

NWB Annual Report

Year being reported: 2007 ▼

License No: 2BE-GOO0510

Issued Date: March 11, 2005

Expiry Date: March 31, 2010

Project Name:

Licensee:

Mailing Address:

Name of Company filing Annual Report (if different from Name of Licensee please clarify relationship between the two entities, if applicable):

General Background Information on the Project (*optional):

Licence Requirements: the licensee must provide the following information in accordance with

▼ ▼

A summary report of water use and waste disposal activities, including, but not limited to: methods of obtaining water; sewage and greywater management; drill waste management; solid and hazardous waste management.

Water Source(s):	<input type="text" value="Goose Lake and unnamed lakes in vicinity of drilling"/>	
Water Quantity:	<input type="text" value="130"/>	Quantity Allowable Domestic (cu.m/day)
	<input type="text" value="6.7"/>	Actual Quantity Used Domestic (cu.m/day)
	<input type="text" value=""/>	Quantity Allowable Drilling (cu.m)
	<input type="text" value="0"/>	Total Quantity Used Drilling (cu.m)

Waste Management and/or Disposal

- ☐ Solid Waste Disposal
- ☒ Sewage
- ☐ Drill Waste
- ☒ Greywater
- ☒ Hazardous
- ☐ Other:

Additional Details:

A list of unauthorized discharges and a summary of follow-up actions taken.Spill No.: (as reported to the Spill Hot-line)Date of Spill: Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

The spill was completely contained and cleaned up. An improved marking system was developed to aid in future snow clearing operations and avoid equipment-fuel drum collisions.

Another small spill occurred early in the morning of April 2. During a fuel transfer from Hercules aircraft to the bulk storage tanks, approximately 10L was released to the ground resulting from a transfer pump mismatch. The spill was completely contained and cleaned up. The volume was below DPM's threshold for reporting (25L), so an internal report was generated and filed.

Revisions to the Spill Contingency Plan

Other: (see additional details) ▼

Additional Details:

A 2007 Spill Contingency Plan was submitted to the NWB in December 2006. Revisions to this document were resubmitted in July, 2007. An addendum to the 2007 Plan was requested in December, 2007 requesting that the plan be updated specific to the Goose Lake camp. In light of the timing of the request, in lieu of an addendum, the Plan was rewritten and resubmitted for the 2008 season on March 10, 2008.

Revisions to the Abandonment and Restoration Plan

Other: (see additional details) ▼

Additional Details:

A 2007 Spill Contingency Plan was submitted to the NWB in December 2006. Revisions to this document were resubmitted in July, 2007. An addendum to the 2007 Plan was requested in December, 2007 requesting that the plan be updated specific to the Goose Lake camp. In light of the timing of the request, in lieu of an addendum, the Plan was rewritten and resubmitted for the 2008 season on March 10, 2008.

Progressive Reclamation Work Undertaken

Additional Details (i.e., work completed and future works proposed)

Cleanup activities are ongoing across the entire Back River project. Numerous pallets of waste material, old equipment and crushed fuel drums have been stockpiled at Goose Lake for backhaul on Hercules supply flights during 2008.

Results of the Monitoring Program including:

The GPS Co-ordinates (in degrees, minutes and seconds of latitude and longitude) of each location where sources of water are utilized;

Details described below



Additional Details:

65°32'42" N, 106°25'29" W - domestic water source for camp

The GPS Co-ordinates (in degrees, minutes and seconds of latitude and longitude) of each location where wastes associated with the licence are deposited;

Details described below



Additional Details:

65°32'37" N, 106°25'36" W - Incinerator
 65°32'39" N, 106°25'39" W - Greywater sump
 65°32'30" N, 106°25'35" W - Drill cuttings sump (cuttings captured at rig with megabag system)

Results of any additional sampling and/or analysis that was requested by an Inspector

Additional sampling requested by an Inspector or the Board (See below)



Additional Details: (date of request, analysis of results, data attached, etc)

Water samples were collected prior to discharging meltwater from the bermed fuel storage area. Tests were negative for BTEX, F1, F2 hydrocarbons (results attached).

