STARFIELD RESOURCES INC.
FERGUSON LAKE PROPERTY
2008 ANNUAL REPORT

Licence Numbers: KVCL305H27, KVL399C150, 2BE-FER0712

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INTRODUCTION

Starfield Resources Inc. is an advanced exploration and emerging early stage development company focused on its 100% owned Ferguson Lake Nickel-Copper-Cobalt-Platinum-Palladium-Rhodium property in the Kivalliq Region of Nunavut Territory, Canada. Starfield is a well-financed, public company trading on the Toronto Stock Exchange under the symbol SRU.

Between the years 1949 and 1957 the area was explored by INCO (International Nickel Company). Since acquiring the property in 1999, Starfield has continued the exploration activities that were started by INCO. A number of different exploration methods have been used to study the mineralization in the area. These exploration methods have included aerial surveys, geological and geophysical studies, surface studies and drilling programs.

This report is a summary of the land use activities and supporting programs conducted in 2008 at Starfield's Ferguson Lake Project.

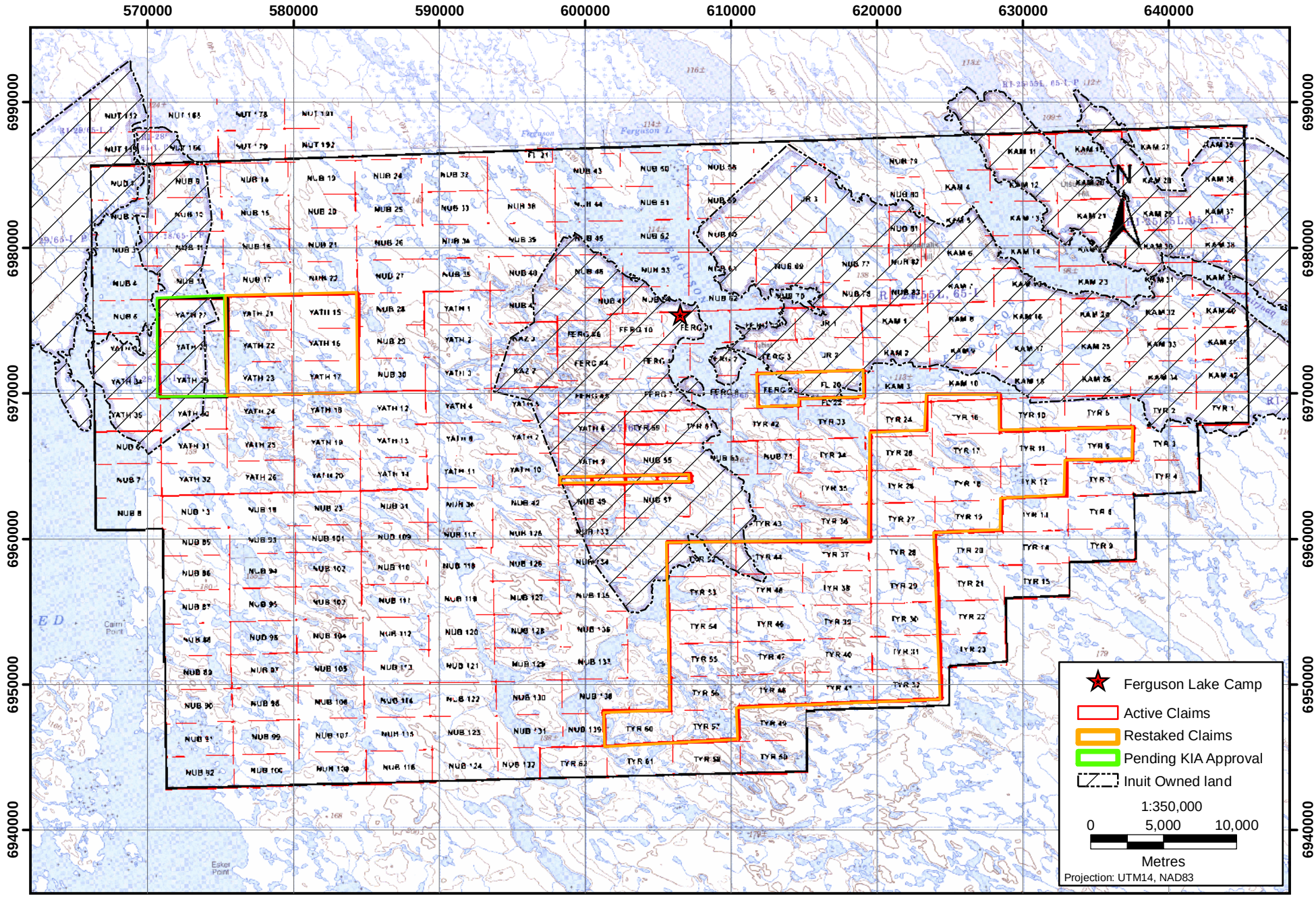
DESCRIPTION AND LOCATION OF PROJECT AREA

