

MELIADINE WEST GOLD PROJECT

2007 REPORT TO THE NUNAVUT WATER BOARD FOR THE MELIADINE WEST GOLD PROJECT

WATER LICENSE: 2BB – MEL0709

COMAPLEX MINERALS CORP. CALGARY, AB

March - 2008



Introduction

This annual report is prepared and submitted as required by the Nunavut Water Board (NWB) water use license 2BBMEL0709 issued to Comaplex Minerals Corp.

Figure 1 is a site plan that illustrates the progress of the underground exploration and bulk sampling program as of March, 2008. Plate 1 provides current site photos and illustrates equipment used and infrastructure established. The decline is advancing towards the ore zones and is expected to intersect the first ore zone around the end of March, 2008.

The terms and conditions specified in water license 2BBMEL0709 are discussed in the Site Water Management Plan submitted to the NWB office in October, 2007. This report details water use and monitoring activities conducted since the granting of water license 2BBMEL0709. Detailed records of water consumption for both the camp and the underground exploration site are presented here. The records, which cover water use over the entire period covered by license 2BBMEL0709, indicate that consumption rates are in line with expectations. Modification to certain aspects of the Site Water Management Plan have also taken place since submission of the original document (principally, the verbal acknowledgement of the NWB that the Secondary Containment Dike, as proposed in the Site Water Management Plan, is not required). Some modifications to the plan are discussed in this report as well as other items listed in section B5 (Annual Report) of the water license terms and conditions.

1.0 Monthly and Annual Water Use

Water use by the project from October 2007 through the end of February 2008, is summarized in Table 1.1. These numbers were derived by recording the actual water volumes going into the water storage tanks at both the camp and the underground exploration site. These records show that average daily consumption during winter months was less than 7 cubic meters per day, although in February and March we averaged approximately 8 cubic meters per day consumption, and on rare days approached 10 cubic meters consumption.

Consumption will increase in April with the initiation of the surface diamond drill program. The surface drills are expected to consume on the order of 25 cubic meters per day per drill, such that on days when 3 drills are turning we expect consumption to approach our licensed limit of 90 cubic meters per day.

2.0 Monitoring Data:

Water sample locations are shown on Figure 2. Locations MEL 1 through MEL 4 are mandated by the terms and conditions of water license 2BBMEL0709. Water sampling of sites MEL 1 to MEL 4 was completed prior to portal excavation on July 18, 2007 and August 12, 2007 and again just prior to freeze-up (after portal construction was well advanced) on October 7, 2007. Results of both programs were reported in the interim report to the NWB dated December 10, 2007.



All field and analytical results are tabulated in Appendix 1 along with the original laboratory sheets. The results are also compared to Canadian Council of Ministers of the Environment (CCME) protection of aquatic life and drinking water criteria in Appendix 1. A considerable amount of baseline data was also collected by WMC prior to Comaplex's direct involvement on the project and this data was provided in Comaplex's original application for the underground exploration program.

Certain CCME criteria for the protection of aquatic life are exceeded in the camp grey water sample (MEL3) taken directly from the wetland receiving environment (Figure 2, Table 2.1). Arsenic (As), mercury (Hg), dissolved iron (Fe dissol) values exceed the criteria from time to time. High arsenic background values are common in the area and this issue is discussed in the Site **Water Management Plan (October, 2007)** for the Meliadine West Gold Project. This and the other inconsistent results for iron and mercury will be closely monitored. One other sample (MEL1) also registered a mercury result that exceeds the CCME criteria.

Phosphorus is high in the wetland grey water sample (MEL3) in both cases. This probably reflects loading of grey water with detergents from normal kitchen and dry activities. Comaplex will attempt to substitute low phosphorus products in its kitchen and dry applications to reduce the loading of this contaminant.

Fecal coliforms were detected in the grey water sample (MEL3) collected in October of 2007. There is no obvious human source for fecal coliforms as human wastes are bagged and incinerated. Birds and small mammals frequent the wetland area and are thought to be the source of the fecal coliform determination. Comaplex will continue to closely monitor fecal coliform determinations. The next water sampling is expected to be conducted in June of 2008.



