

REGISTRATION PURSUANT TO THE ENVIRONMENTAL PROTECTION ACT (Part 10, Environmental Assessment)

NAME OF UNDERTAKING:

Access Road and Exploration Wells – Thoulet #1 and #2.

PROPONENT:

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THE UNDERTAKING:

- i) To build an access road and sites (drill pads) to drill one (with the option to drill a second) oil and gas exploration well. The purpose of the Thoulet #1 and #2 wells is to explore, evaluate and subsequently test Carboniferous aged Lower Anguille strata in the oil prone region of the Bay St. George sub basin. These wells are classified as Rank Wildcat. In the case of success, or if the need for a better understanding of the geological structure arises, offset, step-out or kick-off wells may also be considered for drilling.
- ii) The exploration wells will be drilled under a Drilling Program Approval (DPA) and an Authorization to Drill a Well (ADW), as regulated by the Department of Natural Resources (preliminary planning and permitting are in progress).

DESCRIPTION OF THE UNDERTAKING:

i. Geographical Location:

The proposed well sites will be approximately 200 m by 200 m, located on Crown Lands Thoulet #1 Site is located at the end of the proposed new access road (approximately 3.75 km long) and the potential second well (Thoulet #2 Site) will be to the north, from an additional road that is under consideration. The proposed well sites are situated approximately 7 km SSW of the Community of Flat Bay, and 1.5 to 2.5 km NW of the Trans Canada Highway (TCH). The access road will require connection to the TCH and will proceed in a general northwesterly then westerly direction to the well sites (see Figure 1).

The access road and drill sites are shown on the attached 1:50,000 National Topographic map (Map sheet 12-B-07, Figure 2) and on the attached satellite images of the area (Figures 3 and 4). The proposed exploration wells centre approximately at UTM NAD27 coordinates 384909 E and 5354587N and 387471 E and 5355604 N.

Alternate Route – Alternative routes have been considered. There is an existing access road to a Bell Aliant communications tower (Crown Lands Lease #124321). If permission can be obtained from Bell Aliant, this road will be the preferred option for access off the TCH, with the proposed access road continuing westward as shown in Figure 1. This is known to be a wood road that existed prior to Bell Aliant's installation of the tower. Thus, permission would also be sought through the Crown Land Application process. Alternately, an exit (access point) will be constructed off the TCH, approximately 150' southbound of the tower access road. With the exception of the TCH access point, the route to the well site follows that outlined in Figure 1. Other routes were considered in the general vicinity; however the selected route represents the one with the least environmental interaction and is most cost effective.

Investcan has evaluated many options for drilling locations in the area, and based on seismic and other important geological characteristics, Investcan believes that these drilling locations have the best chance of success.