The Ferguson Lake property consists of 261 mineral claims located approximately 246 kilometres (km) west-southwest of Rankin Inlet and 160 kilometres south-southwest of Baker Lake. The mineral claims extend east, west, south and northwest of Ferguson Lake between latitudes 62^{o} 30' and 63^{o} 15' North and longitudes 96^{o} 00' and 98^{o} 15' West in NTS map-areas 65I/9-11, 13-15, 65O/1 and 65P/3 and 4 (UTM coordinates 6933000 – 7017600N, 525000 – 650000E – Zone 14).

Ferguson Lake, central to the large property area, is midway between Yathkyed and Kaminuriak Lakes. The property currently measures 125 kilometres in an east direction and approximately 80 kilometres north-south. A map of the property is provided in Figure 1.

The infrastructure at the New Camp site include buildings for accommodation, offices and areas for fuel storage, core storage, equipment maintenance, core cutting, warehousing, etc. Freshwater will continue to be drawn by pump from Ferguson Lake to the camp for domestic use.

The airstrip on the Island at the Old Camp location was used in 2008 to support the exploration program while the new airstrip on the mainland was being constructed. This is in accordance with the Kivalliq Inuit Association's (KIA) direction to the company to move their operations from the Island.



STARFIELD RESOURCES INC.

Starfield Resource Inc's Claims

FIGURE 1

Rescan™

SUMMARY OF EXPLORATION ACTIVITIES CONDUCTED IN 2008

Drilling

There were a total of forty-five (45) drill holes completed in 2008. Forty (40) of these drill holes were located on Inuit Owned Land (IOL). The remaining five (5) were located on Crown Land. Drill rod and casing were removed from all of the drill holes and the anchor rod was cut down to as close to ground level as possible and capped.

During the drill operations, a small amount of cuttings are created in the form of sand, silt and mud, as a result of the grinding of the earth and rocks that are being drilled through. The cuttings were disposed of in natural depressions (sumps) that were well above the normal high-water mark of surrounding water bodies. Water was drawn from lakes near to the drill set-ups via a water line and pump. Secondary containment was used to store the fuel barrels used to support the drill program.

Sampling

Rock and soil samples (~0.5 kg) were collected in areas of interest (i.e., a gossanous zone or a geophysical anomaly) in 2008. Rock samples were collected at outcrops, and a picture were taken at each site.

Bulk Sampling

Although Starfield had obtained the necessary permissions and approvals from the KIA to collect a bulk sample in 2008, this sample was not collected.

REMEDIATION EFFORTS 2008

In 2008, every effort was made to ensure that drill sites were left in a clean state with drill rods removed and casings cut and capped.

On August 20, 2008, Starfield held a site-wide clean up day with all employees, contractors, etc. participating in the activities.

Starfield contracted True Grit Consulting Ltd. in 2008, a Canadian owned company based in Thunder Bay with extensive experience in site assessment and remediation. In the fall they traveled to Ferguson Lake to conduct a final assessment of the contamination at the Old Camp location.

Starfield undertakes all activities with the goal of progressive reclamation, meaning that each employee, contractor, etc. is expected to keep their work areas clean, and to minimize their disturbance. Weekly inspections were undertaken in 2008 of all job sites and areas of activity.

CONSTRUCTION IN 2008

NEW CAMP

In 2007, the Old Camp on Ferguson Island was decommissioned and a new camp was constructed on the mainland. This was following the direction of the KIA to move Starfield's operational facilities from the island in Ferguson Lake to the mainland. In 2008 further improvements were made to the camp including; installation of a fire detection system, renovations to the kitchen and dining area, and construction of a new television room.

With the construction of the airstrip, modifications and improvements to the camp, an extensive environmental baseline program and a two drill exploration program, additional sleeping quarters were required. Four Weather Haven tents were added to the main accommodation building with a covered walkway. The walkway is completely wired in with the fire detection system. Three free standing Weather Havens were constructed to provide temporary additional sleeping quarters.

FUEL STORAGE AREA

In the fall of 2007, Starfield constructed a lined-bermed, secondary containment fuel storage area. The fuel storage area is 34 metres X 34 metres. The liner was welded and covered with geotextile fabric and then a layer of gravel was placed on top of the fabric. The capacity of this fuel storage area is approximately 2,457m^3.

