Lay Down Area

A significant effort was spent segregating and sorting the waste in the lay down area. It is apparent that more stringent controls of contractors is required and new protocols will be developed and implemented prior to the arrival of contractors to site. Continued effort is required when Starfield personnel return to site mid August. This area will be sorted before camp is closed for the winter months.

Drums

The remaining crushed drums were stacked neatly with the ones that had been stacked last fall. The crushed drums were drained and cleaned prior to crushing in 2008. They are housed within secondary containment and will be back-hauled to Arviat in the future to be shipped south.

The drums in the berm were re-stacked after shifting during the snow melt had loosened the rows. The drums are in neat rows with the bungs in the 3:00 and 9:00 position.

Secondary Containment Around Camp

Water was pumped from the secondary containment structures around the camp and the water transferred to the berm.

Regards,

Accumulated Water Within the Lined Earthen Berm

Due to the rapid change in weather conditions last fall, less than the desired volume of water was treated and discharged from the berm. With the snow melt, the current volume of water within the berm is very similar to the volume found last year when we arrived at site. In mid August, Starfield will return to site and assemble the water treatment system. Water samples will be collected before treatment and then water will be treated, sampled, and discharged back into the berm until water quality results are confirmed by the lab. This way we can establish the condition of the water treatment system and it's performance abilities after being stored for the winter.

Sincerely,

Fred Mason VP Operations

Starfield Resources Inc.

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