Bathurst Inlet (Upit and Pomy) Project, Nunavut Canada

Property Description

Rockgate Capital Corp.'s Bathurst Inlet Nunavut project is located south of the community of Bathurst Inlet and within their Claim Block along the west side of Bathurst Inlet. The community is located approximately 270 km south southwest of Cambridge Bay, Nunavut and 575 km north of Yellowknife Northwest Territories (**Figure 1**).

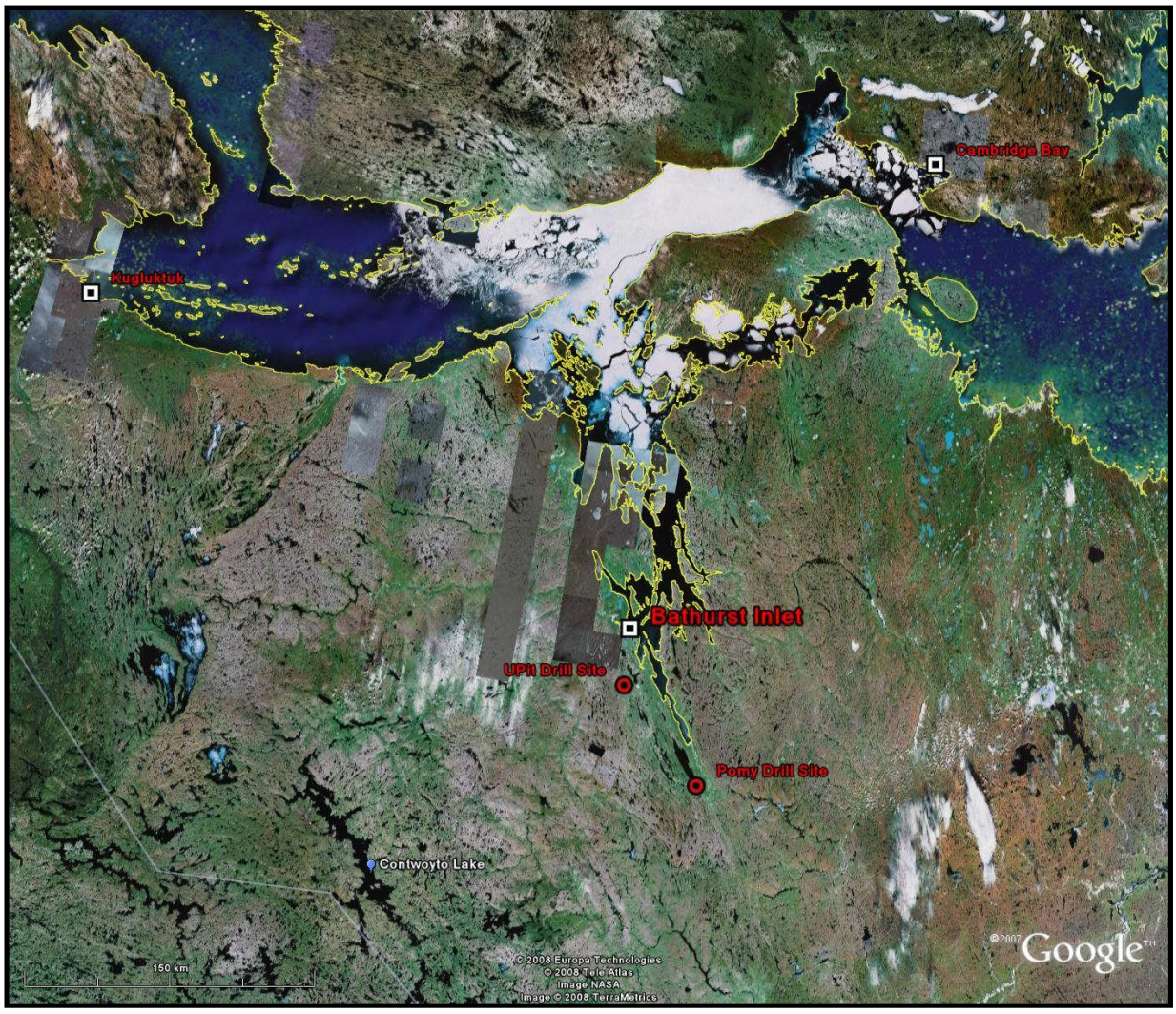

Figure 1 – Bathurst Lake (UPits and Pomy) Project Area

The project area lies over a large Proterozoic, sedimentary basin with known uranium occurrences. These occurrences are situated near the basal angular unconformity and in close proximity to a large regional structure called the Bathurst Inlet Fault. The majority of mineralization is situated within the Proterozoic, Brown Sound Formation basalt and at both contacts with sandstones.

