



Executive Summary

The following Annual Report is a summary of the conditions under Part B, Item 2 of Licence no. 2BE-SIP1117, issued by the Nunavut Water Board to Vale Exploration Canada, for the 2012 field program on its Southampton project, Southampton Island, Nunavut.

The 2012 field program consisted of a ground based geophysical survey conducted between April 14th to May 15th and a small diamond drill program from July 5th to August 8th. All field crew for these programs were based in the community of Coral Harbour and were transported to site daily via helicopter.

Water use during the year was restricted to the five week drill program which consisted of one drill and used, on average 64.8 m³ of water per 24 hour period. Upon completion of the drilling, reclamation work began on the drill site and water pump site. All equipment and minor amounts of garbage were removed from both sites and flown to Coral Harbour and either transported off the island or disposed of. All of the sumps and drill cuttings at the drill site were buried; the site was then re-contoured and left as close as possible to its original state.