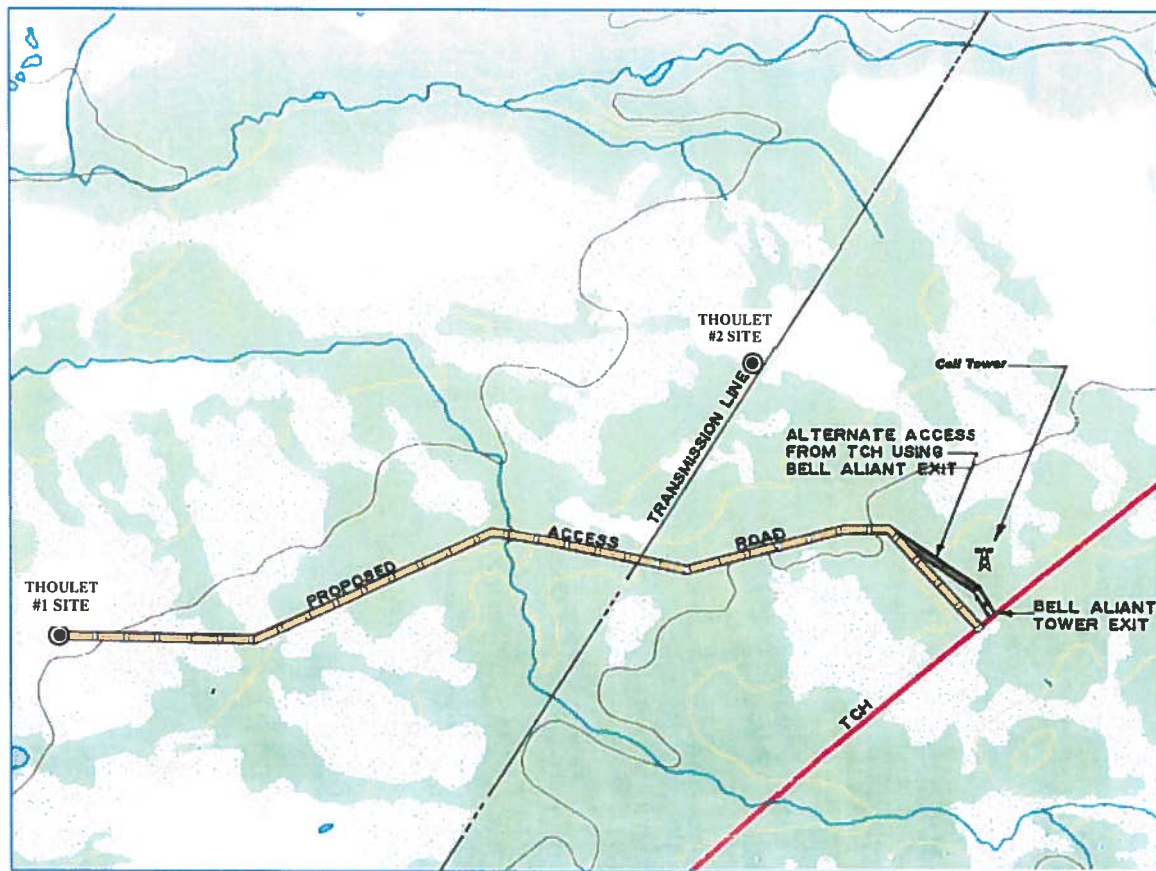


Figure 1 Thoulet #1 and #2 General Site Layout



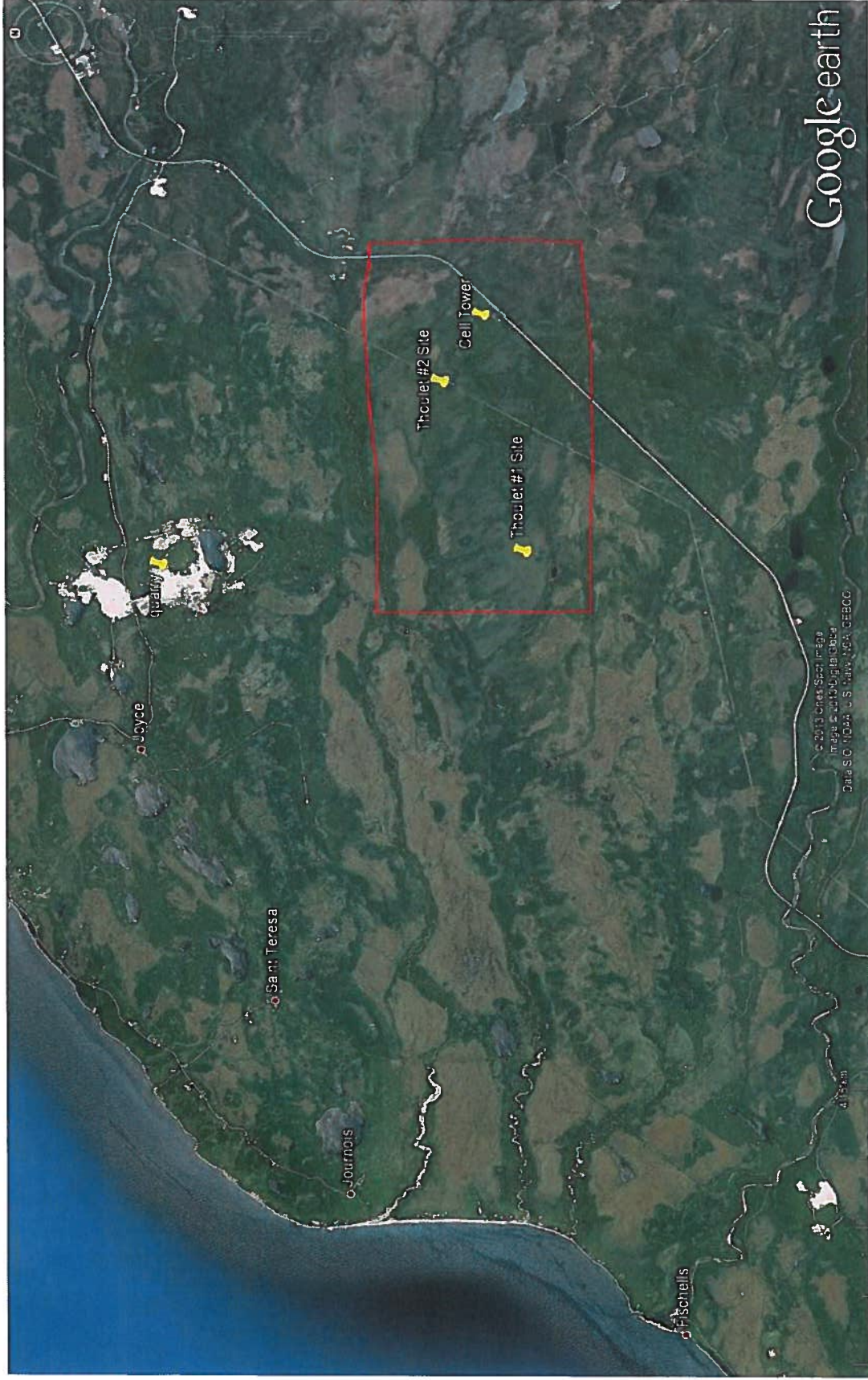


Figure 3 Satellite Image of the Area



Figure 4 Image of Insert from Figure 3

ii. Physical Features:

The exploration areas ("Thoulet #1 Site" and "Thoulet #2 Site", Figure 1) lie southeast of a former gypsum quarry which straddles Route 403, approximately 6 km west of the intersection of Route 403 and the TCH. The area is primarily barren ground interspersed with shrubs and black spruce forest. Forest harvest operations have occurred to the south and east of the sites and areas of replanted spruce can be found between the sites and the TCH. The proposed road will intersect a tributary of Middle Brook and it will also intersect a Nalcor transmission line.

The proposed access road will be about 3.75 km long by about 7 m wide and allows access from the TCH to the exploration site. The route has been selected based on a focus to minimize site disturbance and maximize use of existing infrastructure where possible. Investcan has retained the services of a Civil Engineering Firm that has carried out the physical scouting and has prepared preliminary drawings.

Most of the route can utilize dry ground; however it will be necessary to cross wetted areas. Review of satellite imagery and 1:50,000 topographic mapping indicates that the access corridors will cross one potentially fish bearing stream (Middle Brook). Any streams that are considered candidate fish habitat are portrayed on 1:50,000 scale mapping and would appear on satellite images as linked to other waterbodies and drainage channels. This stream crossing will utilize a 2 m culvert which will be installed as per Fisheries and Oceans Canada (DFO) requirements. This would likely involve submission of a Request for Review under the Fish Habitat Protection Provisions of the *Fisheries Act* that would likely result in the provision of a Letter of Advice to ensure the culvert installation is completed in such a manner that fish passage will not be altered. No Fisheries Act Authorizations are anticipated. All other wetted area crossings can be accomplished through installation of small 1 m diameter (or less) culverts to facilitate passage of drainage without affecting road integrity.

For the access road and well sites, a cutting permit will be obtained from the Department of Natural Resources, Forest Services Branch. The required clearing will be confined to the smallest possible footprint and any suitable timber will be salvaged as per permit conditions.

iii. Construction:

Road Construction

The road construction is proposed to commence in April, 2013 or as soon thereafter as conditions permit. The road will take about eight weeks to complete. Construction through the dry sections will consist of salvaging the trees and then digging drainage ditches on the sides of the road with an excavator. It may be necessary to haul some fill material to the low wet areas of the road corridor.

Any necessary culverts (approximately 1 m diameter) will be installed as necessary in the limited wet areas. The culvert at Middle Brook tributary will be installed as per DFO's Letter of Advice (application in progress). Final details and updated maps will be issued once further on site assessments are completed. All regulatory requirements for topsoil conservation, wood harvesting and grubbing will be observed.