During an inspection in July, 2007, the inspector requested samples be taken of the meltwater which accumulated in the exploration trenches at Goose Lake. A report outlining those results is attached.

Any other details on water use or waste disposal requested by the Board by November 1 of the year being reported.

No additional sampling requested by an Inspector or the Board



Additional Details: (Attached or provided below)

Any responses or follow-up actions on inspection/compliance reports

Inspection Report received by the Licensee (Date):



Additional Details: (Dates of Report, Follow-up by the Licensee)

Inspection report received October 26, 2007.

Copies of plans associated with the bulk fuel storage area were requested, and are attached to this report.

Approval for the Trenching Plan was requested, and is attached to this report.

Any additional comments or information for the Board to consider

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Date Submitted:

March 31, 2008

Submitted/Prepared by:

Dan Russell, P.Geo.

Contact Information:

Tel: 416-365-2841

Fax: 416-365-9080

email: drussell@dundeprecious.com (preferred method)

<i>Date</i>	<i>Packing Slip Number</i>	<i>Item</i>	<i>Quantity</i>	<i>Disposal Facility</i>	<i>Receiver Number</i>	<i>Comments</i>
13-Jun-07	50	HC contaminated soils	138 drums	Newalta Corp., Leduc, AB	AHR 10052	Disposal coordinated through Discovery Mining Services and KBL Environmental, Yellowknife.
31-Jul-07	63	HC contaminated water	1 drum	Clean Harbours, Ryley, AB	ABR 1089	
		Waste flammable liquids	4 drums			
		Lube oil w/ lead	1 drum			

ALS Laboratory Group

ANALYTICAL CHEMISTRY & TESTING SERVICES

TANK FARM SAMPLES



Environmental Division

ANALYTICAL REPORT

DUNDEE PRECIOUS METALS

ATTN: DAN RUSSELL

3060 - 200 BAY STREET
ROYAL BANK PLAZA, SOUTH TOWER
TORONTO ON M5J 2J1

Reported On: 18-JUL-07 10:03 AM

Revision: 1

Lab Work Order #: **L519167**

Date Received: **18-JUN-07**

Project P.O. #:

Job Reference:

Legal Site Desc:

CofC Numbers: A048058

Other Information:

Comments:

RON MINKS
Director, Western Canada Operations

For any questions about this report please contact your Account Manager:

ALAINA HUNTER

THIS REPORT SHALL NOT BE REPRODUCED EXCEPT IN FULL WITHOUT THE WRITTEN AUTHORITY OF THE LABORATORY.
ALL SAMPLES WILL BE DISPOSED OF AFTER 30 DAYS FOLLOWING ANALYSIS. PLEASE CONTACT THE LAB IF YOU
REQUIRE ADDITIONAL SAMPLE STORAGE TIME.

Part of the **ALS Canada Ltd.**
ALS Laboratory Group
9936-67 Avenue, Edmonton, AB T6E 0P5
Phone: +1 780 413 5227 Fax: +1 780 437 2311 www.alsglobal.com
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Reference Information

Methods Listed (if applicable):

ALS Test Code	Matrix	Test Description	Preparation Method Reference(Based On)	Analytical Method Reference(Based On)
BTX,F1-ED	Water	BTEX and F1 (C6-C10)	EPA 5030	EPA 5030/8015&8260-P&T GC-MS & FID
F2-ED	Water	F2 (>C10-C16)		EPA 3510/8000-GC-FID

** Laboratory Methods employed follow in-house procedures, which are generally based on nationally or internationally accepted methodologies.

Chain of Custody numbers:

A048058

The last two letters of the above test code(s) indicate the laboratory that performed analytical analysis for that test. Refer to the list below:

Laboratory Definition Code	Laboratory Location	Laboratory Definition Code	Laboratory Location
ED	ALS LABORATORY GROUP - EDMONTON, ALBERTA, CANADA		

GLOSSARY OF REPORT TERMS

Surr - A surrogate is an organic compound that is similar to the target analyte(s) in chemical composition and behavior but not normally detected in environmental samples. Prior to sample processing, samples are fortified with one or more surrogate compounds.