Table 1.1 MELIADINE WEST BULK SAMPLE PROGRAM: MONTHLY WATER USE, OCTOBER 2007 – MARCH 2008

| MONTH | LOC | DA | TE | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | AVG |
|--------|--------|-----|-----|-----|------|-----|-----|-----|------|------|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|-----|-----|-----|-----|-----|-----|-----|
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | m3 |
| Oct-07 | Camp | na | na | na | na | na | na | na | na | na | 5.4 | 4.7 | 5.0 | 5.0 | 5.1 | 3.4 | 2.5 | 2.8 | 2.4 | 3.6 | 2.8 | 3.8 | 3.4 | 4.7 | 3.6 | 3.5 | 3.2 | 4.5 | 4.0 | 4.1 | 3.5 | 3.2 | 3.8 |
| | Portal | na | na | na | na | na | na | na | na | na | na | na | na | na | na | na | na | na | na | na | na | na | na | na | na | na | na | na | 4.2 | 0.0 | 2.1 | 4.2 | 2.6 |
| Nov-07 | Camp | 3.0 | 3.0 | 3.0 | 4.0 | 3.6 | 3.0 | 3.6 | 3.2 | 3.2 | 4.0 | 3.8 | 4.6 | 5.2 | 4.8 | 3.8 | 3.6 | 4.2 | 5.0 | 5.2 | 5.6 | 4.0 | 5.2 | 5.0 | 5.0 | 5.6 | 5.0 | 5.4 | 5.2 | 5.0 | 5.4 | | 4.3 |
| | Portal | 8.3 | 1.0 | 1.0 | 4.2 | 2.1 | 2.1 | 4.2 | 4.2 | 10.4 | 19.8 | 4.2 | 2.1 | 2.1 | 5.2 | 0.0 | 2.1 | 2.1 | 4.2 | 0.0 | 0.0 | 0.0 | 4.2 | 4.2 | 4.2 | 0.0 | 4.2 | 2.1 | 0.0 | 2.1 | 2.1 | | 3.4 |
| Dec-07 | Camp | 4.8 | 5.4 | 5.0 | 5.0 | 5.4 | 5.2 | 4.8 | 4.8 | 4.6 | 4.4 | 4.6 | 4.6 | 4.2 | 4.6 | 4.4 | 4.2 | 4.6 | 4.6 | 4.6 | 4.0 | 4.2 | 1.8 | 2.0 | 2.0 | 2.0 | 1.8 | 1.5 | 1.5 | 1.8 | 1.5 | 1.5 | 3.7 |
| | Portal | 4.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 5.2 | 0.0 | 7.3 | 0.0 | 4.2 | 0.0 | 9.4 | 4.2 | 4.2 | 5.2 | 7.3 | 2.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.7 |
| Jan-08 | Camp | 1.5 | 1.8 | 3.4 | 4.8 | 4.2 | 4.6 | 4.4 | 4.2 | 4.8 | 5.0 | 5.0 | 4.6 | 5.0 | 4.8 | 5.0 | 5.0 | 5.2 | 5.0 | 5.0 | 5.4 | 5.0 | 4.8 | 5.0 | 5.2 | 5.2 | 5.0 | 5.0 | 5.2 | 5.4 | 5.4 | 5.4 | 4.7 |
| | Portal | 0.0 | 4.2 | 2.1 | 10.4 | 0.0 | 2.1 | 2.1 | 5.2 | 4.2 | 0.0 | 6.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.2 |
| Feb-08 | Camp | 5.2 | 5.4 | 5.4 | 5.4 | 5.2 | 5.2 | 4.4 | 4.6 | 4.8 | 5.0 | 4.7 | 5.1 | 5.3 | 4.0 | 5.1 | 5.2 | 4.8 | 5.0 | 4.8 | 5.3 | 4.9 | 4.9 | 4.6 | 5.4 | 5.0 | 5.2 | 4.9 | 5.5 | 5.3 | | | 5.0 |
| | Portal | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 2.1 | 6.2 | 5.2 | 2.1 | 4.2 | 6.2 | 2.1 | 4.2 | 4.2 | 8.3 | 6.2 | 6.2 | 6.2 | 6.2 | 2.1 | 4.2 | 10.4 | 3.1 | 4.2 | 4.2 | 4.2 | | | 3.5 |
| Mar-08 | Camp | 5.0 | 5.0 | 4.8 | 5.4 | 5.2 | 5.2 | 5.5 | 5.6 | 5.4 | 5.6 | 5.6 | 5.4 | 5.6 | | | | | | | · | | | | | · | | | | | · | | 5.3 |
| | Portal | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 8.3 | 10.4 | 0.0 | 0.0 | 0.0 | 6.2 | 4.2 | | | | | | | | | | | | | | | | | | | 2.2 |

| Average Consumption | 6.8 | m3 |
|------------------------|-----|----|
| Portal - Daily Average | 2.4 | m3 |
| Camp - Daily Average | 4.4 | m3 |