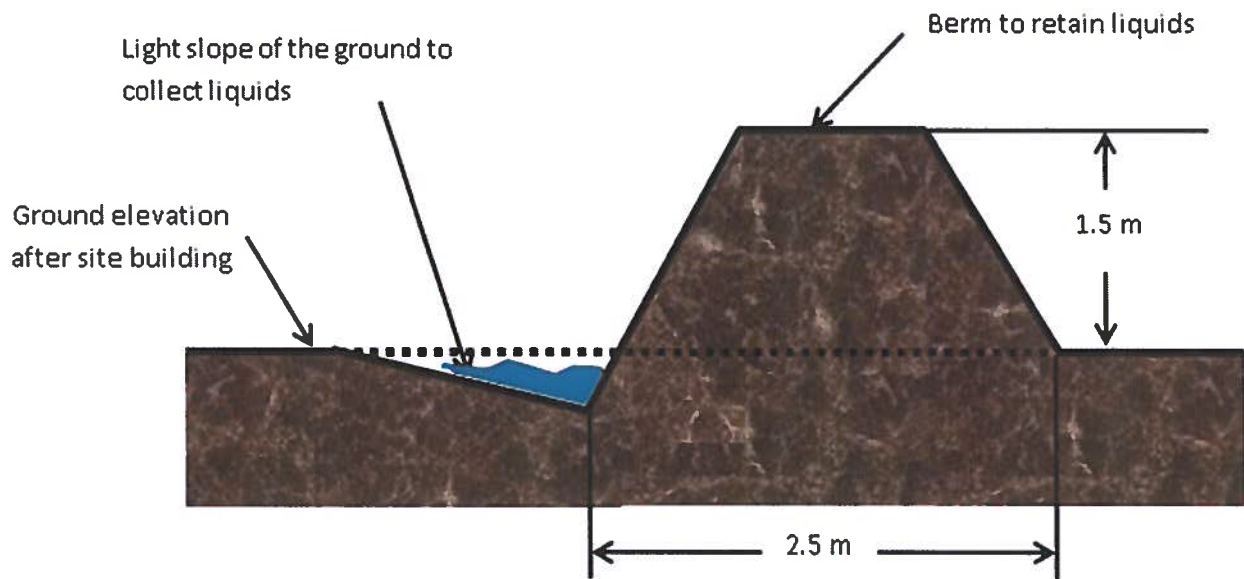
Investcan has chosen the road design to minimise ground disturbance. In particular, every effort will be made to avoid wet areas as much as possible.

Drill Site Construction

The drill site locations for the wells (200 m x 200 m) will be cut, levelled and graded. A specific bermed area with a geo membrane containment barrier will be located on each site to ensure that no fluids can escape from the sites without prior testing and approval for discharge. This area will be used specifically for fluid storage and lay down.

Every attempt will be made to minimise the site footprint. A containment berm will surround the site and act as a barrier to contain all site drainage. Water collected in the berm will be inspected for contaminants prior to discharge.

SITE LOCATED AT THE LEFT OF THE BERM



The major equipment for road construction and site development will be:

- Front end loader
- Tracked excavator
- Dozer
- Road grader
- Dump trucks

Investcan will monitor to ensure that Contractors have appropriate Health, Safety and Environmental (HSE) practices and protocols prior to retaining their services for Road Construction.

iv. Operation:

Investcan intends to utilize the Foragaz (a Division of Junex, Inc.) Rig #3, currently located in Western Newfoundland (see Figure 5 for a typical drill rig arrangement) and under contract to the Company. If this equipment is not available, a rig of similar size and specification will be sourced. The drilling rig will be a modern conventional oil well drilling rig, including:

- Mast guyed telescopic double with blowout prevention
- Top drive drilling facilities
- Water based and synthetic based mud handling system
- 3,000 psi pressure control equipment

Rigs are generally equipped with two power generators, a 225 kW generator which will be used to power the rig and an 80 kW generator for general service. The fuel for the rig and service generators will be supplied from a 4,000 L rig fuel storage tank. This tank will be supplied and filled as needed by North Atlantic Petroleum, a certified fuelling contractor.

Safe operation is the number one priority for Investcan and will therefore ensure that the drilling rig is fit for purpose and that all appropriate drilling standards are adhered to during the drilling process. A site specific Environmental Protection Plan (EPP) (see Attachment 1) will apply to all work and drilling operations.

It is anticipated that it will require a minimum of 50 days, commencing in mid June, to complete the two targeted 2,000 m deep wells. Given the depth of the wells and the drilling technique to be employed (i.e., sealing off the drill well from the surrounding shallow ground water via cemented surface casings) interactions with groundwater (especially that which has potential to be utilized as a potable water source) are not expected to be a concern. However, to ascertain that the exploration activity remains isolated from potential groundwater effects, Investcan will utilize a qualified contractor to implement a groundwater monitoring program.

The groundwater monitoring program will take into account available information regarding groundwater depth and gradient and aquifer location (i.e., whether there are distinct aquifers located at depth and nearer the surface). It is proposed that three groundwater monitoring stations be located such that two monitoring wells be located down gradient (for groundwater, not surface water) from the two exploration wells with a third monitoring well located between the two exploration wells. Samples would be collected from each monitoring well at three periods – prior to commencement of exploration activity, during exploration activity and following completion of drilling activity. All samples collected would be analysed for constituents utilized in the drilling fluid and other additives utilized in the exploration program. Analytical results would be compared to demonstrate that no significant change in exploration drilling constituent concentrations develops in the groundwater as a result of the drilling activity.

IEC will commission a study to map a conceptual model of groundwater occurrence and flow within the area of concern. The study will include both shallow geology and identify prospects for fresh water. This work will commence upon registration of the undertaking.

