

Iqaluit, NU X0A 0H0

Kivalliq Energy Corporation 1440-625 Howe Street Vancouver BC V6C 2T6.

January 18, 2010

Attn: Mario Roy

RE: Field Inspection LUP N2008C0026 Angilak Project. Yathkyed Lake.

On, July 25,2009 I conducted a field inspection at the above mentioned location.

A copy of the Inspection report is attached. After reading the report please sign and return a signed photocopy to my office. If you have any comments or suggestions please feel free to attach them to the copy of this report.

I apologize for the delay in forwarding this report to you.

Issues Identified during the inspection:

<u>Campsite:</u> The campsite was half dismantled and half erected. It was pointed out to me that there were plans to move this camp to another site but as of this inspection date and that of August 11th, 2009 (when Water Inspector Andrew Keim was at the site), the state of the camp was virtually the same.

<u>Fuel Storage:</u> There were at least 200 fuel barrels scattered throughout the camp site and that no secondary containment measurements was in use. It is a requirement that all fuel storage barrels be situated in secondary containment (such as portable berms) in order to protect the environment.

<u>Water:</u> WRO Keim noted that there had been no record of water usage at the camp. This situation will have to change in the upcoming 2010 inspection season.

<u>Waste:</u> There were no great problems noted with the waste disposal system although a kitchen grease trap should be installed for the up coming season.

<u>Drilling activities:</u> Nothing observed during the July 25th inspection.

<u>Comments:</u> Notification of relocating this camp must be sent to our offices and 48 hours of notice of commencement of activities is also a requirement. We must also be advised 10 days in advance of the end of activities at the site. You can contact me at the numbers listed below.



Please do not hesitate to contact me should you have any questions or comments.

Sincerely,

Kevin L Robertson

Resource Management Officer

Qikiqtani Region

PO Box 100. Iqaluit. Nu

XOA 0H0

Tel: (867) 975-4296 Fax: (867) 979-6445

Kevin.robertson@inac.gc.ca

cc: Land Administrator, INAC

CIDM #386044

cc. A Keim

ENVIRONMENTAL INSPECTION REPORT

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Copy 1 - Inspector's File

Copy 2 - Field Rep.

Copy 3 - Permittee Head O.

Copy 4 - District