Rockgate Capital Corp. acquired 100% interest in a land package of approximately 400,000 acres and optained a Purchase Option Agreement based on $2,000,000 CDN over 6 years, no royalty or shares payable.

Two separate claim blocks (POMY and UPITS) were sampled by Cominco* in the mid 1970.s producing results of:

- POMY grab samples: 4.35% U3O8 in arkose, 6.5% U3O8 in basalt
- POMY trench samples: 2.1% U3O8 over 4 metres
- UPITS grab samples: 5.55% U3O8 and 14.5 oz Au in subcropping quartz veins

Previous geological mapping outlined three separate basalt flows within the Pomy area. Detailed mapping indicates the majority of the sediments and basalt flows are north trending with a consistent moderate westward dip. However, in the Trench # 3 area where the high grade mineralization was discovered both units rotate rapidly to a near vertical dip. The regional Bathurst Fault trends along the entire length of Rockgate's Bathurst Inlet project and is within one kilometre of the Pomy mineralization. Numerous north-west trending structures cross the mineralized basalts and may be responsible for the rapid change in dip. Permit applications will be submitted to complete diamond drilling of the Pomy mineralization this summer and fall. The current drill proposal outlines 10 holes to test along the known 900 metre trend of mineralization. The holes are designed to cross-cut, perpendicular to the north-west trending structures where they cross the basalt flows. Additional diamond drilling will be focused in the area of the recently discovered high-grade mineralization.

In July, 2007, twenty-two rock samples were collected by Rockgate from 10 trenches first developed by Cominco in 1976 over a 900 metre strike length of known uranium mineralization. High grade selenium and silver were discovered at this time to occur with the uranium mineralization in Trenches 3 and 4 with values of up to 2.121% Uranium, Selenium values to 6.1% and Silver values to 1810 g/t from this area.

Additionally, in 2007, Rockgate completed a $800,000 airborne survey covering over 7,000 line km and sampling over Pomy and Upits known mineralization. These airborne and sampling results have been used to develop drill targets for 2008 season

Project Description

Rockgate Capital Corporation, supported by Kingaunmiut Ltd of Bathurst Inlet Nunavut, is currently planning to initiate a helicopter assisted diamond drill program for their Bathurst Inlet Upit and Pomy Sites Project. The drilling program is proposed to commence in mid to late August 2008 and continue through October of 2008 with the possibility, based on 2008 results, of commencing again in 2009. Upit (**Figure 2**) and Pomy (**Figure 3**) sites are located south of the small Nunavut Community of Bathurst Inlet by approximately 30km and 90km, respectively. Drilling targets include three holes for a combine core length of 500m at Upit Site and up to 10 holes for a combined total of 1000m at Pomy Site.

A team of seven persons, include a drill crew and helpers, a project supervisor, safety staff and helicopter pilot, will support the drill program. Utilizing the resources and logistical services of Kingaunmiut Ltd., project staff will be accommodated remotely from the project site within the community of Bathurst Inlet. A project office will also be established within the community that will support a full communications network.

Figure 2 – Upit Drill Site (66°34'58.34"N - 108° 0'5.28"W)

Figure 3 – Pomy Drill Site (66°10'36.12"N - 107° 1'51.27"W)

One temporary structure will be erected in the vicinity of the drill sites. A “tent-frame” structure, consisting of a 12’x16’ wood floor, wood frame and canvas cover, will be used as a core logging building and serve as an emergency shelter. The shelter will be stocked with medical and emergency survival supplies and equipment including satellite phone(s).

At the project drill site(s)/claim one fuel cache area will be designated to provide storage for a maximum of eight fuel drums at any one time. An emergency fuel spill kit will be maintained at this site at all times.

Existing Environment

The Upit and Pomy Drill Sites are both located on a combination heath tundra and exposed bedrock environment where there are no known sensitive or significant terrestrial features.

The Upits site (**Figure 2**) is located approximately 300 m north and between two small unnamed lakes (< 25 ha each). These lakes drain in series south west to a larger unnamed lake, which, based on size would likely support fish and fish habitat with the domanent species likely being lake trout. With the implementation of proper drill techniques and the application of a sound mitigation and monitoring plan it is not anticipated that there will be any impacts to the aquatic environments or fish and fish habitat of these lakes. The larger of the two lakes will be used as a water source for drilling therefore, to prevent the potential of fish entrainment, should the lake support fish, pump hose screens will be placed on the intake hose during all pumping activities.