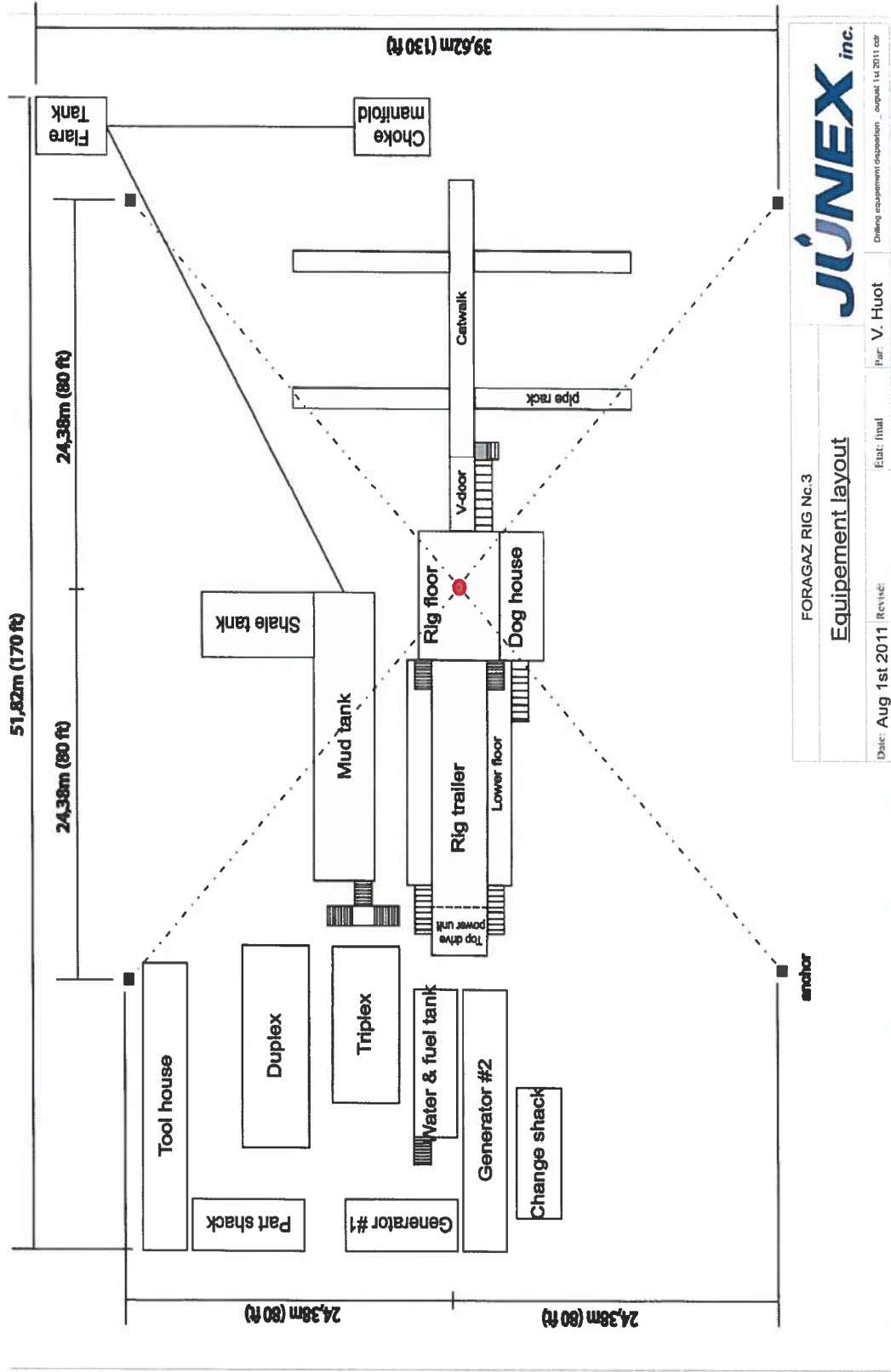


Figure 5 Foragaz Rig #3 Drill Rig

The drilling fluid (more commonly referred to as 'Water Based Mud' or WBM) will be fresh water with biodegradable fluid additives. It is similar in composition to those fluids utilized in previous exploration drilling activities conducted on shore in the Province. Additives are environmentally benign and will be properly stored and handled.

The depth of the well influences greatly the type and amount of additives, and generally the surface hole (where the water table is penetrated) has the least amount of additives. The surface hole mud is generally made up of approximately 95 % water, with the other 5 % composed of bentonite (in the most significant amount), sodium bicarbonate and sodium hydroxide. With depth, the hole conditions dictate the density of mud required to ensure hole integrity and control. While the essential composition of the mud doesn't change, the percentage of additives is altered to ensure desired mud density. The most common drilling additives in WBM at depth are barium sulphite, calcium carbonate, hermatite and potassium formate. Thickeners such as xanthan gum, carboxymethyl cellulose and starch are used to increase viscosity. Deflocculants such as polyelectrolytes, acrylate, polyphosphate and lignosulfonates are used to reduce viscosity. The drilling fluids are recycled through metal tanks during drilling operations.

The Company intends to recycle the drilling mud on a continued basis, from spud to Total Depth (TD). The fluids will be water based and any mud additives will be biodegradable when possible. When drilling has ceased, the mud will be stored and used on the next well, if indeed there is a second well drilled in a reasonable timeframe that permits the fluids to remain within specifications.

When the decision is made to dispose of any of the drilling fluids, they will be analyzed and disposed of using the approved methods by a qualified third-party service provider.

No permanent sewer system is envisaged. Any sanitary waste will be collected and stored using surface tanks and will be disposed of within the regulations.

Upon completion of drilling, the fluids will be hauled to an approved disposal site. Any contaminated fluids collected within the berm will be recovered by a vacuum truck and hauled to an approved site for disposal. The Company will dewater the berms when feasible to do so.

There are no plans to introduce injection fluids to stimulate production on a continuous basis, however, routine work-over programs, such as acidizing may or may not be deemed necessary. Matrix acidizing is the process of pumping fluids, below frac-pressure, in an effort to dissolve limestone, dolomite and calcite. This in turn results in the dissolution of sediments and mud solids that inhibit the free flow of hydrocarbons to the well bore by enhancing the natural permeability of the rock. Generally, the acids in the fluid, once pumped and soaked, are neutralized or soda ash is added to ensure neutralisation. The fluids and the residual sediments are removed from the reservoir in a process commonly referred to as backflush. It is essentially the same concept as acidizing a water well to enlarge the existing seepage points, or create new seepage chambers. Fluid selection for this type of well-intervention is dictated by the rock formation and fluids, and is only derived once compatibility tests are carried out (rock and fluid). Common fluids used in acidizing are hydrochloric acid and, in greater concentrations, acid corrosion inhibitors, solvents, surfactants, non-emulsifiers and iron control agents. This would be similar in nature to other acid programs conducted by

other operations in western Newfoundland both in the offshore and onshore petroleum exploration activities.

The nature and characteristics of any discovered oil or gas reservoirs will dictate any future plans and any such complex stimulation or production plans will be submitted for approval as separate undertakings.

There will be the associated vehicle traffic to service the drilling operations, including personnel transportation and standard oilfield equipment. There will be the normal fuel requirements and emissions from the equipment. Refuelling will be conducted from a self-bermed CSA approved tank by qualified personnel. The tank will have a capacity of approximately 14,000 litres and will be installed and registered as per the Service NL Storage and Handling of Gasoline and Associated Products, 2003 Regulations.

