MINERALS AND METALS GROUP

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04 January 2011

Ms. Phyllis Beaulieu
Manager of Licensing
Nunavut Water Board
P.O. Box 119
Gjoa Haven, Nunavut X0B 1J0

Dear Ms. Beaulieu

MONTHLY REPORT FOR DECEMBER, 2010 LUPIN MINE - LICENSE 2AM-LUP0914

The site was shut down for the winter. During this time frame, no water was withdrawn from Contwoyto Lake at Monitoring Point LUP-01 and no sewage was discharged to the sewage lakes system. There were no discharges from the Sewage Lakes System at monitoring point LUP-14, nor was there a discharge from the Tailings Management Facility at monitoring point LUP-10 or a discharge from the bulk fuel storage facility at Monitoring Point LUP-27.

We trust this provides the information required in the license for the monthly report of activities at Lupin. If you have any questions, please do not hesitate to contact me. I can be reached by phone at 778-373-5584 (direct line) or by e-mail at andrew.mitchell@mmg.com.

Yours truly

Andrew Mitchell

Development Manager

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Martin McFarlane - MMG Resources Inc.

andrew Mitchell