

Lupin Mines Incorporated
(a subsidiary of Elgin Mining Inc.)

18 October 2012

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

Dear Ms. Beaulieu

RE: Monthly Report for September 2012
Lupin Mine, Nunavut, License Number 2AM-LUP0914

Activities on site during the month of September included site maintenance, general support to exploration crews, and the pH adjustment and discharge from the tailings facility. There were 1,191 person days for the month of September, with up to 53 people on site. Accommodation arrangements remain unchanged.

Domestic water use for the month was estimated to be 193,603 L (19365 m³), drawn from Contwoyto Lake. Approximately 183,922 L (183.9 m³) of sewage was produced and discharged to the upper sewage lake.

Domestic waste generated during the month of September was incinerated on-site each day. There were two mega bags of recyclable beverage containers, and two mega bags of oil rags that were sent to approved facilities in Yellowknife, NT for disposal.

The water in the Tailings Containment Area (TCA) Pond 2 underwent a pH adjustment and was maintained at discharge criteria levels. Syphoning commenced September 08, 2012 and was completed on September 29, 2012. A total of 1,066,836 m³ of water was discharged. The daily flow ranged between 18,670 m³ and 57,090 m³, with an average of 50,802 m³.

Water quality monitoring was undertaken at stations LUP-10, 20, 21, 22, 24, and 25. The results are shown in Table 1 – 6 below.

Table 1: Lab Results at LUP-10:

Date and Time	ALS Lab #	Total Arsenic (mg/L)	Total Copper (mg/L)	Total Cyanide (mg/L)	Total Lead (mg/L)	Total Nickel (mg/L)	Total Zinc (mg/L)	Total Suspended Solids(mg/L)	pH
08 Sep 12@10:30	L1209847-4	0.00772	0.0034	<0.0050	<0.00010	0.0648	0.211	<3.0	6.27
09 Sep 12 @10:30	L1209847-5	0.00649	0.0031	<0.0050	<0.00010	0.0668	0.213	<3.0	6.40
10 Sep 12 @10:30	L1209847-1	0.01030	0.0040	<0.0050	<0.00010	0.0667	0.233	<3.0	6.43
11 Sep 12 @16:00	L1209847-6	0.00923	0.0037	<0.0050	<0.00010	0.0631	0.219	<3.0	n/a
12 Sep 12 @10:30	L1209847-7	0.00701	0.0026	<0.0050	<0.00010	0.0707	0.239	<3.0	6.43
13 Sep 12 @10:30	L1209832-1	0.00758	0.0031	<0.0050	0.00011	0.0721	0.232	<3.0	6.81
14 Sep 12 @10:30	L1209832-2	0.00687	0.0023	<0.0050	<0.00010	0.0645	0.217	<3.0	6.63

2AM-LUP0914

101812-2AM-LUP0914-MONTHLYREPORTSEPTEMBER2012

This file is produced electronically with 3 pages

Lupin Mines Incorporated
#201-750 West Pender St.
Vancouver, BC Canada V6C 2T8
Phone: +1 (604) 682.3366 Fax: +1 (604) 682.3363

Date and Time	ALS Lab #	Total Arsenic (mg/L)	Total Copper (mg/L)	Total Cyanide (mg/L)	Total Lead (mg/L)	Total Nickel (mg/L)	Total Zinc (mg/L)	Total Suspended Solids(mg/L)	pH
15 Sep 12 @09:30	L1210412-8	0.00683	0.00225	<0.0050	n/a	n/a	0.229	<3.0	6.71
16 Sep 12 @09:30	L1210412-7	0.00743	0.00232	<0.0050	n/a	n/a	0.231	<3.0	6.67
17 Sep 12 @09:30	L1210412-6	0.00746	0.00235	<0.0050	n/a	n/a	0.236	<3.0	6.73
18 Sep 12 @11:00	L1213061-1	0.00703	0.00210	<0.0050	<0.00010	0.0663	0.218	<3.0	6.72
19 Sep 12 @10:30	L1213061-2	0.01040	0.0023	<0.0050	<0.00010	0.0746	0.250	<3.0	6.47
20 Sep 12 @10:30	L1213061-3	0.00900	0.0266	<0.0050	<0.00010	0.0616	0.210	<3.0	6.68
21 Sep 12 @09:30	L1213061-9	0.01020	0.0021	<0.0050	<0.00010	0.0707	0.238	<3.0	6.46
22 Sep 12 @09:30	L1216778-1	0.00879	0.0021	<0.0050	<0.00010	0.0719	0.231	<3.0	7.05
23 Sep 12 @09:30	L1216778-2	0.00836	0.0021	<0.0050	<0.00010	0.0739	0.237	<3.0	6.46
24 Sep 12 @09:30	L1216778-3	0.00841	0.0021	<0.0050	<0.00010	0.0738	0.244	<3.0	6.33
25 Sep 12 @09:30	L1216778-4	0.00882	0.0020	<0.0050	<0.00010	0.0696	0.231	<3.0	6.29
26 Sep 12 @09:30	L1216778-5	0.00944	0.0020	<0.0050	<0.00010	0.0690	0.228	<3.0	6.25
27 Sep 12 @09:30	L1216778-6	0.00988	0.0021	<0.0050	<0.00010	0.0715	0.237	<3.0	6.21
28 Sep 12 @08:30	L1216778-12	0.01070	0.0022	<0.0050	<0.00010	0.0757	0.248	<3.0	6.14
29 Sep 12 @08:10	L1220191-7	0.01330	0.0048	<0.0050	0.00013	0.0800	0.268	<3.0	6.16