Fuel and oil required for the drilling operations will be stored in containers approved for such uses. On site storage and fuel transfer operations will follow procedures as designed by the fuel distributor and the drilling contractor. All such transfers will occur in compliance with the operation specific EPP which is designed to reduce or eliminate environmental interactions. Mitigation measures for any unplanned events (e.g., fuel spills) are also outlined in the EPP.

There are no major apparent resource conflicts in the area of the road upgrade or the drill locations.

v. Emissions and Waste Disposal

The program of modern well drilling is designed to seal off the shallow ground water from the drilling fluids and any possible hydrocarbon contamination. The water well rig, or the main contractor depending on cost and availability, will set a conductor pipe and then set surface pipe to about 150 m depth. The surface casing will be cemented in place to surface and thus seal off the ground water from contact with the drilling operation.

All grey/black water will be collected by certified disposal contractors and disposed of in the appropriate manner.

The drives and brakes on the rigs will be water cooled. It is anticipated that this will be via a closed system¹. The brake cooling water is sometimes treated with chlorine as a biocide on some rigs. If this is required, the treated cooling water will be disposed of at the end of the campaign using a certified waste disposal contractor.

Investcan aims to minimize environmental impacts as much as possible and, therefore, a waste recycling program will be implemented.

All trash and garbage that cannot be recycled will be stored in a suitable container and disposed of at an appropriate landfill site.

¹ The Foragaz #3 Rig has a closed system that uses two Hydromatic Brakes that are water cooled. Treatment with chlorine isn't necessary. The cooling water is recycled through the system and is part the mud system. Evaporation and condensation loss is compensated by adding new water to the system when necessary.

Combustible waste (such as oily rags, paint cans, etc.) will be stored appropriately and disposed of, as required, by a certified contractor.

Hazardous wastes will be suitably stored, and where necessary sealed, prior to disposal by a certified waste contractor. Typical hazardous wastes found in limited quantities during a drilling operation include solvents, motor oils, lubricants and other general cleaning products. These would also include fuels and lubricants for the operation of electrical generators and motor vehicles.

Air emissions during the drilling phases of the project are not anticipated to be significant. A certain amount of fugitive emissions is, however, expected (i.e., air emissions other than those released from vents or stacks etc., for example, air emissions from equipment leaks or fuel storage tanks). In addition, combustion gases are expected from diesel combustion systems (e.g., engines and generators used during operations), as well as from the flare stack. Equipment will be maintained and inspected to ensure emissions control components are properly functioning. Investcan also prevails of the services of a third-party HSE inspection service that monitors such emissions and also records noise levels at peak operations.

vi. Occupations:

During the construction phase there will be an estimated 17 workers; one supervisor (NOC 7217), four heavy equipment operators (NOC 7421), six truck drivers (7411) and six labourers.

During the water well drilling operation there will be a total of about four workers on the rig, including one supervisor (NOC 8222), one driller (NOC 7373) and two assistants (NOC 7373).

The drilling rig operation will employ a total of about 11 workers, including a drilling superintendent (NOC 8222), rig manager (tool push) (NOC 8222), two drillers (NOC 8232) and eight roughnecks (NOC 8412). There will also be well-site geologists (NOC 2113); mud loggers (NOC 8232), directional-drillers (NOC 8232) and a HSE Officer (NOC 2263).

There will also be a number of technical specialists on the drill site as required, including electricians (NOC 7242), welders (NOC 7237), cementers (NOC 7282), open hole loggers (NOC 8232), truck drivers (NOC 7511), other labourers (lease-hands) (NOC 7612) and 24-Hour Site Security (NOC 6541).

vii. Decommissioning

Once the drilling project is completed all equipment and materials will be removed from the site and the access road will be gated to prevent unauthorized use. The wellheads will be fenced and proper identification and standard industry-wide signage will be erected. If the wells are abandoned, the culverts will be removed and the wet areas restored. The road surface will be grubbed and, if necessary, organic material will be placed on the former road surface to promote re-vegetation. Investcan would also consider alternative uses for the road if community stakeholders would manifest the need for this road beyond Oil and Gas Exploration requirements.

viii. Project Related Documents:

- List of permit applications in progress and completed required:
 - Petroleum Exploration Referral System Application (submitted for both the road and the lease);
 - Crown Land Application #142828 for the road has been issued for comment;
 - Crown Land Application #142901 for the lease (Thoulet #1) has been issued for comment;
 - Application to Alter a Body of Water (Section 48) is in preparation for submission;
 - Crown Land Application for the Thoulet #2 Road not yet submitted;
 - Crown Land Application for the Thoulet #2 Lease not yet submitted;
 - Cutting permit (in preparation);
 - Non Domestic Well Permit (ND12-017) dated August 21, 2012;
 - Commercial Water Use Application (pending the drilling of the water well);
 - Drilling Programme Application (pending);
 - Authorisation to Drill a Well (pending);
 - Fuel Tank Registration (not necessary for Foragaz #3, would require registration for any new equipment); and
 - Request for Review/Letter of Advice, DFO.
- Preliminary drilling design and cost estimates, along with site inspections, have been completed.

APPROVAL OF THE UNDERTAKING:

The principal approvals required for this project are:

- i. applications will be submitted to the Department of Mines and Energy under the Petroleum Exploration Referral System for approvals from the various government departments, as well as applications for a Drilling License and approval of the Drilling Program;
- ii. an application to Crown Lands for surface use approval;
- iii. permits from Department of Government Services and Lands (GSC) for fuel storage, Waste Water and Solid Waste Disposal, as necessary;
- iv. permits from the Water Resources Management Division Department of Environment for commercial water use;
- v. cutting permits from the Department of Natural Resources, Forest Services Branch;
- vi. DFO Request for Review and Letter of Advice; and
- vii. various other miscellaneous approvals as necessary.

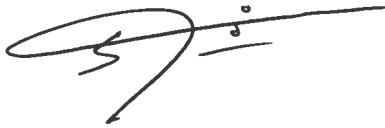
SCHEDULE:

It is proposed that road construction start in April, 2013. The conductor would be set in about mid-June, 2013. The drilling operation will commence in June, 2013 and take a minimum of 50 days to complete.

FUNDING:

The total cost for the road and site construction is estimated to be about \$500,000 and total drilling costs per well are estimated to be about \$5,000,000 to be paid by Investcan Energy Corp. No government funding is anticipated.