The reported surrogate recovery value provides a measure of method efficiency. The Laboratory control limits are determined under column heading D.L.

mg/kg (units) - unit of concentration based on mass, parts per million.

mg/L (units) - unit of concentration based on volume, parts per million.

< - Less than.

D.L. - The reporting limit.

N/A - Result not available. Refer to qualifier code and definition for explanation.

Test results reported relate only to the samples as received by the laboratory.

UNLESS OTHERWISE STATED, ALL SAMPLES WERE RECEIVED IN ACCEPTABLE CONDITION.

UNLESS OTHERWISE STATED, SAMPLES ARE NOT CORRECTED FOR CLIENT FIELD BLANKS.

Although test results are generated under strict QA/QC protocols, any unsigned test reports, faxes, or emails are considered preliminary.

ALS Laboratory Group has an extensive QA/QC program where all analytical data reported is analyzed using approved referenced procedures followed by checks and reviews by senior managers and quality assurance personnel. However, since the results are obtained from chemical measurements and thus cannot be guaranteed, ALS Laboratory Group assumes no liability for the use or interpretation of the results.

March 28, 2008

Background

During an inspection by Indian and Northern Affairs Canada in July of 2007, the exploration trenches behind the camp at Goose Lake were noted to have water in them. This item was raised as an issue of concern by the inspector due to the possibility of metals leaching from the bedrock to the water and potential impacts should the water drain from the trenches to the surrounding environment and ultimately into Goose Lake.

At the time of the inspection, the inspector requested that Dundee Precious Metals collect water samples to determine the potential impacts on any receiving water body. In the inspector's report dated October 26, 2007, it was stated that results from testing were not conclusive, with elevated levels of trace metals above the CCME Guidelines for the Protection of Aquatic life noted. A directive was issued to develop a plan to address the water collected in the trenches. This report outlines the results of sampling events conducted by Dundee Precious Metals as well as by Gartner Lee Limited as part of their environmental baseline program in 2007. Recommendations for addressing the collection of water are included in the conclusion.

Physical Setting

The trenches are located approximately 300 m south of the camp at Goose Lake (Figure 1). The only source of water to the trenches is precipitation, primarily from annual melt of snow which accumulates over the winter months, with minimal supplemental amounts of rainfall during the summer.