In 2008, Raymac installed three (3) 35,000 gallon fuel bladders (SEI Industries) within the fuel storage area constructed. The fuel storage area is inspected daily.

AIRSTRIP

In 2008 Starfield constructed a new airstrip near the New Camp. The airstrip construction was completed on October 15th, 2008. Final dimensions of the airstrip are 800 m long X 25 m wide. An apron was constructed to aid with unloading and loading supplies.

INSPECTIONS

The KIA and INAC Lands conducted inspections of the project in July of 2008 independently.

SUMMARY OF ACTIVITIES IN 2008

March Activities

- Began preparing for 2008 operational season.
- Camp population increased to 21 persons.
- Cleared snow from fuel storage area (that had been constructed the previous fall).
- First overland haul left Rankin on March 28th. A presentation was made to the Kivalliq Chamber of Commerce AGM in Rankin Inlet.

April Activities

- Three fuel bladders were installed within the fuel storage area. Filling of the fuel bladders from the drums began.
- Overland transport was used to bring in supplies. This service was provided by M&T Enterprises.
- During overland transport, the sled carrying the crusher broke down approximately 40 miles outside of Rankin Inlet. M&T did not have a replacement sled. Once it was determined that the sled was not sitting on ice and was not in a low lying area, it was left and will be transported next year via overland.
- Environmental baseline studies commenced and included: snow surveys and scanning for wildlife.
- Starfield attended the Nunavut Mining Symposium, was a sponsor of the symposium and made a presentation.

May Activities

- The last CAT Train delivered fuel and freight to camp.
- The ice strip was shut down on May 24th due to deteriorating ice conditions.
- All three fuel bladders were filled to capacity.
- Fuel barrels were transferred inside the fuel storage area.
- The drill program commenced. A fire at one drill site completely destroyed one drill owned by Major Drilling, leaving two drills operational.
- The Starfield Technical committee visited Ferguson Lake to view core, the fuel storage area and facilities.
- Work continued on the construction of additional temporary sleeping quarters.
- Some staking was conducted.
- Community meetings were held in Rankin Inlet, Arviat, Chesterfield Inlet and Baker Lake Meetings were held with the KIA and the CLARCs.
- A presentation was made to the Hunters and Trappers AGM to discuss the Wildlife Monitoring Program for 2008.
- An amendment application was submitted to the KIA to collect a bulk sample (this sample was not collected).
- Hydrology stations were updated and two new stations were added.

June Activities

- Quarrying activities were suspended due to the presence of nesting migratory breeding birds.
- Drilling was suspended on June 29 when a herd of 1,000+ caribou (with females and calves) migrated through the area.
- A portable drum crusher was brought to site. Drums were crushed to approximately 20% of their original size, placed on sleds ready for backhaul during the winter months via overland transport.
- Additional sleeping quarters (4 weather haven tents) were connected to the main camp.
- An archaeological site was mitigated due to concerns of fly rock disturbance from blasting during quarrying activities.
- Two spills were reported.
- Environmental baseline work included; grizzly bear transects, breeding bird surveys and monitoring caribou.
- Additional water monitoring stations were established.

July Activities

- Once the migratory breeding birds had successfully fledged, quarrying activities resumed.
- Construction of the airstrip commenced.
- The D4 was removed from the lake via a dive team and flotation bags.
- The Mine's Inspector (WCB) conducted an inspection.
- INAC Lands Inspector conducted an inspection.
- The KIA conducted an inspection.
- Additional weather havens were constructed to provide more sleeping quarters.
- Drilling operations continued with two drills.
- Environmental baseline studies included: hydrology, aquatics, fisheries and wildlife.

August Activities

- A group of Investors toured the project. A dinner was held in Rankin Inlet with local officials invited and local traditional entertainment provided for guests.
- Construction of the airstrip continued with planes landing in late August.
- Nine local employees received equipment operator training on the trucks and loader.
- Drilling operations continued with two drills.
- Environmental baseline studies included: hydrology, aquatics, fisheries and wildlife.
- Starfield opened an office in Rankin Inlet and held a well attended Open House.

September Activities

- Construction of the airstrip was completed. Twin Otters, a Dash 8 and a Buffalo aircraft all landed on the airstrip.
- Drilling operations continued with two drills.
- A group of elders (Ferguson Lake Native Group) who had formerly lived in the Ferguson Lake area made a trip to camp for a visit of their old homestead and to pay respect to a person who is buried there.
- A project overview was provided to the KIA at their Director's meeting in Rankin Inlet.
- True Grit consulting was on site to collect soil samples from Old Camp area. The information generated will be used to develop an engineered report to support the Remedial Action Plan.
- Environmental baseline studies included: country foods, aquatics, and wildlife.