The Pomy site (**Figure 3**) is located approximate 800m west of the southern end of Bathurst Lake which is know to support Lake Trout, and Arctic grayling. Almost 1 km west of the Pomy site a series of small lakes drain eastward via intemittent flowing channels to the Bathurst Lake lake. All unnamed, the largest of these lake is approximately 15 ha in size. Although not sampled these lakes may support fish and fish habitat. One of the lakes has been identified as a source of water for the drilling therefore pump hose screens will be placed on the hose intake to minimize the potential for entrainment of any fish that may inhabit the lake.

Although no direct field studies have been completed no known denning sites for grizzly bear or wolf or nesting sites for raptors have been identified by local people. The general area in which the project site is located is known to support various arctic mammals including grizzly bear, arctic wolf, muskox, caribou and wolverine. The project area is located within the northern range of the Bathurst Caribou Herd. Typically, at the time of year that the drill program will be commencing , most caribou have migrated south and south west of the drill site areas leaving only small herds 10 to 15 and solitary animals grazing in this general area. It is anticipated that the activities associated with this program will have no significant impact on caribou and other identified mammals that may inhabitat the general area of the project.

Socio-Economic Environment

Project Economics

It is projected that costs for 2008 will be approximately $600,000 (CND). Money spent locally and within Nunavut will include transportation, accommodations, some labour, fuel, food supplies and logistical support. Expenditures for 2009 will be determined after 2008 results are assessed. It is estimated that 15 to 25% of project expenditures will go to Inuit firms and/or labour.

Inuit Involvement

Kinguanmiut Ltd. (100% Inuit Owned) will be providing most of the expediting, logistical support, accommodations, camp services(through Bathurst Inlet Lodge) and local labour. It is estimated that 1 or 2 labour jobs will be created directly however support by staff running accommodations and camp activities will also provide 1 or 2 positions.

Training Opportunities

There are always opportunities for training as long as all safety prcautions are taken. Most opportunities will be created by Kingaunmiut Ltd. staff while maintaining the lodge facilities to support the project, driller assistance, and program expediting.

Waste Disposal Methods

All wastes generated at the drill location and core tent will be removed from the area and taken back to the community of Bathurst Inlet. Within the community the wastes will either be burned or, for non combutables transported as a back haul to Yellowknife where proper disposal will occurr.

Reclaimation Plan

At the termination of the 2008 program drill site(s) will be reclaimed to natural conditions as much as possible by removing all materials and structures required for the program. All material will be transported to the community of Bathurst Inlet. Drill site reclaimation will include the ground surface clean-up as much as possible with hand tools to eliminate further impacts from other machinery. With any drill site however some impacts can not be mitigated such as some scaring to the land and matting and covering of vegetation.

Spill Contingency Plan

The purpose of Fuel Spill Contingency Plan is to provide a plan of action for any potential spill during theRockgate's drilling program at Turner Lake located in the Kitikmeot region of Nunavut. In addition to this plan being submitted in the application it will also be posted at the project camp and drill site locations in the aforementioned region.

Spill Prevention

The first initiative of a Spill Contingency Plan is education and implementation of Spill Prevention techniques. Methods will be implemented for the handling and care of petroleum products, drilling additives, etc. so as to prevent/minimize accidental spillage of these materials. Handlers of fuels will ensure that valves are closed and hoses are in good repair. Drip pans and absorbent material will be placed under leaking equipment and, if practicable, the leaks will be repaired as soon as possible. All personnel will be briefed and given a copy of the Fuel Spill Contingency Plan before field operations begin.

Fuel Storage

In preparation for exploration programs and during the programs, fuel will be stored at the drill site location(s) in the following manner:

- Quantities of up to 8 drums (<1100 litres) of aviation and/or diesel fuel will be stored a minimum of 50 metres from normal high water mark.
- Fuel cache coordinates will be recorded and an updated inventory of the fuel used will be maintained.
- Empty fuel drums will be flown to Bathurst Inlet and returned to the fuel supplier for recycling.
- A maximum of 2 full diesel and 2 full aviation fuel drums will be stored at each drill location for the duration of drilling at that location. Empties will be slung to a nearby cache to await a flight to Bathurst Inlet.
- A fuel spill kit with will be available at all fuel storage locations and on the helicopter.

