

GOOSE LAKE FACT SHEET

Goose Lake located at 65 33 North latitude and 106 25 West longitude, approx. 400 km southwest of Cambridge Bay, near headwaters of Ellice River

Proponent: Kit Resources NWT Ltd. (Formerly Arauco NWT Ltd.) Purchased 100% of the George and Goose Lake property from Homestake and Back River Joint Venture in 1997.

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Type of Exploration: Gold

Grade: Current geological resource of 1.4 million tonnes which grades 13,80 gram per tonne of gold.

Mill Processing: For the underground bulk sample to be done at George Lake

Employees: 50 people (~10 Inuit)

Water Use: < 30 m³/day (10 m³/d potable water, 7.8m³/d/drill x 2)

Water Source: Goose Lake and tributaries

Greywater discharge: sump

Sewage Discharge: Sump No 1 - located on east side of kitchen building for the kitchen and bath-house facilities (capacity to be increased this yr.)

Sump No 2 - new sump located west of camp. Greywater will be pumped to sump. The modified system promotes drainage away from Goose Lake.

Outhouse located in glacial north of camp, 100 m from GL.

Solid Waste: combustible garbage will be incinerated in a new diesel incinerator. Metals and non-combustible material will be back hauled to Yellowknife.

Fuel Storage: mainly in lay down area on storage pad. Alternately during drilling operation storage to be located minimum of 50m away from any natural water body.

Phase I - Diamond Drilling

- 10,000 m definition drilling(total 7000 tonnes)
- Mention promotion of recycling water in drilling process

- define tributaries concern with limited flow for small streams (Kidney pond, Kidney Creek, Round Pond, Llama Lake, and Umwelt Lake)
- discharge to sumps location of sumps minimum distance from water body required
- drill additives Salt (Calcium Chloride or Sodium Chloride), GSX20Bit Coolant, and Alkapam A-1703 Mud
- determine if additives are toxic?

Phase II - Trenching

- concern with disruption of vegetative cover in area of continuous permafrost may yield thermokarst features (ground ice melting)
- define characteristic of overburden material
- define characteristic of the host rock
- characterization of mineralized rock required to evaluate chemical reactivity to determine concerns with drainage
- Capacity of collection pond?
- Pad thickness of 1m to prevent surface runoff
- outline discharge requirement from settling pond
- define SNP location for the control point for discharge
- review hydrology on amount of runoff expected
- overburden to be used in construction of storage pad and roads
- 3000m of unmineralized development rock to be used to build road
- Laydown area to store equipment and fuel in 45 gall drums.
- Earthen berm to divert surface water runoff through temporary settling pond
- groundwater if encountered pumped into settling pond
- Precipitation draining through the stockpiled mineralized rock will be diverted to Settling Pond No. 1 and monitored regularly

Phase III - Bulk Sampling

- 7000 m3 temporarily stockpiled
- trucked via winter road to nearby mill for pilot scale tests.
- location of mill? Will temporary storage at mill site be required? what monitoring of drainage will be done?

Phase IV - Environmental Monitoring

Licensing Consideration

- confirm mining leases issued prior to NWB approval