Meliadine Lake (M1) Pump Lake (M2)



| TABLE 2.1: WATER SAMPLING ANALYTICAL RESULTS (PARTIAL) | | | | | | | | ANALYTICAL RESULTS - PARTIAL | | | | | | | | | | | | | | | |
|--|--|----------------|---------------------------|---------|---------------|---------|-----------|------------------------------|---------------------------|--------------|----------|--------------|-------------|-------------|------------------------|---------------|---------------|------------------|-----------|----------|------|-----------|--------|
| | | | | | FIELD PAR | AMETERS | | | Al | As | Chloride | Fe_dissol | Mn | Hg | Fecal_Col | Nitrate -N | Nitrite- N | Phos_tot | Se | TDS_calc | TDS | Turbidity | Zn |
| SampleID | Label | Lab_Report | UTM_E | UTM_N | Date | Time | pН | Temp | mgL | mgL | mgL | mgL | mgL | mgL | CFU per 100 ml | mgL | mgL | mgL | mgL | mgL | mgL | NTU | mgL |
| CCME Prot Aq | | | | | | | | | calc | 0.005 | | 0.3 | | 0.0001 | 0 | 2.9 | 0.06 | 0.03 | 0.001 | | | | 0.03 |
| CCME Drinking | | | | | | | | | 0.1 | 0.025 | 250 | 0.3 | 0.05 | 0.001 | 0 | 10 | 3.2 | | 0.01 | 500 | 500 | 1 | 5 |
| CAMP-IN | MEL1 | L533001 | 541934 | 6989173 | 18-Jul- 07 | 09:00 | 7.41 | 13.2 | 0.01 | <0.0004 | 7 | 0.040 | 0.009 | 0.0004 | n.d | <0.1 | <0.05 | n.d. | 0.0006 | 33 | n.d. | n.d. | 0.008 |
| CAMP IN (MEL-1) | MEL1 | L563684 | 541934 | 6989173 | 08-Oct- 07 | 09:45 | 7.4 | 0.7 | <0.01 | < 0.0004 | 6 | 0.014 | 0.003 | <0.0001 | <1 | <0.1 | <0.05 | < 0.02 | < 0.0004 | 30 | n.d. | 0.55 | 0.003 |
| 6 A8 | MEL2 | L533001 | 540681 | 6986702 | 18-Jul- 07 | 11:15 | 8.06 | 17.6 | 0.01 | 0.0024 | 12 | 0.160 | 0.012 | <0.0002 | n.d | <0.1 | <0.05 | n.d. | 0.0008 | 51 | n.d. | n.d. | 0.009 |
| A8 (MEL-2) | MEL2 | L563684 | 540681 | 6986702 | 08-Oct- 07 | 12:15 | 7.81 | 0.5 | <0.01 | 0.0016 | 17 | 0.033 | 0.003 | <0.0001 | <1 | <0.1 | <0.05 | <0.02 | < 0.0004 | 64 | n.d. | 0.50 | <0.002 |
| MEL-3 | MEL3 | L542462 | 542083 | 6989004 | 13-Aug- 07 | 09:39 | 7.63 | 9.2 | 0.03 | 0.0069 | 40 | 0.087 | 0.017 | 0.0002 | n.d | 0.2 | <0.05 | 3.07 | <0.0004 | 417 | 456 | 0.40 | 0.026 |
| GREY (MEL-3) | MEL3 | L563684 | 542083 | 6989004 | 08-Oct- 07 | 10:25 | 7.64 | 0.5 | 0.03 | 0.0034 | 29 | 0.336 | 0.380 | <0.0001 | 76 | <0.1 | <0.05 | 3.19 | 0.0004 | 282 | n.d. | 6.2 | 0.028 |
| 2 CAMP-GREY | MEL4 | L533001 | 542092 | 6989012 | 18-Jul- 07 | 09:15 | 7.36 | 9.3 | 0.01 | <0.0004 | 7 | 0.039 | 0.013 | <0.0002 | n.d | <0.1 | <0.05 | n.d. | 0.0005 | 27 | n.d. | n.d. | 0.011 |
| GREY (MEL-4) | MEL4 | L563684 | 542092 | 6989012 | 08-Oct- 07 | 06:10 | 7.55 | 1 | 0.03 | 0.0004 | 6 | 0.089 | 0.005 | <0.0001 | <1 | <0.1 | <0.05 | <0.02 | <0.0004 | 29 | n.d. | 0.55 | 0.005 |
| | - Samples Sites mandated by Water License 2BBMEL0709 | | | | | | | - CCME Pro | otection of Aqu | atic Life Ex | ceedence | | | - CCME | Drinking Wate | r Exceedenc | е | | | | | | |
| Key | UTM | Location UTM | 1 NAD83 Zon | e 15 | | Fe | Iron | | | | Fecal | Fecal Colife | orms | | | TDS | measure | d Total disolve | ed solids | | | | |
| | mgL | milligrams per | er litre dissol dissolved | | | | | | Phos_tot Total Phosphorus | | | | | CFU | U colony forming units | | | | | | | | |
| | Al | Aluminum | | | | Mn | Manganese | | | | Se | Selenium | | | | NTU | nephelon | netric turbidity | units | | | | |
| | As | Arsenic | | | | Ha | Mercury | | | | TDS calc | calculated 7 | Total Disso | lved Solids | | Zn | Zinc | | | | | | |

REFERENCE Canadian Council of Ministers of the Environment 2006. Canadian Water Quality Guidelines for the protection of Aquatic Life: Summary Table. Updated December 2006.