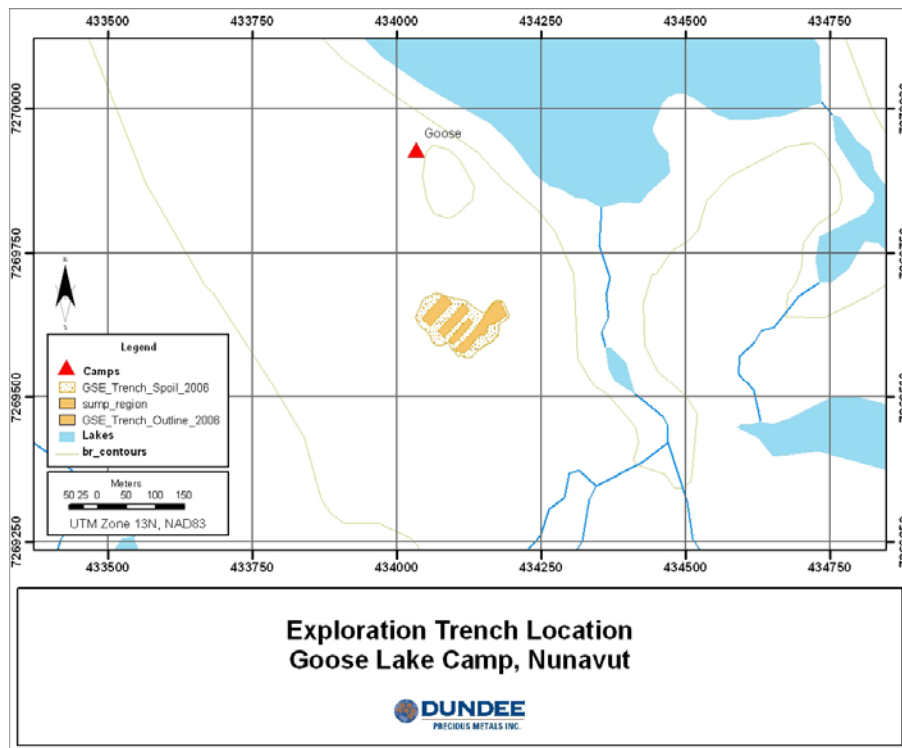


Figure 1. Location of the exploration trenches at Goose Lake, Nunavut.

Overburden from the construction of the trenches was pushed to the northeastern end, creating a physical barrier between the trenches and the stream and Goose Lake to the east and north. The lowest points (potential discharge points) for the trenches are at the southwestern end of each. At the time of sampling on July 9, 2007, the level of water in the trench which was sampled was below the lowest point along the rim, therefore there was no drainage occurring. Drainage is most likely to occur during freshet, with the water flowing out to the tundra southwest of the trenches, and eventually east to southeast toward the small stream which drains into Goose Lake. The primary source of outflow during the summer months is evaporation.

Sampling Procedures

A total of 2 samples were collected at the northeast and southwest ends of Trench #2 (second from left in Figure 1). These samples were labeled BR-TR01 and BR-TR02. A third sample, BR-TR03 was collected from standing water on the tundra approximately 15 m to the southwest of the trenches for comparative purposes, as this would be the first source of water contacted prior to entering the stream to the east.

Appropriate sampling supplies were obtained from ALS Laboratories in Yellowknife and consisted of 3 250 mL bottles for routine analysis (pH, conductivity, hardness, nutrients and major ions) and 3 125 mL bottles for trace metal samples. Each sample bottle was rinsed 3 times with a small amount of the water to be sampled. Field measurements of pH, conductivity, TDS and temperature were collected at the time of sampling.

The trace metal samples were filtered through 0.45 µm membranes and acidified with ultrapure HNO₃. All samples were kept cool with ice packs until delivered to ALS in Yellowknife for transport to the lab in Edmonton.

Analytical Results

Field measurements from the water sampling event are presented in Table 1 along with comparative lab values.

Sample ID	pH		Conductivity (µS/cm)		TDS (mg/L)		Temperature (°C)		Notes
	Field	Lab	Field	Lab	Field	Lab	Field	Lab	
BR-TR01	7.56	7.8	358	380	189	200	15.5	NA	Northeast end of trench #2
BR-TR02	7.58	7.8	366	383	195	201	15.7	NA	Southwest end of trench #2
BR-TR03	3.66	3.9	1242	1270	659	584	19.0	NA	Tundra

Table 1. Field measurements collected during trench water sampling event July 9, 2007

The analytical report from ALS Laboratory Group follows this report. Analytical values for pH, conductivity and TDS are in strong agreement with those collected in the field.

There is little to no difference between the analytical values for all parameters for samples BR-TR01 and BR-TR02. Many of the parameters are below detection limits, with the remainder returning results which are less than the CCME Guidelines for the Protection of Aquatic Life.

Several elements returned much higher results from sample BR-TR03 than the two samples from the trench. Most notable are Fe, Al, Cu, Ni, Se, and Sr, which are all in excess of the CCME Guidelines.

Discussion

The agreement between the analytical results for BR-TR01 and BR-TR02 indicates that the composition of the water is consistent throughout the trench sampled. Given the comparable size of the other trenches and the fact that they are overlying the same lithologic units, have similar areas of contact with those units, and are bounded on the sides by the same overburden material, it would be reasonable to assume a similar water quality for each of the trenches and that the samples collected are representative.

The analytical results from both of the trench samples suggests quite benign water chemistry. The neutral to slightly alkaline pH is sufficient to inhibit the leaching of most metals. Some elements such as As and Mo may be mobile under neutral to alkaline conditions, however the analytical results do not indicate elevated levels of these elements.