March 21, 2013
Date


Signature

Attachment 1
Site Specific Environmental Protection Plan (EPP)

**Investcan Energy Corporation
Environmental Protection Plan**

February 2013

Table of Contents

1.0	Introduction	2
1.1	Orientation and Compliance Monitoring	2
1.2	Potential Impacts of Exploration Activity.....	3
2.0	Environmental Protection Measures	3
2.1	Storage, Handling and Transfer of Fuel and Other Hazardous Materials	4
2.1.1	Fuel Storage	4
2.1.2	Refueling Operations	5
2.1.3	Transporting Fuel and Petroleum Products.....	5
2.2	Laydown areas	6
2.3	Wildlife Encounters	6
2.4	Water Use and Water Quality Protection.....	6
2.5	Vehicle Use	7
2.6	Drilling	7
2.7	Solid Waste Disposal	8
2.8	Equipment Operations	8
2.9	Pumps and Generators.....	8
2.10	Air Quality Protection	9
2.11	No Harvesting Policy.....	9
2.12	Discovery of Historic Resources	9
2.13	Clearing of Vegetation	9
2.14	Forest Fires	10
2.15	Spill Response.....	10

Appendices

Appendix A	Sign Off Sheet
Appendix B	Site Reclamation Plan
Appendix C	Wildlife Incident Report Form
Appendix D	Permits and Approvals

1.0 INTRODUCTION

Environmental protection planning is an important component of overall planning and implementation of activities to ensure environmental risks are identified, prevented and mitigated. Environmental Protection Plans (EPPs) outline specific actions to be followed to ensure project activities minimize or eliminate environmental effects. This EPP is submitted as an appendix to the work description for Investcan Energy Corp's (Investcan) planned activities in southwest Newfoundland.

During the 2013 season Investcan plans to undertake and complete road access to at least one identified exploration sites and then complete drilling of at least one Wildcat well to identify hydrocarbons . To support the road improvement and drilling activities, fuel storage will be required and fuel will be cached in the work area (details in the work plan).

This EPP is structured to provide general details on the activities (specific details are provided in the Work Plan), identify potential environmental interactions and impacts of the activities and to provide a detailed description of mitigation measures to reduce or eliminate impacts. It provides a practical way for Investcan to demonstrate an understanding of environmental regulations, practices and procedures required to reduce or eliminate the potential environmental effects of the project. It sets out the procedures, responsibilities and control actions to be taken by Investcan personnel, contractors and subcontractors to ensure the safe and environmentally sound completion of the work scope described. The purpose of this document is to provide all concerned with a description of applicable environmental protection measures. It is to be made available to all relevant staff, contractors and sub contractors in order to ensure that each is aware of their responsibilities and of the procedures to be used in the management of this work. This will result in open lateral and vertical communications at all levels, as one means to achieve continuous improvement.

1.1 Orientation and Compliance Monitoring

It is the responsibility of Investcan's Site Manager to ensure that this EPP is provided to all personnel, including contractors and subcontractors, involved in the activities. An orientation session will be held with each individual involved in the exploration program.

All personnel are expected to read and understand the EPP, to comply with its provisions and to work to ensure the protection of the environment is a part of daily work routines. As a means to track awareness of the EPP and to ensure the EPP will be implemented, a sign off sheet (Appendix A) will be utilized. This will document awareness and training in EPP. In addition, the Site Manager will perform daily inspections of the camp and all related program activities as a means to monitor for compliance with the EPP. Deficiencies will be corrected immediately; major issues will be handled as per the relevant sections of the EPP and applicable regulations. A log of inspections, findings and follow up actions will be kept.

Investcan also has its own Corporate Safety Manual² and an internal Emergency Response Plan, and subsequent Contingency Plans that deal with most Emergency Situations. More specifically, in this case, the Investcan ERP³ has sections that deal specifically with spill management and like events. Investcan will ensure coordination between this EPP and its ERP, as per Section 2 (Co-Ordination of Emergency Plans).

1.2 Potential Impacts of Exploration Activity

Activities related to vegetation clearing, road improvement, drilling, waste handling, and storage and handling of fuels will introduce the potential for environmental interaction. Potential impacts will include fuel leaks and spills, disturbance of wildlife, discovery of historical resources, forest fires and littering. The EPP provides practical measures which will eliminate or reduce the risks associated with these potential impacts.

2.0 ENVIRONMENTAL PROTECTION MEASURES

The following sections outline specific actions to eliminate or reduce potential for environmental impacts. The items are organized according to general activities to be undertaken.

² Investcan Energy Corporation, Corporate Safety Manual (Rev. 4), 14 February 2013.

³ Investcan Energy Corporation, Emergency Response Plan (Rev. 6), 14 February 2013.

2.1 Storage, Handling and Transfer of Fuel and Other Hazardous Materials

2.1.1 Fuel Storage

- No fuel is to be stored beyond the end of the 2013 exploration program.
- Fuel must be stored at least 100 m from:
 - the high water mark of bodies of water and existing intermittent wet areas present at the time of storage;
 - power lines;
 - public roads; and
 - the recharge area of a water well currently used or likely to be used for potable purposes or other human consumption.
- The fuel storage site will:
 - be located in an area of low activity and will have a buffer zone from existing or proposed activity;
 - not have a slope of more than 5 %; and
 - have no combustible material within a 15 m radius that could present a fire hazard, such as vegetation or garbage.
- Fuel storage drums must be:
 - stored upright;
 - kept in good condition;
 - free from leaks; and
 - stored on plastic tarps to prevent accidental minor spills from entering soil/water.
- Smoking is not permitted within 10 m of fuel storage areas.
- All fuel storage areas will have appropriate spill response equipment as prescribed below:

Spill Kit for locations with greater than 1,000 litres stored:

- A 45 gallon (205 L) 16 gauge drum.
- Two closing rings - one for ease of entry into the drum and the other to ensure absolute containment of products for transport and temporary storage.
- One pair of neoprene oil and chemical resistant gloves.
- One protective disposable suit.
- One pair of protective goggles.
- 12 m of 12 cm containment boom.
- 25 absorbent pads - approximately 46 x 46 cm x 8 mm thick.
- 23 m of absorbent blanket - approximately 70 cm x 8 mm thick.
- 2 polyethylene bags approximately 71 x 46 x 165 cm - 3 mm thick.
- Shovel.

Spill Kit for locations with less than 1,000 litres stored

- One pair of neoprene oil and chemical resistant gloves.
 - One pair of protective goggles.
 - Ten (10) absorbent pads - approximately 46 x 46 cm x 8 mm thick.
 - One (1) polyethylene bag approximately 71 x 46 x 165 cm - 3 mm thick.
 - Shovel.
- Contaminated soil or absorbent pads resulting from a fuel spill must be removed to an off-site disposal facility.