October Activities

- Continued drill program using two (2) drills.
- The fuel storage area was lined with sand.
- Quarry walls were scaled down to meet code.
- Community meetings were held to provide an update to the project and to gather information to support the Traditional Knowledge program.

November Activities

- Completed drill program.
- Camp winterized.
- The camp went on care and maintenance schedule with 3-4 employees on site during the winter months.
- Starfield was represented and participated in a Kivalliq Socio-Economic Monitoring Committee meeting in Rankin Inlet.
- Person hired to manage the Rankin Inlet office.

December Activities

- Care and maintenance of camp.

Table 1: Camp Statistics.

POPULATION	Total Man Hours (including visitors)	Percent Local Hire in Camp	Average # in Camp per day
March	9,460	35%	25
April	12,645	31%	35
May	16,355	29%	44
June	17,758.5	32%	49
July	19,769.5	22%	52
August	21,165	28%	57
September	18,932	27%	51
October	13,322	28%	36
November	10,882	35%	30
December	3,251	40%	9

Table 2: Water Use.

WATER USAGE (in m^3)	Camp	Drilling	Total
March	22.9	0	22.9
April	67.85	88.8	156.65
May	97.87	2,418	2515.87
June	108.07	1,240	1348.07
July	108.29	1,393	1501.29
August	83.51	1,395.7	1503.99
September	105.35	705.8	811.15
October	70.48	1,327.5	1,397.98
November	66.8	0	66.8
December	19.8	0	19.8

SUMMARY OF WORK PROPOSED FOR 2009

A) EXPLORATION

The Exploration Program in 2009 will include: drilling, sampling and bulk sampling. As the program is finalized, the information will be submitted to the appropriate authorities. It is anticipated that the Exploration Program will commence in March and will continue through to November of next year, weather permitting. These programs will be supported by helicopter, snowmobile and ATV (the latter two under snow and frozen ground conditions only). More information and detail on the proposed exploration program for 2009 will be provided in the Work Plan which will be submitted late January to the KIA and INAC.

B) CONSTRUCTION

There are no major construction activities planned for 2009.

C) ENVIRONMENTAL BASELINE STUDIES

The environmental baseline studies will continue in 2009 with emphasis being given to the slurry pipeline access route, yet to be finalized.

WILDLIFE SIGHTINGS

In 2008, Starfield hired two Environmental Coordinators and two local Environmental Technicians through Rescan Environmental Services, to assist with the collection of data for the Environmental Baseline Studies and to work with personnel at site to ensure good environmental stewardship.

Wildlife sightings were recorded by all personnel working at site. Sheets were provided for personnel at camp and field crews for recording.

ARCHAEOLOGICAL SIGHTINGS AND INVESTIGATIONS

In July 2008, Jean Bussey of Points West Heritage Consulting Ltd. conducted archaeological investigations for Starfield Resources Inc. at Ferguson Lake. These investigations were conducted under Class 2 Nunavut Territory Archaeologist Permit No. 08-017A. This is the fourth consecutive year that Points West has undertaken archaeological investigations at Ferguson Lake through Rescan Environmental Services Ltd. The two primary objectives were to identify new archaeological sites near proposed development or exploration areas and to test and/or mitigate through subsurface excavation sites in close proximity to such activities. Bussey was assisted by five other archaeologists, Brian Apland, Misty Lockhart, Bob Powell, and Vanessa Neuman and Dan Walker of Rescan. Two members of the community of Rankin Inlet (Arthur Beardsall and Gareth Taylor) and a Rescan technician (Kristin Charleton) also assisted.

Seven new archaeological sites were discovered. They included a site with a partial stone circle containing a relatively rich, but small lithic concentration, one isolated find, a site with two small stone circles adjacent to bedrock outcrops, and four sparse lithic scatters of varying sizes. The site with the partial stone circle was assessed through subsurface testing and archaeological material was encountered at shallow depths. If avoidance of this site is not feasible, more detailed examination is required. The other sites are sufficiently distant from currently proposed activities that avoidance is feasible and no further work was conducted in 2008.

