

R E L E A S E

FOR AND IN CONSIDERATION of the payment of the sum of \$1.00 and other good and valuable consideration paid to HER MAJESTY THE QUEEN in Right of Canada as represented by the DEPARTMENT OF INDIAN AFFAIRS AND NORTHERN DEVELOPMENT (hereinafter called the "Releasor") by COOPERS & LYBRAND LIMITED, Trustee in Bankruptcy of the Estate of CADILLAC EXPLORATIONS LTD., a Bankrupt, (hereinafter called the "Trustee"), PROCAN EXPLORATION COMPANY LIMITED, PROCAN EXPLORATION COMPANY, NELSON BUNKER HUNT, WILLIAM HERBERT HUNT, AND LAMAR HUNT, the receipt and sufficiency of which is hereby acknowledged, the Releasor hereby remises, releases and forever discharges and by these presents does for itself and for its successors and assigns, remise, release and forever discharge CADILLAC EXPLORATIONS LTD., the Estate of CADILLAC EXPLORATIONS LTD., PROCAN EXPLORATION COMPANY LIMITED, PROCAN EXPLORATION COMPANY, NELSON BUNKER HUNT, WILLIAM BUNKER HUNT AND LAMAR HUNT (hereinafter called the "Releasees"), and each of them and their respective heirs, executors, administrators, successors and assigns, of and from all actions, causes of action, claims and demands, whether known or unknown, whatsoever or wheresoever, whether at law or in equity, in contract or in tort, which the Releasor ever had or now has or which the Releasor or

its successors and assigns hereafter can, shall or may have by reason of any damage, loss or injury to property, which has resulted from or in any way arisen out of or developed from, or which may at any time in future result from or in any way arise out of or develop from:

- (a) obligations incurred by Cadillac Explorations Ltd. in respect of restoration of the mine site and winter road at Prairie Creek, in the Northwest Territories under and pursuant to the Territorial Land Use Regulations, CRC Vol. XVIII, c.1524 and Permits #N80F249 and N80D248 issued to it on July 2, 1980 and April 14, 1980 respectively.
- (b) the \$6.51 million dollar contingent claim made by the Releasor against Cadillac Explorations Ltd. in bankruptcy arising out of the failure of Cadillac Explorations Ltd. to restore the minesite and winter road at Prairie Creek, in the Northwest Territories and the preferred claim for the same amount filed by the Releasor with the Trustee (a copy of which claim is attached as Schedule "A" hereto).

IT IS UNDERSTOOD AND AGREED that neither the payment of the aforesaid sum of money nor anything herein contained shall be construed or constitute an admission of liability by the Releasees.


IT IS FURTHER UNDERSTOOD AND AGREED that this Release does

not act as a release of or in any way modify, alter or vary any of the obligations or covenants of Procan Exploration Company Limited made pursuant to the Surface Lease Agreements Nos. 95 F/10-7-2 and 95 F/10-5-3 between Her Majesty the Queen in Right of Canada and Procan Exploration Company Limited commencing April 1, 1987 or any amendments, renewals or successor agreements thereto. More particularly and without restricting the generality of the foregoing, this Release does not act as a release of or in any way modify, alter or vary the obligations and covenants of PROCAN EXPLORATION COMPANY LIMITED with respect to the Abandonment and Restoration Plan annexed as Schedule "A" to Lease No. 95 F/10-5-3.

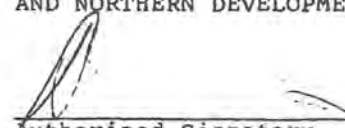
THIS RELEASE contains the entire agreement between the Releasor and the Releasees and the terms of this Release are contractual and not a mere recital.

IN WITNESS WHEREOF the Releasor has hereunto affixed its hand and seal this 10th day of August , 1987.


SIGNED, SEALED AND DELIVERED) HER MAJESTY THE QUEEN IN
) RIGHT OF CANADA
) as represented by the
) DEPARTMENT OF INDIAN AFFAIRS
) AND NORTHERN DEVELOPMENT.



 Witness



 Authorized Signatory



Statement of Account

This is a contingent claim for restoration of a minesite and related winter road at Prairie Creek in the Northwest Territories. These sites are the subject of two land use permits issued pursuant to the Land Use Regulations under the Territorial Lands Act. Section 18 of the Land Use Regulations demands that the permittee, Cadillac Exploration Ltd., restore the land upon expiration of the permits. This claim is in respect of a failure by Cadillac to restore the land as required by law.