3.0 Water Supply and Waste Disposal Systems.

Comaplex operates two water supply pumps (Figure 2), one on Meliadine Lake servicing the camp site (site MEL 1) and one on Pump Lake that provides water for activities in the vicinity of the portal for the underground exploration program (site MEL 2). Details on withdrawal rates from these sites are provided in Table 1.1.

The pump at MEL-1 is electric and operates off the main camp power supply. An insulated pipe carries water to four storage tanks with a combined capacity of about 5 cubic meters. Water is distributed through the kitchen and dry facility via a pressurized system of plastic piping.

The pump at MEL-2 is gasoline powered and connected to the portal area with a flexible hose system. Tanks at the portal facility are periodically filled using this pump. The pump will also serve diamond drills during the spring and summer drill program.

Comaplex has initiated a Waste Management Plan (June 2007) that incorporates the following objectives;

- Minimization of the creation of dioxin and furan compounds through the separation of plastic wastes and their elimination from the incinerated wastes.
- Elimination of potential mercury sources from the incinerated wastes.
- Separation and elimination of waste oils and oil stained materials from the incinerated wastes.
- Segregation and elimination of industrial and household hazardous wastes from the incinerated wastes.

Table 3.1 below lists the estimated volume of materials backhauled to the Rankin Inlet landfill site since the initiation of the bulk sample program in August of 2007. Items separated and stored for backhaul to an approved hazardous waste facility are also listed. As of the time of writing, some 436 barrels (or estimated barrel equivalent) of waste had been transported to the Rankin Inlet landfill. Eight drums of waste oil have been delivered to Oomilik Enterprises in Rankin Inlet. About 6 barrels of accumulated hydrocarbon impacted rags and oil filters have been collected for backhaul to a hazardous waste facility.

4.0 Unauthorized Discharges

Comaplex notes that in the terms and conditions of Water License 2BB-MEL709, Part D(7), Conditions Applying to Waste Disposal, a request is made to provide a sump for greywater at least 30 m from the normal high water mark of any water body unless another plan is approved by the Water Board. Comaplex has proposed in the Water Management Plan (October, 2007) that the greywater wetland area be allowed to function as per previous practice. Comments regarding this proposal have not been received by Comaplex Minerals Corp.



garbage bags

garbage bags

garbage bags

3

Table 3.1: Summary of Waste Disposal (Rankin Inlet Landfill) - Winter 2007-2008

| | No. | General Description | Company | Туре | % | Date | BBL- EQ |
|------|-----|--|----------|----------------------|-----|--------|------------|
| | 4 | baskets of steel | Boart | steel | | | 12 |
| | 1 | tub of steel | Boart | steel | | | 3 |
| | 1 | tub of steel / plastic | Boart | steel | | | 3 |
| | 1 | drill sloop of barrels (10) containing oil and steel | Boart | oil | | | 6 |
| | | | Boart | steel | | | 4 |
| | 1 | drill sloop of rods / coils etc | Boart | steel | | | 10 |
| | 14 | barrels of steel | Boart | steel | | | 14 |
| | 4 | barrels of ashes | Boart | ash | | | 4 |
| | 2 | drums of steel / metal | Comaplex | steel | | 06-Aug | 2 |
| | 1 | drum of ashes | Comaplex | ashes | | 06-Aug | 1 |
| 2007 | 1 | drum of hardened core cuttings / sludge | Comaplex | cuttings | | 09-Aug | 1 |
| 2 | 1 | drum of ashes | Comaplex | ashes | | 14-Aug | 1 |
| | 1 | drum of hardened core cuttings / sludge | Comaplex | cuttings | | 15-Aug | 1 |
| | 5 | drums of ashes (v rough est) | Comaplex | ashes | | | 5 |
| | 3 | drums / slings of metal / plastic / misc (v rough est) | Comaplex | metal | | | 3 |
| | 2 | drums | Comaplex | ashes | | 10-Sep | 2 |
| | 1 | drums | Comaplex | metal | | 10-Sep | 1 |
| | 2 | drums (from Boart yard) | Boart | ashes | | 20-Sep | 2 |
| | 2 | drums | Comaplex | ashes | | 01-Oct | 2 |
| | 2 | drums | Comaplex | ashes | | 06-Oct | 2 |
| | 1 | drums | Comaplex | ashes | | 01-Nov | 1 |
| | 1 | drums | Comaplex | ashes | | 02-Nov | 1 |
| | 1 | drums | Comaplex | ashes | | 20-Nov | 1 |
| | N- | Coneval Decerination | Commonii | Tuna | 0/ | TOTAL | 82 BBL- |
| | No. | General Description | Company | Туре | % | Date | EQ. |
| | 2 | Sea-cans from Redpath service pad (~176 b/beq) | | | | | |
| | | (approx 1/2 full each) | Redpath | metal | 20% | 28-Jan | 35.1 |
| | | | Redpath | wood | 30% | 28-Jan | 52.7 |
| | | | Redpath | paper / cardboard | 25% | 28-Jan | 43.9 |
| | | | Redpath | plastics / rubber | 25% | 28-Jan | 43.9 |
| | 1 | Sea-can from Redpath service pad (~88 b/beq) | | | | | |
| | | (approx 1/2 full) - packed and ready Feb 5 | Redpath | metal | 20% | 06-Feb | 17.6 |
| ω | | | Redpath | wood | 30% | 06-Feb | 26.4 |
| 2008 | | | Redpath | paper / cardboard | 25% | 06-Feb | 22.0 |
| (A | | | Redpath | plastics / rubber | 25% | 06-Feb | 22.0 |
| | 1 | Sea-can from Redpath service pad (~88 b/beq) | , i | | | | |
| | 1 | 1 | l | I | ı | 1 | |