Table 2: Lab Results at LUP-20:

Date and Time	ALS Lab #	Total Arsenic (mg/L)	Total Copper (mg/L)	Total Cyanide (mg/L)	Total Lead (mg/L)	Total Nickel (mg/L)	Total Zinc (mg/L)	Total Suspended Solids(mg/L)	pH
20 Sep 12 @10:30	L1213061-4	0.00150	0.0016	<0.0050	<0.00010	0.0926	0.209	<3.0	5.85
27 Sep 12 @10:00	L1216778-7	0.00123	0.0017	<0.0050	<0.00010	0.0902	0.222	<3.0	5.79

Table 3: Lab Results at LUP-21:

Date and Time	ALS Lab #	Total Arsenic (mg/L)	Total Copper (mg/L)	Total Cyanide (mg/L)	Total Lead (mg/L)	Total Nickel (mg/L)	Total Zinc (mg/L)	Total Suspended Solids(mg/L)	pH
20 Sep 12 @11:00	L1213061-5	<0.00040	<0.0010	<0.0050	<0.00010	<0.0020	<0.0040	<3.0	6.81
27 Sep 12 @10:00	L1216778-8	<0.00040	<0.0010	<0.0050	<0.00010	<0.0020	<0.0040	<3.0	6.63

Table 4: Lab Results at LUP-22:

Date and Time	ALS Lab #	Total Arsenic (mg/L)	Total Copper (mg/L)	Total Cyanide (mg/L)	Total Lead (mg/L)	Total Nickel (mg/L)	Total Zinc (mg/L)	Total Suspended Solids(mg/L)	pH
20 Sep 12 @11:30	L1213061-6	0.00066	<0.0010	<0.0050	<0.00010	0.0269	0.0498	<3.0	6.55
27 Sep 12 @10:00	L1216778-9	0.00066	<0.0010	<0.0050	<0.00010	0.0343	0.0721	<3.0	6.25

Table 5: Lab Results at LUP-24:

Date and Time	ALS Lab #	Total Arsenic (mg/L)	Total Copper (mg/L)	Total Cyanide (mg/L)	Total Lead (mg/L)	Total Nickel (mg/L)	Total Zinc (mg/L)	Total Suspended Solids(mg/L)	pH
20 Sep 12 @ 11:30	L1213061-7	<0.00040	<0.0010	<0.0050	<0.00010	<0.0020	<0.0040	<3.0	6.78
27 Sep 12 @10:30	L1216778-10	<0.00040	<0.0010	<0.0050	<0.00010	0.0040	0.0064	<3.0	6.57

Table 6: Lab Results at LUP-25:

Date and Time	ALS Lab #	Total Arsenic (mg/L)	Total Copper (mg/L)	Total Cyanide (mg/L)	Total Lead (mg/L)	Total Nickel (mg/L)	Total Zinc (mg/L)	Total Suspended Solids(mg/L)	pH
20 Sep 12 @11:30	L1213061-8	<0.00040	<0.0010	<0.0050	<0.00010	<0.0020	<0.0040	<3.0	6.77
27 Sep 12 @10:30	L1216778-11	<0.00040	<0.0010	<0.0050	<0.00010	<0.0020	<0.0040	<3.0	6.60

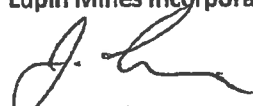
Each sample was inspected for the presence of visible oil and grease during the time of collection. In each case, no visible sheen was observed.

Patrick Kramers and Tim Morton (Environment Canada) inspected the site on September 25, 2012 with emphasis on the fuel management system and the TCA discharge operation. They collected water samples from station LUP-10.

Larrie Roosdahl (Roosdahl Engineering) was on site on September 14, 2012 to assess the fuel management system and to make recommendations for improvements and upgrades.

If you have any questions regarding the above, please do not hesitate to contact me.

Sincerely,
Lupin Mines Incorporated.



James (Jim) Currie, P. Eng.
Chief Operating Officer

Cc: Vivian Park, Manager, Exploration