To: Stanley Clemmer <sclemmer@pinepointmining.com>
Cc: Scott Spencer <SSpencer@ntpc.com>; Colin Steed <CSteed@ntpc.com>; Grant Penney <GPenney@ntpc.com>; Ken Bell <kbell@ntpc.com>; Jay Grewal <JGrewal@ntpc.com>
Subject: Re: Drilling Near the Pine Point Sub Station

Hi Stanley,

Can you please send us a map marking the specific locations where your exploration team is planning to drill. Then we can check if we have any underground infrastructure in those location.

Also, could you please let us know more about the nature of your work that will help us to understand if the dust, vibrations or something else related to your activities could affect our operations or equipment .

Regards,
Dipankar Chakrabarti
Director- Transmission and Distribution
Tel 867 876 0455

Sent from my iPhone

On Nov 2, 2017, at 3:59 PM, Jay Grewal <JGrewal@ntpc.com> wrote:

Folks

Who can review/answer this?

Cheers,
Jay Grewal

.....
Sent from my iPhone

Begin forwarded message:

From: Tim Smith <tsmith@pinepointmining.com>
Date: November 2, 2017 at 3:48:40 PM MDT
To: "Jay K. Grewal MBA (jgrewal@ntpc.com)" <jgrewal@ntpc.com>
Cc: John Key <jkey@pinepointmining.com>, Stanley Clemmer <sclemmer@pinepointmining.com>
Subject: Drilling Near the Pine Point Sub Station

Jay;

Further to our conversation this morning, our exploration team has identified some drill targets near the Pine Point Sub Station. Our Land Use Permit, granted by the MVL&WB states that we cannot drill within 300 meters of a man made structure without prior authorization from the Board (who will most likely seek approval from the owner).

Our geologists show that one target is approximately 50 - 60 meters from the Pine Point substation and would appreciate, only if acceptable to your team, a note allowing Pine Point Mining Limited to drill within the 300 meter boundary. By copy of this e-mail to Stanley Clemmer, our Chief Geologist, will provide a map illustrating our interested locations adjacent to the substation.

We would like to be able to access this location before our fall drilling program closes in the middle of this month.

Thanking you in advance

Tim G. Smith

V.P. Operations

Pine Point Mining Ltd.

(406) 431-2803

<Outlook-1507758613.png>

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