Redpath

Redpath

Redpath

CMF

CMF

CMF

wood

paper / cardboard

plastics / rubber

plastics

metal cans

metal cans

30%

25%

25%

100%

100%

100%

26.4

22.0

22.0

1.0

0.25

28-Feb

28-Feb

28-Feb

30-Jan

30-Jan

13-Feb 0.75



| | 3 | garbage bags | CMF | metal cans | 100% | 14-Mar | 0.75 | | | |
|------|--|--------------|-----|------------|------|----------------|------|--|--|--|
| | | | | | | | | | | |
| Note | Note: BBL-EQ - estimated barrel equivalent TOTAL | | | | | | | | | |
| | | | | | | GRAND TOTAL | 436 | | | |

OTHER WASTE PRODUCTS

Waste Oil to be Processed by Oomilik Enterprises Rankin Inlet (Rick Strickland)

Waste Oil collection commenced in

September of 2007

First shipment of 8 bbls waste oil - March 16

- 2008

Waste oil stained rags, oil filters being collected for transport to

disposal facility in southern Canada - First shipment expected

summer 2008

Receiver: ENVIRO WEST INC. -

WINNEPEG

WASTE OIL PROCESSOR Oomilik Enterprises, Rankin Inlet, Nunavut

Rankin Inlet, Nunauvt

X0C 0G0

Phone: 867-645-2272

HAZARDOUS WASTE PROCESSOR

Enviro West Inc. Winnipeg

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Toll - Free: 1-888-ENV-WEST

Fax: (204) 987-9601

See www.environwestinc.com



5.0 Updates and Revisions to Submitted Plans

5.1 Water Management Plan: Comaplex is in the process of revising the Water Management Plan (October, 2007) for the bulk sample program. The initial plan called for the establishment of a secondary containment berm around the south end of Peanut Lake (Figure 2). The Kivalliq Inuit Association (Comaplex's Landlord) expressed some reservations regarding the extent of terrain disturbance required by this secondary containment strategy. A subsequent review of the water balance data for the drainage basin showed that all the runoff can be contained within the primary containment area with no need of a secondary containment berm. Not constructing the secondary berm will greatly reduce impact to the local environment. This revision to the Plan was presented to the Water Board which has agreed in principle (pers. comm. March 2008) to this modification. Appendix 2 provides a copy of the supporting documentation provided by Comaplex to the NWB on this matter.

Due to extremely inclement weather and equipment breakdown problems, the underground exploration program will now overlap with the surface drilling program. This will result in an additional 15 - 25 people beyond that discussed in the original Water Management Plan for a maximum camp capacity of approximately 75 people at peak periods. We will be housing the additional staff and performing the concurrent surface and underground work within the confines of the current water use limitations of 90 cubic meters per day. An amendment to the Site Water Management Plan to record and detail this issue will be forwarded to the NWB in the near term. Comaplex is also investigating the possibility of a waste water treatment system at camp and the phasing out of its wetland system in the coming year.

- **5.2 Abandonment and Restoration Plan**: Comaplex received a letter from the Water Board dated March 3, 2008 requesting revisions to its Abandonment and Restoration Plan (September, 2007). The Water Board requested that the plan be revised to reflect the entire project, including activities not directly related to the bulk sampling program. This and additional comments from the NWC and INAC will be addressed in a letter of response to the NWB prior to April 3, 2008.
- **5.3 Spill Contingency Plan:** An updated Spill Contingency Plan was submitted for the project in October of 2007. Revisions incorporated in the plan deal principally with the operation and construction of the fueling area at the bulk fuel site and with protocols for the overland fuel transport and re-supply of the project. Comaplex has constructed and contoured the fuel re-fill site. Installation of the impermeable liner was delayed by the freezing of the ground in the late fall. We expect to complete this work in the early spring of 2008.