2.1.2 Refueling Operations

- Fuelling and lubrication of equipment shall be undertaken in a manner so as to prevent the possibility of water or soil contamination.
- Fueling or servicing of mobile equipment is not permitted within 100 m from a body of water.
- Leak-free containers and reinforced rip and puncture proof hoses and nozzles must be used for refueling operations.
- The operator must be in close attendance and within visual range for the entire duration of the refueling operation.
- All fuel storage containers must remain sealed except for the outlet in use for the refueling operation.

2.1.3 Transporting Fuel and Petroleum Products

- When moving small amounts of fuel or oil only CSA-approved containers in good condition must be used. The containers must have tight closures with screw or spring covers, and must be equipped with spouts or other means to allow pouring without spilling.
- Leaking tanks or containers must not be used to transport or store fuel or oil.
- Fuel tanks must be secured during transport to prevent their being jarred loose, slipping or rotating.
- Fuel tanks and cans must be placed on vehicles so as to minimize the chance that an impact would cause them to rupture (for example, gas cans should not be mounted on the rear of a vehicle).
- Tanks and cans with fuel must be placed in locations on the vehicle where there is minimum exposure to heat.

2.2 Laydown areas

- Laydown areas for equipment storage must be located at a site that is flat and at least 100 m from any body of water, marshes or boggy areas. Where present, existing disturbed areas that meet these criteria must be used.
- Equipment at the laydown area must be inspected on a regular basis for fuel and oil leaks.

2.3 Wildlife Encounters

- Personal pets must not be brought to the Exploration Sites except in the case of trained dogs used for the purpose of bear control.
- Under no circumstances are wildlife to be fed directly and all measures must be taken to avoid inadvertent feeding.
- Wildlife must not be chased, caught, diverted, followed or otherwise harassed by all-terrain-vehicle, aircraft, watercraft or on foot.
- Equipment and vehicles must yield the right-of-way to wildlife.
- Exploration work crews must be made aware of the potential for encounters with black bears.
- All bear sightings must be recorded and reported to the Site Manager.
- Black bear deterrent measures such as bear bangers may be used, and translocation of black bears can be undertaken and must be undertaken before any lethal means are considered.
- If the presence of a black bear is posing a risk to workers on the Exploration Sites, responsive actions such as trapping and displacement or destruction of the animal may be undertaken only under the supervision of the Wildlife Division of the Government of Newfoundland and Labrador.
- All wildlife encounters are to be recorded by Investcan.

2.4 Water Use and Water Quality Protection

- Removal of water from any body of water for the purposes of an Exploration Program must be done in a way that protects the integrity of the body of water.
- Pesticides must not be used in the Exploration Program except for the purpose of protecting occupational health.
- Water pumped from work areas (drill sites, road/bridge construction, trenching) or other runoff must have sediment removed before discharging to a body of water.

- Prevent silting and erosion by controlling water such as through the use of:
 - appropriate grading of slopes;
 - ditches;
 - berms;
 - sumps; and
 - sediment barriers such as rip-rap, brush barriers, straw or peat bales, sandbags and / or geo-textile filter cloth.

2.5 Vehicle Use

- Only established trails and roads may be used.
- All equipment must have appropriate mufflers installed.

2.6 Drilling

General

- All fuel and hazardous materials present at a drill site must be handled with care so as to minimize the possibility of spills. The area cleared for storage should be the minimum size required and must be placed and contained to prevent release into bodies of water. All drill sites are to be identified with UTM NAD 27 coordinates. An inventory is to be maintained of the fuel and hazardous materials used and removed from each drill site.
- At the termination of exploration, all fuels and hazardous materials are to be removed from the area, and all waste shall be collected, transported and disposed of at an approved site.
- Upon completion all drill holes producing artesian water shall be plugged with a high-swelling clay such as bentonite.
- Unless otherwise approved, exposed drill casings must be removed or cut off at or below ground surface upon abandonment of the drill site.

Drilling on land

- The drill sites and water lines should be located, as much as possible, in areas where access to them and their operation will create the least amount of disturbance. The smallest area necessary for safe working practices must be cleared. The length and number of access trails should be kept to a minimum.
- Drill waste shall be prevented from entering bodies of water and shall not be left to run off from the drill sites. Drill cuttings and water must be controlled by a series of settling tanks, settling ponds or a sump located down slope from the drill.
- Maintenance of drill equipment shall take place at least 100 m from the nearest body of water.

- All materials (slash, soil and overburden) removed for clearing of the drill sites must be stockpiled for use in reclamation of the sites. The stockpiling should be done so as to prevent erosion by wind, water or run-off and the rehabilitation/reclamation of the drill sites should take place as soon as possible after termination of the drilling.

2.7 Solid Waste Disposal

- All waste products produced during exploration activities are to be removed from sites and disposed of appropriately. Absolutely no waste products are to be left at site.
- During exploration activities all waste products are to be confined to a designated area and stored in a manner that prevents debris from being spread by weather conditions and/or wildlife.
- Food waste is to be stored in a manner to deter attraction of nuisance wildlife.

2.8 Equipment Operations

- All approvals, authorizations and permits for project activities will be followed.
- All equipment will have exhaust systems regularly inspected and mufflers will be operating properly.
- All equipment (e.g., diesel generators, etc.) will meet the requirements of the provincial *Air Pollution Control Regulations* under the *Environment Act*.
- All equipment use during exploration will follow the environmental protection procedures outlined in this EPP.

2.9 Pumps and Generators

- Drip pans shall be placed underneath pumps and generators. Absorbent material will be kept at all sites where pumps and generators are in use.
- Hoses and connections on equipment located near water bodies shall be inspected routinely for leaks and drips.
- All leaks shall be reported immediately to the Site Manager.

2.10 Air Quality Protection

- Measures must be taken to prevent dust from becoming a problem at an Exploration Site. If dust control becomes a problem at the exploration site, the following must be done:
 - keep roads and exposed areas sprayed with water or a dust suppressant, such as calcium chloride, wherever practical; and
 - reduce speed on dusty roads and trails.

2.11 No Harvesting Policy

- There will be no harvesting at or near the Sites by any employees or contractors involved directly or indirectly in Exploration or when traveling to or from the sites during the entire period of the Exploration Program. Employees or contractors must immediately leave the Exploration Sites on completion of an employment period at the Sites.