1. Restoration of Minesite -

Claim: \$5.4 million
Expiry date of Permit: April 12, 1985

This includes: a) removal of buildings, equipment, fuel and mining material and debris;
b) sealing and closing of mine shafts;
c) restoration of normal drainage pattern;
d) erosion control measures on road and airstrip;
e) infilling swamps and re-establishing stable slopes; and
f) other restoration requirements

2. Restoration of Winter Road -

Claim: \$1.1 million
Expiry date of Permit: June 28, 1983

This includes: a) erosion control measures along the 184 km. length;
b) removal of culverts and bridges where necessary;
c) restore normal drainage patterns;
d) clean up any garbage and debris along route; and
e) stabilize slopes and river banks as required.

Total: \$6.51 million

Priority, pursuant to Section 107 of the Bankruptcy Act, is claimed by Her Majesty by virtue of the Territorial Lands Act and Section 18 of the Territorial Land Use Regulations.

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SCHEDULE "A"
STATE OF CLAIM
Sec. 80(2) and Sec. 97
Bankruptcy Act.

P.O. Box 49211
Four Rental Centre
1055 Lansmuir Street
Suite 1804
Vancouver, B.C.
V7X 1C5 (604) (88-542)

IN THE MATTER OF THE BANKRUPTCY OF CADILLAC EXPLORATIONS LIMITED
(Name of Debtor)

of Alberta and the claim of Her Majesty the Queen in Right of Canada as represented by the
(Name of Province) Department of Indian Affairs and Northern Development
creditor

Notices or correspondence regarding this claim to be forwarded to the following
Address: Mr. Floyd N. Adlem, Land Use Administrator, Department of Indian Affairs and
Northern Development, Box 1500, Yellowknife, Northwest Territories, X1A 2R5

I, Floyd N. Adlem residing in the City of Yellowknife in the Northwest Territories

DO HEREBY CERTIFY:

1. That I am a Land Use Administrator of Department of Indian Affairs and
(State Position or Title) Northern Development
(Name of Creditor)

2. That I have knowledge of all the circumstances connected with the claim
hereinafter referred to.

3. That the said debtor was at the date of the bankruptcy, namely the 1st
day of March 1983, and still is justly and truly indebted to the above-named
creditor (hereinafter referred to as "the creditor") in the sum of \$6.5 million
as shown by the statement of account hereto attached and marked "A" after
deducting any counter claims to which the debtor is entitled. (The statement of
account must specify the vouchers or other evidence in support of the claim.)

4. That in respect to the said debt, (strike out whatever is not applicable and
give full details in the manner specified).

c) PREFERRED - priority is claimed under Section 107 of the Bankruptcy Act.
(set out on an attached schedule details to support priority
claim.)

5. That to the best of my knowledge and belief the creditor and the debtor are
not related as defined in Section 4 of the Bankruptcy Act.

6. That the following are the payments and credits received from or allowed to
the debtor within the three months (or, if the creditor and the debtor are related
as defined in Section 4 of the Bankruptcy Act, within twelve months) immediately
preceding the date of bankruptcy.

DATED at Yellowknife, this 22 day of October A.D. 1984.

Witness: Jennifer E. Moore

F. N. Adlem
(Signature of Individual completing this
Certificate)
Floyd N. Adlem

WARNING: Subsection (1) of Section 172 of the Bankruptcy Act prescribes severe penalties for
making any false claim, declaration or statement of account.

GENERAL PROXY

In the matter of the bankruptcy of Cadillac Explorations Limited

I, P. Hiram Beaubier, Director General, Northwest Territories Region,

Department of Indian Affairs and Northern Development

City of Yellowknife, in the Northwest Territories

do hereby appoint Floyd N. Adlem of the City of Yellowknife in the
Northwest Territories to be our general proxy in the above matter (excepting only as to the
receipt of dividends).

DATED at Yellowknife, this 22 day of October A.D. 1984.

SIGNATURE OF WITNESS Jennifer E. Moore
Regional Manager, Land Resources,

SIGNATURE OF PROXY GRANTOR
P. Hiram Beaubier
Director General, Northwest Territories