Four new fuel bladders and Insta-berms were purchased in 2008 by Comaplex for use on the project. One of these bladders will be located in the existing fuel farm and three will be located on the waste rock pad, near the portal mouth (Figure 1). This will significantly decrease fuel haul distances and should limit the potential for spills. New bladders on the ore pad will be surrounded by a berm of waste rock to prevent accidental run-ins with the Insta-berm and provide an additional level of secondary containment.



The locations of these sites is shown on Figure 1. Comaplex is revising the Spill Contingency Plan to reflect this development.

6.0 Inspections – Remedial Actions

INAC Site Inspection June 24, 2007: Mr Andrew Kiem inspected the camp, fuel facilities, diamond drilling area, and bulk sample development area on June 24, 2007. Mr Kiem made some recommendations emphasizing compliance with the terms and conditions of water license 2BB-MEL0709, plus several of his own personal opinions. Potential issues raised by Mr. Kiem are summarized below:

- Installation of Barriers or Control Devices on road to prevent wash out. Comaplex has ordered and received culverts that will be installed in the spring of 2008 in areas where wash-out of the road is possible.
- Fuel Bladder and Fuel Bladder secondary containment. Comaplex believes issues about the Raymac Insta-berms (secondary fuel containment) raised by Mr. Kiem reflect personal opinions that are not backed with science, experience or knowledge of the product and are therefore, not reasonable requests. Secondary containment provided by the manufacturer for the bladders are in wide use and have been shown to be effective in the Arctic and in this application. We continue to discuss this issue with the KIA, the Nunavut Water Board, Indian and Northern Affairs Canada and Environment Canada. It is Comaplex's policy to either draw down the fuel in these bladders first or to pump the fuel from them into the steel tanks as soon as possible. We then roll up the berms and bladders to allow revegetation of the ground under them. This was done shortly after Mr. Kiem's visit in 2007.
- Revision of Spill Plan to address presence of Fuel Bladder. The project Spill Contingency Plan dated October 2007 addresses the care and use of Raymac fuel bladders and Insta-berms.
- Capping of drill holes. Diamond drilling has been conducted on the Meliadine West Gold Project area since 1989. Permafrost conditions are known to prevail to over 400 +/- meters below surface. Drill holes freeze to the active layer within minutes of the extraction of drill equipment. In these conditions, drill hole capping is regarding as unnecessary.
- Clean-up of existing drill sites where muds are not consolidated into depressions or sumps. Comaplex has an ongoing program of drill site reclamation and remediation and has a complete photographic record of completed drill sites. A photo record of 2007 drill sites is being compiled for submission to the KIA. Our experience is that the drill sites rehabilitate much quicker and more effectively if the layer of drill mud (ground rock) is thin and the area allowed to re-vegetate naturally, as happens in a year or two. The KIA, under whose jurisdiction land use by this project falls, has been reviewing and checking on the sites for years without issue. We have a program of berm installment around drills in sloped areas to contain the mud to a local area around the site and avoids run-off into streams. We will continue to apply peat to old drill sites and physically remediate any problem sites under the direction of the KIA.



• Submission of water quality and base line data to inspector. In this market, and especially in late summer, it is difficult to get timely environmental results from the geochemical labs. Comaplex submitted water quality data to the NWB in its monthly report dated December 10, 2007. Additional results are submitted with this report (see discussion above). New sampling will be conducted at first opportunity in June of 2008. The KIA has also collected annual water samples whose results they keep on file. Baseline water data for this area was submitted with the original underground exploration application. Comaplex will continue to send the water quality data to the KIA and NWB.

<u>KIA Inspection July 25, 2007:</u> Mr. Jackson Lindell of KIA conducted a site inspection on July 25, 2007. He provides a useful description of the site and made a number of recommendations summarized below:

- Continue to practice proper fuel handling techniques. Recommendations were made to utilize fuel spill mats in fuel transfer locations, arranging drums with bungs at 3 and 9 o'clock and report all spills. Comaplex routinely employs these strategies and has developed a fuel handling procedure for its main fueling areas that includes spill protection with berms and impermeable membranes. These improvements will not be fully implemented until spring thaw allows modifications to the fueling area. All necessary materials are on site to complete these modifications as described in the Fuel Management and Spill Contingency Plan (October, 2007).
- Explore the option of using Instant Berms for all fuel drum caches. Comaplex is developing a fuel cache protocol in consultation with the KIA, INAC and the Water Board. At present, we regularly check the drums for leaks but do not have a policy that requires drummed fuel to be contained within insta-berms.
- Continue with "No Fishing" ban. Comaplex is maintaining its no fishing policy.
- Continue to report large Caribou Herds, polar bears and other wildlife. Comaplex maintains wildlife sighting records at the Meliadine Lake Camp.

