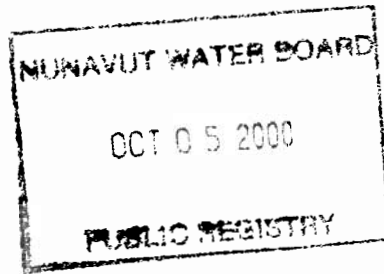


ECHO BAY MINES

Lupin Operation
9818 International Airport
Edmonton, AB
T5J 2T2



October 4, 2000

Our File: NWB1LUP0008 00Geotech
Your File: Water Register
NWB1LUP0008

Executive Director
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NT
X0E 1J0

Dear Sir:

**RE: Echo Bay Mines Ltd., Lupin Gold Mine, Contwoyto Lake, NT.; Water Licence
No. NWB1LUP0008; 2000 Annual Geotechnical Inspection - Preliminary Report**

This letter is to advise the Board that the above noted annual inspection was carried out as specified in Part D, Item 6(g) of Water Licence NWB1LUP0008, however, due to the rotational schedule at the mine and other commitments of the consultant, the final reports will not be available for mailing until the 16th of October, 2000. With this in mind, I have put together the summary report based on the engineer's findings.

Summary

The inspection was carried out by Mr. Jim Cassie, M.Sc., P.Eng., Senior Geotechnical Engineer with BGC Engineering Ltd., during a site visit August 3, 2000. The results of the inspection were conveyed within a site memo to Echo Bay Mines Ltd. personnel immediately following the inspection.

A number of minor repair requirements were noted within the inspection report that have been addressed and completed as of September 25, 2000. The summary that follows itemizes the recommendations outlined by the engineer and the completion status.

Dam 1a	Cracks on the downstream toe need to be graded over. Downstream toe side slope needs to be flattened to prevent recurrence. Complete.
Dam 1b	Grade crest to remove slight settlement trough and small sinkhole. Complete
Dam 1c	Grade over minor cracks and small settlement holes on both the backslope and the downstream side of the access road berm. Complete.
Dam 2	<p>One small seepage discharge point again noted at the toe of the north-east abutment. In 1998 a survey shot of seepage discharge point indicated that the point was higher in elevation than the upstream pond level. Likely that seepage occurs from surface water build-up within pore spaces. Monitor seepage discharge for any increase in quantity and presence of sediment within the water. Monitoring will continue.</p> <p>Grade toe berm to cover over minor toe cracking. Continue to monitor north abutment toe for seepage quantity. Installation of thermistor string will be useful to determine if foundation warming is occurring. Thermistor installation is scheduled for October 2000. Toe berm has been graded.</p>
Dam 3	<p>Either fill or grade over armour with cobbles two surface erosion gullies on top of the cover sand. Complete.</p> <p>Flatten the backslope along Boomerang Lake for the northwest part of the dam. Complete.</p> <p>One small seepage point noted within northwest portion of the dam, adjacent to Boomerang Lake. Review source of seepage water at the toe. Monitoring will continue.</p>
Dam 4	Grade crest to remove traffic ruts. Repair disturbed rip rap on the upstream side and investigate if the underlying liner has been disturbed. Complete.
Dam 5	No required maintenance.
Dam 6	No required maintenance.

With the above maintenance items carried out and completed, there are no additional repairs or concerns to be addressed prior to the onset of winter conditions at the Lupin Mine Tailings Containment Area. An outline for the *Implementation Plan* as requested under Item 6(g), Part D of the Licence is considered to be complete within this letter and no further actions are required to be addressed at this time.

The Final versions of the report will be sent to the office of the Board as soon as they become available. I do hope that this initial submission meets the requirements of the Board

satisfactorily. Should you have any questions or comments regarding the above information, please feel free to contact the undersigned at (780) 890-8779 or Dave Hohnstein at (780) 890-8794.

Yours truly,

ORIGINAL SIGNED BY:

H. Ducasse
Manager, Loss Control and Environmental Affairs, Lupin

cc B. Danyluk
 D. Hohnstein
 B. Lowe

Rita Becker

From: <HDUCASSE@lupin.echobay.com>
To: <rbecker@polarnet.ca>; <pdipizzo@polarnet.ca>; <dionne@polarnet.ca>
Cc: <DHOHNSTEIN@lupin.echobay.com>
Sent: October 5, 2000 2:10 PM
Attach: respon~1.dot
Subject: Lupin Annual Geotechnical Inspection

Hello Philippe, Dionne, and Rita:

Attached is the preliminary report on our annual inspection. We have not yet received the final report from the geotechnical engineer so the attached is a summary of the findings and the remedial actions taken. A final report will be sent as soon as it is available. I will fax the attached so you have a signed version.

Please contact either Dave or I if you have any questions.

Hugh