Appropriately sized spill kits and/or equipment will be positioned with all camps, drill sites, and remote fuel caches. Each spill kit will contain a copy of this Spill Contingency Plan

Procedures and Response

Reporting – Spill kits at each source of fuel include the contact list for spill reporting and an Initial Response Procedure Card. Communication between camp, helicopter and drill locations by two-way radio will be used to immediately report spill or leak to the Project Supervisor. Project Supervisor will immediately report spill to the 24-hour Spill Report Line (867-920-8130), when appropriate, as per Schedule 1 of INAC Spill Reporting Protocol. Further reporting will be filed with DIAND and/or any other agencies requiring a report, as per the Nunavut Spill Contingency Planning and Reporting Regulations in the Environmental Protection Act. Important information that will first be identified, collected and provided to the Project Supervisor will include:

- Determine hazards and ensure safety of all persons.
- Assess severity and size of the spill.
- Identify the product and source of the leak or spill.
- Isolate or remove any potential ignition source, if possible.
- Contain the spill, if possible.
- Report spill to Project Supervisor with the following information:
    - time & location of spill
    - product spilled and estimated quantity
    - cause of spill
    - action taken so far
    - spill contained?
    - weather conditions
    - possible hazards to person, property, or environment

Identify best approach to spill response for location (ie. land, snow, water).

Spills on Land (gravel, rock, soil and vegetation)

- Trench or ditch to intercept or contain flow of fuel or petroleum products on land, where feasible (loose sand, gravel and surface layers of organic materials are amenable to trenching/ditching; trenching in rocky substrates is typically impractical and impossible).
- Construct a soil berm down slope of the spill. Use of synthetic, impervious sheeting can also be used to act as a barrier.
- Where available, recover spills through manual or mechanical means including shovels, heavy equipment and pumps.
- Absorb petroleum residue with synthetic absorbent pad materials.
- Recover spilled and contaminated material, including soil and vegetation.
- Transport contaminated material to approved disposal or recovery site. Equipment used will depend on the magnitude and location of the spill.

Spills on Snow

- Trench or ditch to intercept or contain flow of fuel or petroleum products on snow, where feasible (ice and snow are amenable to trenching/ditching).
- Compact snow around the outside perimeter of the spill area.
- Construct a dike or dam out of snow, either with shovels or with heavy equipment, where available.
- If feasible, use synthetic liners to provide an impervious barrier at the spill site.
- Locate the low point of the spill area and clear channels in the snow, directed away from waterways, to allow non-absorbed material to flow into the low point.
- Once collected in the low area, options include shoveling spilled material into containers, or picking up with mobile heavy equipment, where available.
- Transport contaminated material to approved disposal site. Equipment used will depend on the magnitude and location of the spill.

Spills into Water

- Contain spills on open water immediately to restrict the size and extent of the spill.
- Fuel/petroleum products, which float on water, may be contained through the use of booms, absorbent materials, and skimming.
- Deploy containment booms or absorbant materials to minimize spill area, although effectiveness of this containment may be limited by wind, waves and other factors.
- Use absorbent booms, if available, to slowly encircle and absorb spilled material. These absorbents are hydrophobic (absorb hydrocarbons and repel water).
- use skimmers to draw in hydrocarbons and minimal amounts of water. Skimmed material can be pumped through hoses to empty fuel tanks/drums.
- Chemical methods including dispersants, emulsion – treating agents and shoreline cleaning will be considered.
- Use absorbent pads and similar materials to capture small spills/oily residue on water.

Emergency Contact List (NWT)

Field Contacts

Project Supervisor, Michael Roberts Rockgate Capital Corporation	Field Tel: 1-600-700-2231
Expeditor Kingaunmiut Ltd.	Office: (867) 920-4330 Cell: (867) 446-2654 Sat: 1-600-700-2231

Office Contacts Office: (250) 763 5533

Project Manager, Lorne Warner, VP Exploration Rockgate Capital Corporation	Cell: (604) 603-6579 Office: (250) 434-4357

Primary Contact

24 Hour Spill Report Line *(collect calls accepted)*	Tel: Fax:	**(867) 920 8130** (867) 873 6924

Other Contacts

Enforcement Officer, Environmental Protection Branch, Environment Canada, Nunavut	Tel:	(867) 975 4644
District Manager, INAC	Tel:	(867) 975 4295
INAC Water Resources, Nunavut	Tel:	(867) 975 4549
Resource Management Officer, INAC	Tel:	(867) 982 4306
Nunavut Water Board	Tel:	(867) 360 6338
Kitikmeot Inuit Association	Tel:	(867) 982 3310