Three previously recorded sites, KfLc-8, 9 and 14, were near proposed exploration areas and were tested to determine if buried archaeological materials were evident. At two sites, it was discovered that only surface artifacts were present. Both these sites contained a single stone circle (tent ring). Visible surface artifacts were collected, each stone circle was drawn to scale and the two sites were mapped. The discovery of buried archaeological material at the third site prompted more extensive excavation and resulted in the recovery of nearly 100% of a small lithic concentration at KfLc-9.

In 2007, it was determined that is was no longer feasible to protect previously recorded KfLc-3 because of its proximity to camp and a proposed bedrock quarry. Thus investigations at KfLc-3 in 2008 involved systematic data recovery consisting of a combination of subsurface excavation and surface collection. The one large and four small lithic concentrations that comprised KfLc-3 were intensively examined. Thousands of un-worked flakes, primarily of quartzite, were recovered. In addition, quartzite cobbles, split cobbles, core fragments, core remnants and tool performs were discovered indicating that KfLc-3 represented a lithic workshop. Analysis of the recovered artifacts will be undertaken throughout the winter.

View east of test units near the stone circle (tent ring) at KfLc-14.

ENVIRONMENTAL BASELINE STUDIES

Rescan Environmental Services Ltd., on behalf of Starfield, conducted extensive baseline monitoring studies in 2008. These studies will continue and be expanded upon in the future. They include:

- Meteorology
- Hydrology
- Metal Leaching/Acid Rock Drainage (ML/ARD)
- Aquatic Resources and Water Quality
- Fisheries Community and Habitat
- Soils
- Vegetation
- Wildlife
- Traditional Knowledge (work conducted by FMA/Nunami but managed by Rescan)
- Socio-economics (work conducted by FMA/Nunami but managed by Rescan)

Meteorology

An automated meteorological station was installed at the Ferguson Lake Project site in August 2005. The station was moved in 2008 due to proximity to the quarry area. It monitors wind speed and direction, air temperature and relative humidity, solar radiation, rain or snow-water-equivalent precipitation, snow depth, and evaporation.

Snow water content and density transect surveys were conducted in April 2008. Thermistors were installed to monitor the active layer of permafrost. Four dustfall monitoring stations were installed and sampled four times on a monthly basis in 2008.

