REQUEST FOR INFORMATION (RFI)

DRILLING AND CORING OF TWO STRATIGRAPHIC HOLES ON THE SOUTHERN PART OF BAFFIN ISLAND, WEST OF IQALUIT.

1. PURPOSE

This Request for Information (RFI) seeks information from industry on its interest, capacity and ability to carry drilling and coring of two short stratigraphic holes in the carbonate succession at about 100 kilometers west of Iqaluit on Baffin Island.

The Contract is subject to Nunavut Land Claims Agreement.

2. GENERAL INFORMATION

This RFI shall not be construed to be a Request for Proposal (RFP) and no agreement/contract will be entered into with/awarded to any contractor based on responses to this RFI. The RFI shall in no way be considered as authorization by Canada for contractors to undertake any work which would result in costs to NRCan. NRCan shall not be liable for, nor shall it reimburse any of the contractors and/or any third-party, for any costs, fees or expenses, incurred in the preparation of a response to this RFI.

Nothing in this RFI shall be construed as a commitment to issue a RFP. Response to this RFI will not create any obligation. NRCan shall not be bound by anything stated herein. Contractors shall not be bound by any aspect of their response to this RFI.

All responses to this RFI will be held by NRCan on a confidential basis (subject to applicable legislation) and remain the property of NRCan once they have been received. Contractors are advised, however, that information submitted may be used in the development of future RFPs. Contractors answering this RFI shall specify if the information or comments provided are confidential or exclusive to the company. Not responding to this RFI shall in no way penalize contractors to any future RFP.

3. BACKGROUND

The Department of Natural Resources Canada, through its Geoscience for Energy and Minerals program of the Earth Science Sector is seeking to carry out acquisition of diverse and modern geological data for the marine Hudson Bay, Hudson Strait, Foxe Basin and adjacent onshore areas to map seafloor relief of specific locations and evaluate the local and regional hydrocarbon potential of these areas.

4. REQUIREMENTS

The planned project consists in the diamond drilling of two stratigraphic holes located at:

Hole #1: 72°24' W / 64°54'53" N Hole #2: 70°38'11" W / 64°24' N

The diameter of the core will be 2.5 inches (HQ). The succession will primarily be made up of limestones and recovery is expected to be over 80%. The holes will end after the coring of 5 meters of Precambrian crystalline basement. Based on geological knowledge of this area, the wells are expected to be anywhere between 100 and 300 meters deep.

Cores stored in wooden boxes will be shipped to the Aboriginal Affairs and Northern Development Canada warehouse (Iqaluit) immediately after the end of the drilling.

Industry is responsible for mobilization and demobilization of the drill rig.

Industry is responsible for setting up a secure camp to accommodate the drill crew, one bear monitor hired by the proponent, one camp cook hired by the proponent, and one geologist (female) from NRCan. All salary and field allowances costs (excluding for the geologist) are the responsibility of the industry.

Industry is responsible for helicopter transportation for the drill crew, the bear monitor, the camp cook, and the NRCan geologist; the latter is based at Igaluit.

Upon August 1st, 2017, Industry is responsible for requesting and obtaining all the needed permits delivered by the Nunavut authorities for the drilling of these short holes.

Industry will comply with all territorial regulations and insure that, after completion of the drilling, the two sites are restored as requested by the authorities.

5. PROPOSED SCHEDULE

The drilling is to be executed anytime between August 1 and October 30, 2017. It is expected that drilling of each well, pending normal conditions, should not exceed four (4) days.

The information provided in this RFI is preliminary and could change. This RFI is not a formal quote request nor will it disqualify or pregualify any contractors in potential future contract offer.

Respondents to the RFI are to provide:

- an estimate of total cost of the requirements mentioned above;
- the numbers for one and two wells and for each of the scenarios with the lower and upper drilling limits of 100 and 300 meters;
- a <u>cost breakdown table</u> with mobilization and demobilization, drilling operations, crew salaries, camp logistic identified separately and any other expenses not specified above;
- comments on the proposed timetable and/or an estimate of the anticipated duration.

The release of a potential RFP will not occur prior to summer 2017.

6. INTELLECTUAL PROPERTY

Natural Resources Canada will own all intellectual property rights to any resulting work should a contract be established.

7. REVIEW OF THE RFI

Natural Resources Canada reserves the right to request additional information for clarification during the review of the responses to this RFI.

No payment will be made for costs incurred in the preparation and the response to the RFI. Costs associated with preparing and presenting a response, as well as any costs incurred by the respondent associated with the evaluation of the RFI, are the sole responsibility of the respondent.

8. CLOSING DATE

Responses to this RFI shall be submitted directly to the Contracting Authority and the RFI solicitation close on February 17th, 2017 at 2pm.

9. CONTRACTING AUTHORITY

All enquiries and other communications related to this RFI shall be directed to the Contracting Authority as follows:

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