

2011 ANNUAL LAND USE REPORT

BORDEN PROJECT, QIKIQTANI REGION, NORTH BAFFIN, NUNAVUT

BLUESTONE RESOURCES INC. (*formerly INDICATOR MINERALS INC.*)

AANDC LAND USE LICENCE No.: N2008C0032

NIRB FILE No.: 08EN078

NWB Licence No.: 2BE-BOR0813

QIA LAND USE LICENCE No.: Q09L3C07

Location of Claims: Borden Peninsula, North Baffin Island, Qikiqtani Region, Nunavut Territory
Map Sheet: 048A/05 & 048A/12

Submitted: June 2012
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Introduction

In January 2012, Indicator Minerals Inc. announced a name change of the company to Bluestone Resources Inc. No work has been performed on the Borden Property since September 2009, when small staking and sampling programs were undertaken.

Description and Location of Land Use Area

The Borden property center is located approximately 90 kilometres southeast of Nanisivik, 110 kilometres southeast of Arctic Bay, NU, and 325 kilometres north of Igloolik, NU. Today, the property consists of 12 contiguous mineral claims. Refer to Table 1 for statistics and Figure 1 for spatial distribution.

The property area is centered at 83° 21' 13" W, 72° 28' 52" N. The Borden property lies within the 1:50,000 scale National Topographic System (NTS) map sheets 048A/05 and 048A/12 (Figure 1, Table 1). No camp has been established within the Borden Property.

Table 1: Grail Property Land Tenure

Record Number	Claim Name	Acreage	NTS Sheet	Claim Owner	Record Date	Anniversary Date
K13502	PB 12	2582.5	048A12	Indicator Minerals Inc	2009-10-30	2014-10-30
K13503	PB 13	2582.5	048A12	Indicator Minerals Inc	2009-10-30	2014-10-30
K13506	PB 16	2582.5	048A12	Indicator Minerals Inc	2009-10-30	2014-10-30
K13507	PB 17	2582.5	048A12	Indicator Minerals Inc	2009-10-30	2014-10-30
K11908	BP 1	2582.5	048A05	Michael Dufresne	2008-09-03	2013-09-03
K11909	BP 2	2582.5	048A05	Michael Dufresne	2008-09-03	2013-09-03
K11912	BP 5	2582.5	048A05	Michael Dufresne	2008-09-03	2013-09-03
K11913	BP 6	2582.5	048A05	Michael Dufresne	2008-09-03	2013-09-03
K11914	BP 7	2582.5	048A05	Michael Dufresne	2008-09-03	2013-09-03
K11915	BP 8	2582.5	048A05	Michael Dufresne	2008-09-03	2013-09-03
K11918	BP 11	2582.5	048A05	Michael Dufresne	2008-09-03	2013-09-03
K11919	BP 12	2582.5	048A05	Michael Dufresne	2008-09-03	2013-09-03
TOTAL		30990.00				

Summary of the 2011 Field Program

No work was conducted on the Borden property in 2011.

Wildlife and Environmental Studies

No wildlife or environmental studies were conducted in 2011.

Community Involvement

No community meetings were conducted by Indicator Minerals Inc. during 2011.

Site Visits

To the author's knowledge, no Borden property site visits or inspections were conducted during 2011.

Reclamation Work

There was no reclamation work completed during 2011. No drilling has been conducted on the Borden property to date.

2012 Work Plan

To the author's knowledge, Bluestone does not plan to conduct any work on the Borden property in 2012.