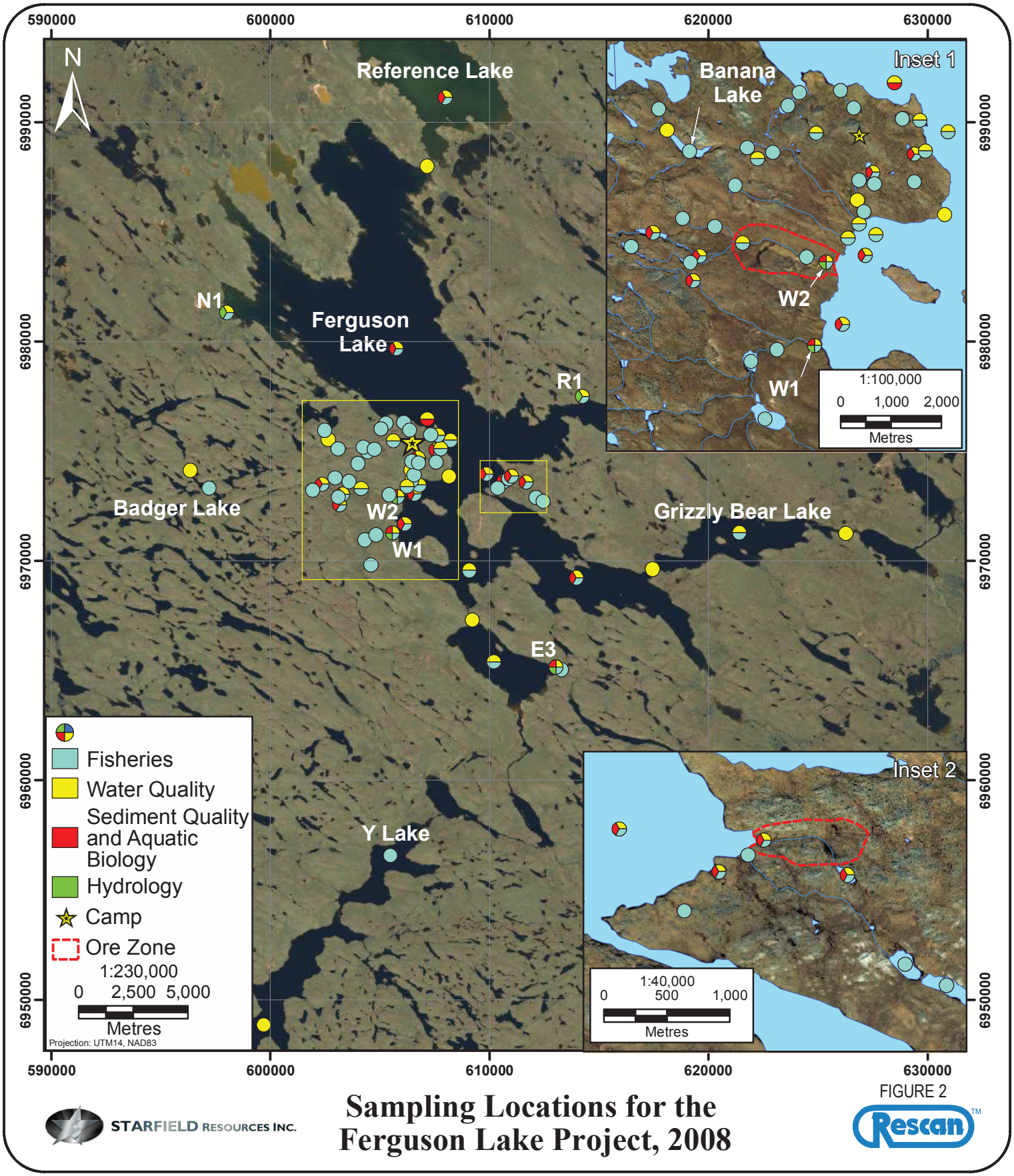
Hydrology

In the 2008 field season five continuous hydrologic monitoring stations were maintained. Three of these stations were also operated in 2007. Two hydrometric stations were installed in creeks close to the proposed pit area (W1 and W2), one to the north (N1) and two reference stations to the east (R1) and to the south (E3) (Figure 2). Manual flow measurements at these locations were conducted at weekly intervals throughout the open water season. The manual flow measurements are used to develop annual flow hydrographs for the watersheds.

Metal Leaching/Acid Rock Drainage

The first phase of ML/ARD work began in 2007. 149 one meter samples of half drill core were collected from the Ferguson Lake deposit. Each sample was tested for acid-base accounting (ABA) and total element content. The resulting data was used to begin the characterization of material to be mined and provide information for feasibility and permitting requirements. Samples were collected from wall rock and dyke types, low-sulphide PGE gabbro rock, massive sulphide ores, and other rocks. The samples have been selected from along 4-km plus strike and from potential open pit depths and underground operation areas.

gis no. FER-06-010 Job No. 577-002-01-01 October 1, 2008



STARFIELD RESOURCES INC.

Sampling Locations for the Ferguson Lake Project, 2008

FIGURE 2

Rescan™

Aquatic Resources and Water Quality

In 2008, aquatic environment baseline studies were conducted for a fifth year in the Ferguson Lake Project area (Figure 2). Similar to previous years, streams, lake outfows and lakes of the mine area receiving environment were sampled for water quality and aquatic resources. Stream stations sampled were intended to characterize the impact of the new camp on water draining the area, stream water quality before development and naturally-occurring ARD at the two ore zones. Lake stations were predominately situated at key areas of Ferguson Lake and were intended to provide information on the spatial extent of any future changes in water quality. Additional lakes were included in the sampling program to serve as a reference (Reference Lake) and monitor potential downstream effects (Grizzly Lake).

A total of 19 stream/lake outflow stations were sampled on a monthly basis for water quality beginning at freshet in June through to September. In addition to water quality, five stream sites were sampled in August for aquatic resources including sediment quality and aquatic biology (periphyton and benthic invertebrates).

Lake water quality and physical limnology (including Secchi depth, dissolved oxygen profiles and temperature profiles) were assessed once in May under ice and once during the open-water season in August at 14 sites. Water sampling in early May was completed. During the August sampling, 7 lake stations were assessed for sediment quality and aquatic biology (phytoplankton, zooplankton and benthic invertebrates).

In 2008, eight ponds were added to the sampling program to better characterize the wetland habitats in the Project area. All ponds were assessed for water quality as well as physical limnology and six of the ponds were sampled for sediment quality and aquatic biology (phytoplankton, zooplankton and benthic invertebrates).