2.12 Discovery of Historic Resources

- Exploration crews will be briefed on the recognition of Historic Resources prior to the commencement of the Exploration Program.
- In the event of the discovery of a Historic Resource or suspected Historic Resource, work must immediately stop, the area shall be cordoned off and photographed and the Provincial Archaeology Office, Department of Tourism, Culture and Recreation shall be contacted for direction.
- The location of a potential discovery must remain cordoned off for the duration of the Exploration Program or until determined not to be of significance by the Provincial Archaeology Office, and under no circumstances:
 - is Exploration work to be carried out at the location of the discovery or so as to disturb the discovery; and
 - is any individual, other than a Person authorized to carry out an Archaeological Activity under a written permit issued by the Provincial Archaeology Office to cause any disturbance or remove any material from the location of the discovery.

2.13 Clearing of Vegetation

- Trees shall be cut as close to the ground as possible, stumps must not exceed 15 cm in height.
- Portions of tree trunks larger than 9 cm in diameter shall be limbed and stacked neatly at intervals along the trail for salvage.
- Trees and tops with trunk diameter less than 9 cm shall be piled to the side of the trail neatly or lopped and scattered if conducive to reducing ground disturbance.

- Trees and slash which are cleared shall not be felled or discarded into a body of water.
- Where possible, operators must drive over flattened vegetation in order to preserve rootstock and prevent soil erosion.
- The organic mat must be preserved wherever possible to reduce the potential for erosion in the short and long term.
- Where possible trees must be felled inward toward the work area to avoid damaging any standing trees adjacent to the immediate work area.
- No clearing activity may occur within 800 m of a known bald eagle, osprey or other raptor nest during the nesting season (May 15 to July 31) and 200 m outside the nesting season. If a nest is encountered during clearing activities during the nesting season clearing must immediately stop.

2.14 Forest Fires

- Sites must be properly equipped to fight fires. Fire-fighting equipment at each site must meet Provincial regulations and all workers must be made aware of the location of extinguishers and firefighting equipment.
- Other than in an emergency situation, there must be no use of open fires at Exploration camps and work sites.
- Fire should be reported immediately by calling 1-866-709-FIRE (3473). The following information will be provided:
 - i) Name of the reporter and phone number
 - ii) Time of detection of the fire
 - iii) Size of the fire
 - iv) Location of the fire

2.15 Spill Response

- In the event of a leak or spill of fuel or hazardous material the individual who discovers the leak or spill must take all steps necessary to immediately stop the leak or spill and contain the release of contaminant into the surrounding area, most particularly any body of water. The only exception to the requirement for immediate response is where the individual would be placed in an unsafe situation.
- All spills in the marine or freshwater environments and spills of 70 litres or more on land must be reported immediately to the Canadian Coast Guard at (709) 772-2083 or 1-800-563-9089.
- All spills or leaks should be cleaned up regardless of size as part of regular maintenance.

- If a spill or leak of fuel or hazardous material occurs:
 - Stop source; and
 - Eliminate ignition sources.

- If a spill or leak of fuel or hazardous material occurs on land:
 - Do not flush leak nor attempt to dilute;
 - Block leak from entry into waterways and bodies of water and contain with earth or other barrier(s);
 - Remove small spills with absorbent pads or other absorbent material; and
 - Contain contaminated material until it can be appropriately treated or removed from Site to a licensed facility.

- If a spill or leak of fuel or hazardous material occurs on snow and/or ice:
 - Block entry into waterways and bodies of water and contain with snow or other barrier;
 - Remove minor spills with absorbent pads or snow;
 - Use ice augers and pump when feasible to recover diesel under ice;
 - Slots in ice can be cut over slow-moving water to contain oil; and
 - Contain contaminated snow and/or ice for later treatment or shipment off Site to a licensed facility.

- If a spill or leak of fuel or hazardous material occurs on a body of water:
 - Contain spill as close to release point as possible;
 - Use spill containment boom or equivalent materials to concentrate slicks for recovery;
 - On small spills, use absorbent pads to pick up contained oil;
 - On larger spills, obtain and use skimmer on contained slicks; and
 - Contain contaminated material until it can be appropriately treated or removed from Site to a licensed facility.

- If a spill or leak of fuel or hazardous material occurs in or near a body of water:
 - Prevent entry into water, if possible, by building a berm (soil or snow) or trench; and
 - Intercept moving slicks using (absorbent) booms.

Appendix A
Sign Off Sheet

Sign Off Sheet

By signing below I am declaring that I have received and read the EPP and that I agree to comply with the measures outlined therein.

Name

Date

Name

Date

Name

Date

Name

Date

Name

Date

Name

Date

Name

Date

Name

Date

Name

Date

Appendix B
Site Closure and Reclamation Plan

Reclamation and Closure Plan

- Reclamation means that the environmental disturbance to an area is remediated to the point where the area:
 - Is safe and stable; and
 - Is restored as near as reasonable to its pre-disturbance condition.
- Efforts must be made to minimize disturbance throughout the Exploration Program in order to reduce the amount of Reclamation effort to be taken upon completion of the Program.
- Reclamation and Closure of an Exploration Program must include the following:
 - Removal of all equipment and materials, garbage, broken equipment and other waste material; and
 - Removal of all pickets used for Exploration surveys when no longer required for ground control, except for wooden pickets with small pieces of flagging tape or metal attached.

Appendix C
Wildlife Incident Report From

Exploration Site Wildlife Incident Report

DATE:

LOCATION:

TIME:

PERSON REPORTING:

ANIMAL:

UNUSUAL BEHAVIOUR: YES _____ NO _____

UNUSUAL MARKINGS (i.e., bear with ear tags):

DAMAGE OR THREAT CAUSED: NO _____ YES _____ (explain)

REPORTED TO:

DETERRANT USED ON ANIMAL:

NO ACTION _____ DETERRANT _____ TRAPPED _____ OTHER _____

AREA OF WILDLIFE SIGHTING CLEAN (i.e., no visible signs of food or waste)

YES _____ NO (explain below) _____

OTHER DESCRIPTIVE INFORMATION ABOUT THE INCIDENT/AREA:

SIGNATURE (person involved) _____ DATE: _____

REVIEWED BY (supervisor) _____ DATE: _____

Appendix D
Permits and Approvals

Following is a listing of applicable permits and approvals required for the exploration program:

- Exploration Permit
- Cutting Permit
- Wildlife Protection Permit
- Forest fire-fighting equipment
- Fuel Storage Tank Registration
- Water Use License