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December 18, 2018

Pine Point Mining Limited 1100 Avenue des Canadiens-de-Montreal Bureau 300 Montreal, QC H3B 2S2

Attention: Robin Adair, Jeff Hussey

File Number MV2018C0005

Type of Operation MINERAL EXP - drilling Location SCS staging, M48 drilling

Dear Robin Adair, Jeff Hussey,

An inspection of the above noted operation was conducted on December 12, 2018 by Manager, Resource Management Mike Vassal and Manager, Resource Management Rob Walker.

Enclosed is a copy of the Environmental Inspection Report. Please refer to the unacceptable and noted conditions in the general comments section of this report. Your attention to this matter is appreciated.

If you have any questions, please contact Mike at 867-872-2558 ext. 24 or myself at 867-874-6995 ext 21.

Sincerely,

Rob Walker

Manager, Resource Management

Department of Lands South Slave Region

CC: MVLWB



Permittee:	Pine Point Mining Limited	Permit Expiry Date:	July 19, 2022
Land Use Permit No.	MV2018C0005	Previous Inspection:	October 04, 2018
Quarrying Permit No.		Inspection Date:	December 12, 2018
Contractor:		Subcontractor:	
Location(s) Inspected:	SCS staging area, M48 drilling,		
Current Stage of Operation:	One drill operating.		

Condition of Operation "A" - Acceptable "U" - Unacceptable "N/A" - Not Applicable "N/I" - Not Inspected

Operating Condition	Aspect Inspected		
	Drill Program		
Location as Permitted	A		
Time as Permitted	A		
Equipment as Approved (Type & Size)	A		
Methods & Techniques	A		
Facilities	A		
Erosion (Control or Prevention)	A		
Chemicals	A		
Wildlife and Fisheries Habitat (Protection)	A		
Wastes	A		
Historical / Archaeological Sites	A		
Ecological Resources	A		
Fuel Storage	A		
Brush Disposal	A		
Restoration of Lands	A		
Permits	A		
Matters not Inconsistent	A		

Explanatory Remarks -

Drill Program:

M48 drill area was inspected under the MV2018C0005 permit.

Checked on the SCS drill rig 2 still in storage at the staging area in the N-38 area at 60 51'25.0"N 114 24' 53.3" W. No issues were observed.

Went over to M48-18-PP-014 where SCS Rig 1 was just completing drilling. Sump for the hole was located right next to drill. M48 -014 was located at 60 50'31.1"N 114 29' 20.8" W. No issues observed.

Hole M48-15 was located at 60 50' 32.7" N 114 29' 17.4" W and was well remediated. Drip trays were observed about the site for holding fuel and drilling fluids. See pictures #8 & 10. Access into the site was a little rough but windrows were minimal due to low snow fall and thin brush around the area.

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Just a reminder that any equipment parked for more than two hours should have drip trays under them.

Representative Signature

Inspector's Signature

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Inspection Images:

Figure 1

SCS staging site, drill stored.



Figure 3
SCS Staging area.



Figure 5 SCS at M48-18-PP-014



Figure 2



Figure 4 SCS Staging area back view.



Figure 6 SCS Rig set up on M48 -014 site





Figure 8

Figure 7 SCS drill setup



Figure 9 M48-15 site recently drilled



SCS drill setup



Figure 10 Fuel and drilling pails in containment





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