



Final Compliance Report

The Compliance Report is to outline the action taken by you or your company to the action items identified in the Inspection Report & Compliance Action Plan. Compliance completion dates are also to be identified on the Report. Once this document has been completed, it is to be forwarded (mail or fax) to AANDC Field Operations – along with photo documentation of the before and after compliance.

Client (Name of Person or Company - May be multiple parties, include business address (or home address), phone)

Mega Precious Metals Inc. Parent of Skybridge Development Corporation NEW ADDRESS: 1100 Russell Street, Thunder Bay, Ontario P7B 5N2 (formerly at 401-1113 Jade Court Thunder Bay, ON P7B 6M7)	1 st Contact: Sherry Kudlacek skudlacek@megapmi.com 2 nd Contact: Glen Kuntz gkuntz@megapmi.com
--	--

Inspection Site Address/Coordinates (NAD 83)

Sage Lake/Blue Caribou camp location (NAD 83, degrees/minutes/seconds): N65°13'57", W106° 37' 06"

Inspection Date

Inspection Date: August 1, 2010

Inspection Type (water use, sewage works, waste generation, tailings, fuel storage, etc.)

Inspection Type: Water Use Inspection

Action Item(s)

1.	Esker airstrip has a fuel cache within an "instaberm" secondary containment structure: structure is quite floppy and needs reinforcement and maintenance as water has accumulated inside. Secondary containment as observed in current condition is inadequate.	
	Compliance Report: All fuel, oil, drums, cylinders, plastics, instaberm and metals were removed from the site and shipped to Yellowknife for disposal at the appropriate facilities. Some fuel & the instaberm were shipped to other projects for their use. Site soil examined for contamination. Fuel cache site was contoured and stabilized and restored to a pre-disturbed state.	Completion Date: Sage Lake/Blue Caribou camp location was closed August 13 – 16, 2012 in compliance with the Abandonment & Restoration Plan of February 26, 2011.



Final Compliance Report

2.	Pallets and other woody debris left near fuel cache.	
	Compliance Report: All wood debris, including pallets, structures and other wood debris was burnt onsite, with nails picked out of the ash once cool. Nails & ash were shipped back to Yellowknife. Site was contoured, peat moss placed over burnt area(s) and stabilized and restored to a pre-disturbed state.	Completion Date: Sage Lake/Blue Caribou camp location was closed August 13 – 16, 2012 in compliance with the Abandonment & Restoration Plan of February 26, 2011.
3.	Evidence of burn barrel used at camp (no incinerator); barrel was left approximately 3/4 full of ash and partially burned debris; blackened esker substrate around barrel.	
	Compliance Report: Burn barrel & contents were removed from the site and shipped to Yellowknife for disposal at the appropriate facilities. Site soil was examined for contamination. Site was contoured and stabilized and restored to a pre-disturbed state.	Completion Date: Sage Lake/Blue Caribou camp location was closed August 13 – 16, 2012 in compliance with the Abandonment & Restoration Plan of February 26, 2011.
4.	2 pails containing oily substances left outside, uncovered, near burn barrel.	
	Compliance Report: 2 pail & contents were removed from the site and shipped to Yellowknife for disposal at the appropriate facilities. Site soil was examined for contamination.	Completion Date: Sage Lake/Blue Caribou camp location was closed August 13 – 16, 2012 in compliance with the Abandonment & Restoration Plan of February 26, 2011.



Final Compliance Report

5.	4 drums (gasoline) were left upside-down to drain; smell of fuel on esker substrate (darker patches).	
	Compliance Report: Drums were removed from the site and shipped to Yellowknife for disposal at the appropriate facilities. Contaminated site soil was collected and shipped to Yellowknife for disposal at the appropriate facility. Site was contoured and stabilized and restored to a pre-disturbed state.	Completion Date: Sage Lake/Blue Caribou camp location was closed August 13 – 16, 2012 in compliance with the Abandonment & Restoration Plan of February 26, 2011.
6.	Latrine structure was left in place (hole was not filled in); another latrine hole was incompletely filled in.	
	Compliance Report: Latrine structure was burnt onsite, with nails picked out of the ash once cool. Nails & ash were shipped back to Yellowknife. Site soil was examined for contamination. Holes were back filled with local material. Site was contoured, peat moss placed over burnt area(s) and stabilized and restored to a pre-disturbed state.	Completion Date: Sage Lake/Blue Caribou camp location was closed August 13 – 16, 2012 in compliance with the Abandonment & Restoration Plan of February 26, 2011.
7.	Sumps (2) were not filled in: covered with Styrofoam insulation panels, plywood and some esker material; a panel of this insulation was found in the water.	
	Compliance Report: Sumps were back filled with local material. Site was contoured, stabilized and restored to a pre-disturbed state. Plywood was burnt onsite, with nails picked out of the ash once cool. Nails & ash were shipped back to Yellowknife. Drilling salts were shipped to other projects for their use. Site soil was examined for contamination. Styrofoam was collected and shipped back to Yellowknife for disposal at the appropriate facility.	Completion Date: Sage Lake/Blue Caribou camp location was closed August 13 – 16, 2012 in compliance with the Abandonment & Restoration Plan of February 26, 2011.



Final Compliance Report

7.	Fair amount of debris (cardboard, plastics, wood, nails, spills pads, etc.) were left exposed and/or found strewn about the camp site, with some windblown materials found in or near Sage Lake.	
	Compliance Report: Full site inspection was done to ensure all debris (cardboard, plastics, wood, nails, spill pads, etc.) were burned onsite or shipped back to Yellowknife as appropriate. Full site was contoured, stabilized and restored to a pre-disturbed state.	Completion Date: Sage Lake/Blue Caribou camp location was closed August 13 – 16, 2012 in compliance with the Abandonment & Restoration Plan of February 26, 2011.

8.		
	Compliance Report: Mega has completed a full abandonment and restoration of the site by following Skybridge Development's <i>Abandonment & Restoration Plan</i> (revised and submitted to the Nunavut Water Board, February 26, 2011). Diamond drill core will be left at Sage Lake/Blue Caribou camp location (NAD 83, degrees/minutes/seconds): N65°13'57", W106° 37' 06", on territorial lands as per Nunavut Land Use Regulations, section 19, sub-section 3. Full site was restored to a pre-disturbed state.	Completion Date: Sage Lake/Blue Caribou camp location was closed August 13 – 16, 2012 in compliance with the Abandonment & Restoration Plan of February 26, 2011.

Company Official: (please print) <u>Glen Kuntz</u> Signature: <u>[Signature]</u>	Date: <u>October 19, 2012</u>
--	---

Please forward completed report to:

Water Resource or Resource Management Officer : Melissa Joy, Water Resource Officer Aboriginal Affairs & Northern Development Canada Nunavut Regional Office, Field Operations Address PO Box 100, Bldg 918 Iqaluit, NU X0A 0H0	Phone 867-975-4288 Fax 867-979-6445
--	--