Fish Community and Habitat

Nine locations on Ferguson Lake, 18 streams sites, 25 ponds, and 6 nearby lakes within the Project area were sampled in 2007 and 2008 to provide baseline fish and fish habitat information. Fish sampling occurred using a combination of gillnets (lakes and ponds), minnow traps (lakes and ponds), and electrofishing (ponds and streams). As well, detailed fish habitat information was obtained at 15 of the stream sites, 11 ponds, and four shoreline areas of Ferguson Lake. This information consisted of water characteristics, depths, substrate composition, and habitat types. In both survey years, lake trout and lake whitefish were the most prevalent fish species captured using gillnets within Ferguson Lake (90 % average). The other seven fish species captured included Arctic grayling, burbot, lake cisco, longnose sucker, ninespine stickleback, round whitefish and slimy sculpin. Nearby lakes were populated by variable numbers of lake trout, whitefish, and Arctic grayling.

The most common fish captured in ponds associated with Ferguson Lake Project area were ninespine sticklebacks. This species comprised 94% of all fish captured and occurred throughout the Project area. However, seven other fish species occurred in various ponds, including Arctic grayling, lake trout, and longnose suckers.

Habitat within fish-bearing streams shared similar attributes, including low conductivity, and substrate consisting mostly of cobble and boulder. This boulder cover provided greater than 20% of the instream cover, along with some pools and overhanging vegetation. Arctic grayling were prevalent in stream and pond systems in proximity of the main ore body. On the eastern side of Ferguson Lake near the east zone ore body, fish only occurred in one pond and comprised of a high density of ninespine sticklebacks.

Soils

A soil baseline study was conducted in August 2008 as part of the Terrestrial Ecosystem Mapping (TEM) program for the Ferguson Lake Project. The objectives of the study were to characterize the terrain and soil types within the study area and collect soil samples for baseline metal analysis. A total of 85 sites were studied and 34 soil samples were collected from 17 selected sites. Soil pits were excavated at each site and detailed soils and site information such as soil texture, drainage, coarse fragment content, and slope (gradient, aspect, and elevation) were recorded. All sites were photographed, including the soils, and were geo-referenced.

The Project study area is located on predominantly flat-plain physiography with occasional occurrence of broadly rolling upland ridges. Exposed bedrock outcropping, boulder fields, patterned grounds and rock circles are abundant in the study area. The soils are very young and shallow where soil development is rather limited by the very cold climate. Mixing of soil layers is common throughout the study area from repeated freeze-thaw cycles. Permafrost table was encountered occasionally as close as to 20 cm depth from the surface, in some locations. Mudboils, jell-like soils that flows readily to the surface when subjected to any external pressure, are also commonly found in the area.

Vegetation

In August 2008, an ecosystem mapping survey to map baseline vegetation communities for the Project was conducted. The objectives of the study were to identify and quantify the vegetation communities, determine the sensitivity of various ecosystem communities to disturbance, collect plant tissue for baseline metal analysis, and survey for rare and endangered plants. The study area boundary was a 5 km x 5 km area around the proposed mine infrastructures. In addition, a one-day field program was conducted within the east zone deposit area across Ferguson Lake.

A total of 85 sites were studied in 2008 and 17 vegetation samples were collected and sent to ALS laboratory for metal analysis. At each site, the ecosystem community was assessed, all plants were identified to species and the percent cover of the dominant species was recorded. All sites were photographed and geo-referenced with a hand-held GPS.

Sedge wetland and heath tundra were among vegetation communities surveyed. The sedge wetlands are generally low lying wet habitats dominated by sedge and grass species and heath tundra ecosystems are characterized by Labrador tea, bog rosemary, bog blueberry, heather and crowberry. Other communities included dry ecosystems on

gravel ridges with minimal vegetation and riparian tall shrub ecosystems that are influenced by streams and seepage areas with tall birch, willow and alder shrubs.

Wildlife

Wildlife baseline information has been collected over the last few years. This information has been collected to document the pre-development status of wildlife communities in the area. The collection of baseline data also contributes to the identification of any species at risk. The evaluation of the information collected will allow for the development of management strategies to identify the best mitigation measures to help minimize and/or eliminate potential detrimental effects on wildlife. This data will also provide a reference point for future reclamation and management planning efforts.

The Ferguson Lake Project is situated within the caribou migration corridor. The project area is in close proximity to the caribou calving grounds and some identified, designated caribou crossings. As well, muskoxen are often sighted near the project area. Air traffic and low level flying are of increasing concern to community members and authorizing agencies. Starfield has been documenting flights for both fixed-wing aircraft and helicopter.

Starfield has been working closely with the KIA and the Government of Nunavut Wildlife Biologists in Arviat and Baker Lake. This program includes the monitoring of: caribou migration, local caribou monitoring, muskox, carnivore dens, Species at Risk, and raptors.