The sample of standing water collected from the tundra returned noticeably different analytical results. As the source of this water is the same as that in the trenches (melted snow), the highly acidic pH value may be derived from humic and fulvic acids resulting from contact of the water with organic matter in the upper part of the soil column. As a result of this greatly decreased pH, the ability of the water to leach metals is increased. In particular, Fe and Al are respectively 23 and 62 times the CCME Guidelines, and are also likely contributors to the acidity of the water. Copper, Ni and Se are also in excess of the guidelines by factors of 1.9, 1.4 and 1.9. On the other hand, a large number of other parameters are below the levels outlined in the CCME guidelines. Arsenic in particular shows no difference between the samples collected in the trench and that collected from the tundra.

Gartner Lee Limited conducted environmental baseline studies for DPM in 2007. During trips to site in July and August, samples were collected from the outlet of the stream east of the trenches which drains into Goose Lake. This stream would be the first watercourse encountered by runoff from the trench or the adjacent tundra. Neither sample collected from either trip returned any values in excess of the CCME Guidelines for the Protection of Aquatic Life, indicating that *if* water is draining into this stream from the naturally occurring standing water on the tundra southwest of the trenches, it is being sufficiently diluted by natural drainage so as to have no deleterious impact to Goose Lake.

Data from the Gartner Lee sampling events is not included with this report, but may be inspected upon request.

Conclusion and Recommendations

The likelihood of water from the trench having a deleterious impact to any water course is negligible; water chemistry from the trenches does not indicate the presence of any elements of concern. Metal concentrations for several parameters are slightly elevated when compared to those values obtained by sampling conducted by Gartner Lee at the outlet of the stream draining into Goose Lake, but remain well within acceptable limits. Furthermore, the supply of water is replenished each year by snowfall, and it is not expected that the reaction kinetics of leaching of deleterious elements is sufficiently rapid to raise the concentrations to excessive levels.

Should the water from the trenches need to be discharged for any particular reason, the net result would be dilution of several parameters in the naturally occurring water on the tundra, which occurs between that in the trench and the nearest water courses.

Given these results, it is recommended that the most practical and reasonable option for addressing the accumulation of water in the trenches is to do nothing. No impact to any watercourse has been demonstrated and the removal of the water and monitoring of the pumps would create extra work for camp personnel as well as unnecessary fuel consumption and exhaust emissions.



Environmental Division

ANALYTICAL REPORT

DUNDEE PRECIOUS METALS

ATTN: DAN RUSSELL

3060 - 200 BAY STREET
ROYAL BANK PLAZA, SOUTH TOWER
TORONTO ON M5J 2J1

Reported On: 18-JUL-07 04:55 PM

Revision: 1

Lab Work Order #: L528696

Date Received: 11-JUL-07

Project P.O. #:

Job Reference:

Legal Site Desc:

CofC Numbers: A038595

Other Information:

Comments:

RON MINKS
Director, Western Canada Operations

For any questions about this report please contact your Account Manager:

ALAINA HUNTER

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ALL SAMPLES WILL BE DISPOSED OF AFTER 30 DAYS FOLLOWING ANALYSIS. PLEASE CONTACT THE LAB IF YOU
REQUIRE ADDITIONAL SAMPLE STORAGE TIME.

ALS Canada Ltd. (formerly ETL Chemspec Analytical Ltd.)
Part of the **ALS Laboratory Group**

9936-67 Avenue, Edmonton, AB T6E 0P5
Phone: +1 780 413 5227 Fax: +1 780 437 2311 www.alsglobal.com
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ALS LABORATORY GROUP ANALYTICAL REPORT