INAC Inspection July 23, 2007 – Land Use Permit N2006X0012: Mr. Henry Kablalik inspected quarry sites on the permitted islands (eskers) in Meliadine Lake (Figure 1) on July 23, 2007. No unacceptable conditions were noted.

<u>INAC Inspection July 25, 2007 – CWM Claims Cache Inspection:</u> Mr. Henry Kablalik inspected a cache site Comaplex maintains on its CWM claim group about 40 kilometers north of Rankin Inlet. The cache supports exploration of gold and diamond targets in the area and includes drummed fuel and drill equipment. No unacceptable conditions were noted.



WCB Inspector of Mines Inspections – April 4, July 23, October 21, December 2, 2007: Mr. Martin van Roy (WCB Mines Inspector Nunavut) conducted 4 site visits in 2007. A summary of his observations and Comaplex Minerals response are included below.

- April 4, 2007 no deficiencies noted
- April 25, 2007 no deficiencies noted
- October 21, 2007 Several deficiencies regarding the operation of explosive magazines are noted. 1) Submit a revised magazine application form to correct magazine W2928 from explosive to detonator designation. 2) Provide a broom in each magazine and ensure magazine is kept clean. 3) Ensure the key to each magazine is kept in the custody of a responsible person or in a locked and secure location at all times. These items were all responded to by Comaplex to the satisfaction of the inspector.
- December 2, 2007 Several safety related issues are noted. 1) Submit by Dec. 14, 2007 mine rescue detailed arrangements, operation and procedures. 2) "Ensure safety station construction prevents access by any part of the vehicle into the safety station area and in any over width station increase the depth with a decreased width." All of these issues were addressed to the Inspector's satisfaction.

7.0 Drill Activities and Reclamation

Comaplex completed 21,528 meters of diamond drilling in 84 holes on the Tiriganiaq Gold Deposit in 2007. The first drill holes into the deposit were drilled by Comaplex in 1993. WMC International Ltd. defined the broad limits of the deposit between 1995 and 2001. A total of about 600 drill holes have been completed into the Tiriganiaq Deposit to date. Permafrost conditions prevail from surface to over 400 meters below surface in the deposit area. None of the 2007 drill holes penetrated deep enough to pass through the permafrost zone, although holes from previous years have gone deeper.

Comaplex reclaims all of its drill sites on an ongoing basis. Many sites do not require attention after site cleanup. In some cases, peat moss is applied to help reestablish indigenous plant growth. On some sloped drill sites, berms are used to contain the spread of drill cuttings. Drill holes are not located within 30 meters of the high water mark of fish-bearing lakes. Spent drill materials are routinely backhauled from camp and are either incinerated, recycled, or land-filled in Rankin Inlet, as per our agreement with the Hamlet.

In 2008 an ambitious 25 - 30,000 meter diamond drill program is planned concurrent with ongoing underground exploration program. Some of this drilling will be geotechnical in nature to help establish surface conditions in preparation for mine development planning.



8.0 Restoration Liability

Comaplex presently has a \$950,000 Letter of Credit (Security Deposit) with the Kivalliq Inuit Association to cover all potential liability issues with the present exploration program on the Commercial Lease covering the Tiriganiaq gold deposit and exploration portal. Based on the results of two independent consultants in estimating the total clean-up of the camp and exploration site, the present security deposit is \$200,000 to \$400,000 in excess of expected costs to clean, restore, and monitor the camp and decline sites to acceptable standards. Details of this work are available in the Site Liability Security Deposit Review document forwarded to the NWB on October 5, 2008.

No significant modifications to the site have been made that would affect the adequacy of the security deposit in place. This is an exploration program and Comaplex is of the strong opinion that the present security deposit is more than adequate for full compliance with all regulatory groups for the level of activity underway on the project.

9.0 Review of Waste Rock and Ore Rock Stockpiles

Construction of the rock pads, ore piles and waste rock piles, is progressing generally as proposed in the Waste Rock Management Plan submitted to the NWB in August , 2007.

