Twin Mining Corporation Jackson Inlet Project

Nunavut, Canada

Spill Contingency Plan for renewal of License NWB2JAC0203

Preamble:

The current Contingency Plan applies to the 2006 Exploration program to be conducted on the property between the months of July and September 2006. The Jackson Inlet Property is located on the Brodeur Peninsula, 110 kilometres west north west of the hamlet of Arctic Bay, Baffin Island, Nunavut. Breakwater Resources' former Nanisivik Mine is located 21 kilometres east of Arctic Bay.

This plan will be sent to the Water Board and DIAND. In addition, the Company's Head Office in Toronto will receive a copy of this plan. Additional copies of this plan may be obtained by writing to:

Twin Mining Corporation Suite 1250, 155 University Ave. Toronto, Ontario M5H 3B7

Handling and Disposition of Spillable Materials:

The purpose of this contingency plan is to provide a plan of action for every foreseeable spill event at the Jackson Inlet Project. It defines the responsibilities of key response personnel and outlines the procedures for responding to a spill.

The maps 4-2 and 9-5 show the main areas of activity within the Jackson Inlet Project. The current landing strip is an elevated area of gravel at the estuary of Jackson River. This site is utilized as an airstrip for the Twin Otter aircraft, as well as a temporary staging area / depot for fuel, oil, drilling salt and drilling supplies. Because of concern by the government environmental inspector about the possible implications in the event of considerably higher floodwaters than

recorded since year 2000, all spillable materials other than a small contingency refuelling supply for the Twin Otter of a few drums, will be immediately moved by helicopter to Twin Mining's upland active work sites, mainly the Freightrain and Cargo-1 kimberlites that will receive the vast majority of the exploration. No spillable materials are, or will be stored, within the estuary.

At Twin Mining's camp, less than 10 drums of fuel will be kept on site. Any other fuel drums of Twin Mining will be kept at Nanisivik Airport for transport to their sites as needed. All of the drums and bags of drilling salt brought by ship to Nanisivik as well as drums shipped for Twin Mining prior to 2006 will be marked with the name Twin Mining. All full fuel container outlets will be sealed, except those outlets on drums from which fuel currently is being pumped. Drums will be opened only when needed.

Transportation of fuel and drilling salt will be via a Twin Otter from the Nanisivik Airport to the landing strip. Then, these materials will be transported directly to drill sites, all as determined by the project manager.

Response Organization:

At Twin Mining's camp site, the cook/camp manager will be responsible for a daily tour of any fuel drums on site in order to ensure that none are leaking. The camp site is characterized by grey-brown soil and rock devoid of vegetation. Any leaked or spilled oil would be evidenced by darker coloured soil or rock around the drums. Thus, the inspection will be for such evidence. All potential spills that are detected will be reported immediately to the Project Manager on site. In addition, Twin Mining shall examine regularly all fuel and chemical storage containers for leaks, all leaks would be repaired immediately.

The Twin Mining camp will be equipped with spill response kits.

Initial Action and Action Plan:

In the event of a spill, the safety of the personnel is to be considered first. Once ensured that no injuries are possible, the source of the spill is to be clearly identified, along with an estimated leak rate if possible. The Project Manager is immediately informed and, if he is not in camp, the cook/camp manager will immediately access the spill response kit and implement containment procedures.

In the event of a minor spill, the humid oil containing dirt can be cleaned with an absorbent sheeting. Remaining contaminated soil will be shovelled and put in plastic pails. The leaking drum will be immediately pumped either directly into the helicopter fuel tank or into another safe empty drum. The contaminated dirt will be brought out of the area and disposed of either through the Arctic Bay

hamlet or Nanisivik Mine facilities or, if they are not suitable, brought to southern Canada in sealed leak proof containers for disposal in an approved facility.

In the unlikely event of a more significant leak, the drum(s) will be positioned on an impermeable lining while the contents are transferred to another drum. Such a lining will be available in the spill contingency kits. Additional linings also will be available in the kits housed in each dormitory tent and will be used by any camp occupant present in the event of an emergency.

Reporting Procedure:

Any oil or fuel spill will be reported as follows:

From the Project Manager to:

- 1 SPILL REPORT form to be completed immediately
- 2 Report immediately to the 24-hour spill report line **403-920-8130**
- 3 Report to the head office **416-777-0013** and ensure that an appropriate liaison person can be reached at all times.

A COPY OF THIS PROCEDURE WILL BE AVAILABLE IN THE MAIN KITCHEN ON SITE

Resource Inventory:

The Project Manager, will direct any responsible persons present at the location of a spill to carry out in the spill Action Plan, including the Helicopter pilot and flight engineer, mineral exploration technicians and geologists.

Hermann Derbuch, CEO Twin Mining at the Toronto office (416-777-0013) is to be kept informed of all procedures.

Equipment available in the spill contingency kits will be sufficient to contain and minimize the potential for harmful impact from spill that conceivably could occur. In addition, there is the presence of a helicopter at the camp, and a helicopter and a Twin Otter aircraft on call out of Resolute Bay that will be available to assist.

Training and Exercise:

The Twin Mining project manager and cook/camp manager will instruct the entire crew on the storage and use of the spill contingency kits in implementing a spill Action Plan.

Material Information:

MSDS information for diesel fuel, helicopter fuel and drilling salt are as provided in spill contingency plan with the Water Licence application.