



INDUSTRIAL WATER USE INSPECTION REPORT

DATE: July 22/05 COMPANY REP.: Jim Empey
LICENSEE: Nunee precious metals LICENCE #: NWBZGF00210

WATER SUPPLY: Approximately 2 months use
Source: George Lake Quantity Used: 326 m^3 Meter Rdg.:
Indicate: A - Acceptable U - Unacceptable N/A - Not Applicable
Intake Facilities: NA Storage Structures: A Treatment Systems: A UV/Filtration: NA
Flow Meas. Device: NA Conveyance Lines: A Pumping Stations: NA Recycling Modifications: NA
Comments: Need a drip pan for the pump at the hole edge, water treated through UV + filtration. The holding tank for drinking water is open but the water is treated before being used as potable water.

WASTE DISPOSAL: shipment off site
Tailings: Tailings Pond [] Natural Lake [] Underground []
Sewage: Incineration on site Sewage Treat. System [] Tailings Pond [] Natural Water Body []
Solid Waste: Continuous Discharge [] Inter. Dischg. [] Landfill [] Burn & Bury [] Undergound []
Indicate: A - Acceptable U - Unacceptable N/A - Not Applicable
Discharge Quality: NA Conveyance Lines: NA Disch. Meas. Dev.: NA Freeboard: NA
Decant Structures: NA Pond Treatment: NA Dams, Dykes: NA Seepages: NA
Dyke Inspections: NA Runoff Diversion: NA Erosion: A Spills: A
Effluent Discharge Rate: NA Samples Collected: None

Comments: Gravel is discharged on site to the stream. Solid waste is shipped off site as are hazardous waste such as batteries. Waste fuel + oil + all barrels are incinerated. Sludge is incinerated on site.

Nunavut Water Board
OCT 11 2005
Public Registry

GENERAL CONDITIONS
Indicate: A - Acceptable U - Unacceptable N/A - Not Applicable
Ore & Waste Rock Stockpiles: NA Records & Reporting: NA Surv. Net. Prog.: NA
Geotechnical Inspection: NA Posting, Signage: NA Contingency Plan: NA
Restoration Activities: NA New Construction: NA Fuel Storage: NA
Mine Water Discharge: NA Chemical Storage: NA Annual Report: NA

Comments: A tank farm for 6 70000L storage tanks. The tanks are expected to be installed this weekend and the tanks will follow shortly after that. Some salt bags had holes open + should be cleaned up.
Violations of Act or Licence: Aside from a drip pan being required for the water pump at the edge of George Lake no violations were observed during the inspection.

General Comments: The camp is generally quite clean with plastic spill grounds around all fuel tanks for supplies & accommodations and a very clean, tidy tank farm. In addition to the tank farm the licensee should install a bid formed contaminated soil form for remediation.
Page 2 attached [] Yes [x] No

SITE SUPERINTENDENT: Scott Stewart
Licensee Representative's Title: Inspector's Name
Licensee Representative's Signature: Inspector's Signature