10.0 Public Consultation / Participation Report Ongoing Community Consultations for 2007

The following is a record of the meetings Comaplex had with the community and various regulatory bodies in 2007.

| March 26 | Chesterfield Inlet | presentation to the KIA Board of Directors on the proposed underground program and 2007 Meliadine West exploration plans. Verbal Motion of Support from the Board. |
|----------|--------------------|--|
| March 27 | Rankin Inlet | presentation of the proposed 2007 Meliadine West exploration program to the Rankin Inlet CLARC. |
| March 28 | Rankin Inlet | presentation of the proposed 2007 Meliadine West exploration program to the Kivalliq Chamber of Commerce. |
| March 28 | Rankin Inlet | town hall meeting – presentation of the proposed 2007 Meliadine West exploration program. |
| July 4 | Rankin Inlet | presentation and discussion with the Rankin Inlet elders at Arctic College. Discussed the status of the overall Meliadine West Gold Project, including the |



| | | need of the proposed winter road route. |
|--------------|--------------|---|
| July 4 | Rankin Inlet | presentation to the Rankin Inlet town council to update them on all ongoing and proposed plans for the Meliadine West Gold Project, including potential future needs in the town should the Project advance to the development stage. |
| July 4 | Rankin Inlet | meeting with the KIA to update on plans and progress. |
| July 4 | Rankin Inlet | meeting with Sakku Investments (B. Junkin) to discuss potential investment issues. |
| July 5 | Rankin Inlet | meeting with the Rankin Inlet SAO, several council members, and a representative from the GN to discuss possible sites and infrastructure synergies between the Meliadine Project and the town. |
| July 5 | Rankin Inlet | meeting with the assistant deputy minister for DCGS with the Gov. of Nunavut to update him on progress and to discuss possible future infrastructure synergies, including the prospective winter road route over municipal lands. |
| July 26 | Rankin Inlet | Town Hall Meeting: update on the project and presentation by Comaplex and NTCL on the proposal to freeze in a fuel barge containing one million liters of fuel in the sea-ice near Rankin Inlet. Also presented and discussed the proposed winter supply road route. |
| July 27 | Camp | Elders from Rankin were flown out to the Meliadine West camp for lunch and a tour of the facilities and the area of the proposed underground decline. Discussions with several elders included the significance of local archeological sites near the area of the potential quarry site on Inuit Owned Lands. |
| August 9 | Camp | The mayor of Rankin visited the Meliadine West camp for a tour of the facilities and the site of work in progress on the underground exploration decline. |
| August 22-23 | | Tried to come up with NTCL people, Transport |



| | | Canada, and Nunavut Government people for town hall meeting on the fuel barge over-winter. Weather bad and no-one made it to Rankin. Cancelled all planned meetings. |
|---------|--------------|---|
| Sept 27 | Rankin Inlet | Town Council Meeting – second round of information on the fuel barge proposal. NTCL with 4 people, SAO not present. Unanimous council approval to go ahead. |
| Sept 27 | Rankin Inlet | Town Hall Meeting – update on the Mel West project by Comaplex. NTCL presents their information on the freezing in of the barge with exact locations and specifics on related job opportunities and training. |
| Sept 28 | Rankin Inlet | KIA meeting with J. Lindell. Update on the meetings of the last few days. |
| Oct 24 | Rankin Inlet | KIA meeting with L. Manzo, J. Lindell and others, update on the project and discussion of ongoing issues. |
| Oct 25 | Rankin Inlet | KIA Board of Directors – update on the project with Review of possible future plans. |

11.0 Abandonment and Restoration Work

Comaplex has removed the old drill core from the racks that were located to the west of the present exploration camp on the Commercial Lease. This core was consolidated with the drill core at the present camp site. The old core racks were removed and the site has been reclaimed.

The NWB and INAC have recently supplied Comaplex with another list of conditions for its Abandonment and Restoration Plan. Responses to these queries are being drafted and will be sent to the authorities soon.

12.0 Summary of Studies or Reports Requested by Water Board

The Water Board granted License 2BB-MEL0709 on August 2, 2007 and requested the following documents to follow as conditions of the license;

- Assessment of Liability (submitted September 2007)
- Annual Water Report (this document)
- Water Management Plan (submitted October 2007)
- Waste Rock and Ore Storage Management Plan (submitted August 2007)



- Revised Spill Contingency Plan (submitted October 2007)
- **Abandonment and Restoration Plan** (submitted September 2007, revision to be submitted April 3, 2008)
- Monitoring Program (see Water Management Plan, Waste Rock and Ore Storage Management Plan, interim report submitted December 2007 and this document)
- QA/QC Program Review by third party analyst

Comaplex has fulfilled the requests of the Nunavut Water Board to provide timely documents. We await review of some of the submitted documents and are addressing some requests on reviewed documents.

Comaplex Minerals Corp. Mark Balog, COO



MELIADINE WEST GOLD PROJECT

2007 REPORT TO THE NUNAVUT WATER BOARD FOR THE MELIADINE WEST GOLD PROJECT

WATER LICENSE: 2BB - MEL0709

APPENDIX 1: ANALYTICAL RESULTS



MELIADINE WEST GOLD PROJECT

2007 REPORT TO THE NUNAVUT WATER BOARD FOR THE MELIADINE WEST GOLD PROJECT

WATER LICENSE: 2BB - MEL0709

APPENDIX 2: LETTER SUBMISSION TO NUNAVUT WATER BOARD

December 14, 2007