In 2008, wildlife surveys were conducted to collect baseline information for the Project. Wildlife studies were concentrated within the Local Study Area (LSA): an area with a 10 km radius of the Ferguson Lake new camp and the Regional Study Area (RSA: 10 – 35 km radius). Wildlife surveyed included: caribou, muskox, grizzly bear, arctic fox, wolf, wolverine, raptors, songbirds, waterfowl and small mammals. Two types of caribou surveys were conducted: daily local monitoring and broad-scale regional monitoring. The objective of local caribou monitoring was to determine when large groups of caribou were migrating through the area, while the regional caribou monitoring objective was to determine the accuracy of the current caribou satellite collaring program.

The objectives of the other wildlife surveys were to: monitor muskox presence and activity relative to the Project area; locate carnivore dens (grizzly bear, wolf, wolverine and fox) to determine den occupancy and productivity; locate raptor nests to monitor for nest occupancy and productivity; collect small mammals for metal concentration analysis; identify potential species at risk occurring in the Project area; and to document all wildlife observations (e.g., small mammals, waterfowl). The wildlife surveys recorded 53 wildlife species, 11 of which were mammals: 4 carnivores, 2 ungulates and 5 small mammals. Four (4) Arctic fox dens were found in the study area. Moose and wolverine were observed in 2007, but not 2008.

Of the 42 bird species observed, 6 were raptors, 14 were waterfowl, 6 were shorebirds, 2 were gamebirds and 14 were songbirds. 43 nests were found within the Regional Study Area: 36 peregrine falcon nests, 3 gyrfalcon, 3 rough-legged hawk and 1 raven. The daily caribou monitoring program recorded caribou during camp operations beginning in June. The largest groups of caribou were observed in late June and early July, during the post calving period. Four species known to occur in the project area are designated as Special Concern by the Committee on the Status of Endangered Wildlife in Canada: wolverine, grizzly bear, peregrine falcon and short-eared owl.

TRADITIONAL KNOWLEDGE

In 2008, Nunami and their joint venture partner Jacques Whitford/FMA Heritage Consultants were contracted to continue with the traditional knowledge study with the Ferguson Lake Native Group (FLNG) as well as studies in Baker Lake, Rankin Inlet, Arviat, Whale Cove and Chesterfield Inlet.

Discussions were held with the Executive Director of the KIA as to what agency in Nunavut should take ownership of the actual traditional knowledge studies themselves. Although the KIA is not ready yet to house the studies, it was agreed that they should reside with the KIA.

SOCIO-ECONOMIC STUDIES

Nunami (Jacques Whitford/FMA Heritage) was contracted to complete the desk-top study that was done in 2007 and look towards expanding it in preparation of Starfield filing a project proposal in late 2008.

SOCIAL ENGAGEMENT

In 2008, Starfield Resources continued its plan of providing timely information on the Ferguson Lake Project. Community tours were held in May 2008 with the inclusion of Najuk Kusugak to explain in his own language about the environmental programs to the Community Lands and Resources Committees (CLARC) of the KIA. The meetings were also used to obtain feedback on the 2008 draft work plan. Approval was granted for the construction of the airstrip and the quarry. Further community meetings were held in November 2008 in conjunction with TK meetings. The meetings at this time were used to provide project updates to the elders participating in the TK meetings who had requested this.

A visit by five members of the Ferguson Lake Native Group to the camp was coordinated and took place in September. The group asked for helicopter time so that they could visit the burial site of a deceased child of one of the elderly members, and to visit their old homestead and seasonal camps. This was a very successful visit by the FLNG.

Presentations and meetings were held with the Directors of the KIA in November in Rankin Inlet, the Kivalliq Chamber of Commerce AGM in Rankin Inlet in March, and the Kivalliq Socio Economic Monitoring Committee in November in Rankin Inlet. It is

important that additional meetings be coordinated with community HTO's, CLARC's, Hamlet Councils and interested community members during the community consultation tour in 2008.

A federal election was held in October 2008 with a newly elected MP for Nunavut being appointed to the Federal cabinet. A letter of introduction was sent to Ms. Leonna Aglukkaq with an invitation to be briefed on the project and its importance to Nunavut.

A territorial election was held in October 2008 which resulted in many new people being elected as MLA's and new persons being appointed to Cabinet. Letters of congratulations including information packages, and an opportunity to be briefed on Starfield's Ferguson Lake Project were sent to Kivalliq MLA's, Ministers and the Premier.

Local hamlet elections were held in early December 2008. Letters of congratulations to Kivalliq Hamlets were sent out along with information packages and an invitation to be briefed on Starfield's Ferguson Lake Project.

This program was discontinued after 2008 due to budget and personnel limitations.