



WATER USE INSPECTION REPORT

Date: August 1, 2010	Licensee Rep. (Name/Title): None on site (Gordon Yule)
Licensee: Skybridge Development Corp.	Licence No.: 2BE-BLU0812 (Sage Lake Camp/Blue Caribou Project)

The Sage Lake camp consists of a camp and esker airstrip; the camp is also covered under KIA Land Use permit KTL308C001. Camp was inactive at time of inspection: seasonal shutdown from 2009.

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

- 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.
- Pallets and other woody debris left near fuel cache.
- 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.
- 2 pails containing oily substances left outside, uncovered, near burn barrel.
- 4 drums (gasoline) were left upside-down to drain; smell of fuel on esker substrate (darker patches).
- Latrine structure was left in place (hole was not filled in); another latrine hole was incompletely filled in.
- 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.
- 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.

Issues/Non-Compliance of Act or Licence:

The Licensee is reminded that as per Part D, item 2, open burning is not permitted and that any ash and non-combustible waste is to be removed from site to an approved waste disposal facility.

As per Part D, item 8, latrine pits are to be treated with lime and covered with native material to achieve the pre-existing natural contours of the land prior to abandonment.

It is also recommended that sumps are backfilled and the flyaway materials used to cover them be properly stored/secured.

On review of the NWB website, it was found that there are several outstanding reporting requirements that are to be submitted by the Licensee within 60 days of receiving this report, if the Licensee has not already done so:

- The 2009 Annual Report, as per the September 24, 2010 notification letter from the NWB, is lacking specific information on the amount of waste backhauled to Yellowknife (required under Part D, item 4) and GPS coordinates of all freshwater resources utilized during exploration activity (Part J, item 2).
- Addenda required under Part H, item 1 issued under Amendment No.1
- Addenda required under Part I, item 1 issued under Amendment No.1

If the Licensee has not already done so, they are to address the issues identified above (i.e.: uncontained debris, ash, and hazardous waste products and contaminated esker material) in a Compliance Plan satisfactory to the Inspector, to be provided within 45 days of receipt of this report.

M. Joy

Inspector's Name

Sent by E-mail

Inspector's Signature