Sample Details/Parameters	Result	Qualifier*	D.L.	Units	Extracted	Analyzed	By	Batch
L528696-1 BR-TR01								
Sampled By: NOT PROVIDED on 09-JUL-07 @ 16:30								
Matrix: WATER								
Dissolved Metals								
Dissolved Major Metals								
Iron (Fe)	0.008		0.005	mg/L		14-JUL-07	HAS	R548469
Manganese (Mn)	0.138		0.001	mg/L		14-JUL-07	HAS	R548469
Dissolved Trace Metals (Low Level)								
Silver (Ag)	<0.0002		0.0002	mg/L		17-JUL-07	CVM	R549188
Aluminum (Al)	0.03		0.01	mg/L		17-JUL-07	CVM	R549188
Arsenic (As)	0.0011		0.0004	mg/L		17-JUL-07	CVM	R549188
Boron (B)	0.018		0.002	mg/L		17-JUL-07	CVM	R549188
Barium (Ba)	0.0126		0.0001	mg/L		17-JUL-07	CVM	R549188
Beryllium (Be)	<0.0005		0.0005	mg/L		17-JUL-07	CVM	R549188
Bismuth (Bi)	<0.00005		0.00005	mg/L		17-JUL-07	CVM	R549188
Cadmium (Cd)	<0.0001		0.0001	mg/L		17-JUL-07	CVM	R549188
Cobalt (Co)	0.0006		0.0001	mg/L		17-JUL-07	CVM	R549188
Chromium (Cr)	0.0017		0.0004	mg/L		17-JUL-07	CVM	R549188
Copper (Cu)	0.0017		0.0006	mg/L		17-JUL-07	CVM	R549188
Molybdenum (Mo)	0.0007		0.0001	mg/L		17-JUL-07	CVM	R549188
Nickel (Ni)	0.0022		0.0001	mg/L		17-JUL-07	CVM	R549188
Lead (Pb)	<0.0001		0.0001	mg/L		17-JUL-07	CVM	R549188
Antimony (Sb)	<0.0004		0.0004	mg/L		17-JUL-07	CVM	R549188
Selenium (Se)	0.0007		0.0004	mg/L		17-JUL-07	CVM	R549188
Tin (Sn)	0.0015		0.0002	mg/L		17-JUL-07	CVM	R549188
Strontium (Sr)	0.133		0.0001	mg/L		17-JUL-07	CVM	R549188
Titanium (Ti)	0.0005		0.0003	mg/L		17-JUL-07	CVM	R549188
Thallium (Tl)	<0.00005		0.00005	mg/L		17-JUL-07	CVM	R549188
Uranium (U)	0.0011		0.0001	mg/L		17-JUL-07	CVM	R549188
Vanadium (V)	0.0005		0.0001	mg/L		17-JUL-07	CVM	R549188
Zinc (Zn)	0.006		0.002	mg/L		17-JUL-07	CVM	R549188
Lithium (Li)-Dissolved	0.0023		0.0001	mg/L		17-JUL-07	CVM	R549188
Silicon (Si)-Dissolved	0.4		0.1	mg/L		14-JUL-07	HAS	R548469
Thorium (Th)-Dissolved	<0.05		0.05	mg/L		17-JUL-07	CVM	R549188
Routine Water Analysis								
Chloride (Cl)	63		1	mg/L		15-JUL-07	RGM	R548389
ICP metals and SO4 for routine water								
Calcium (Ca)	38.7		0.5	mg/L		15-JUL-07	EOC	R548557
Potassium (K)	1.1		0.5	mg/L		15-JUL-07	EOC	R548557
Magnesium (Mg)	18.3		0.1	mg/L		15-JUL-07	EOC	R548557
Sodium (Na)	<1		1	mg/L		15-JUL-07	EOC	R548557
Sulfate (SO4)	60.9		0.5	mg/L		15-JUL-07	EOC	R548557
Ion Balance Calculation								
Ion Balance	95.0			%		16-JUL-07		
TDS (Calculated)	200			mg/L		16-JUL-07		
Hardness (as CaCO3)	172			mg/L		16-JUL-07		
Nitrate+Nitrite-N	0.2		0.1	mg/L		14-JUL-07	BLI	R548166
Nitrate-N	0.2		0.1	mg/L		14-JUL-07	BLI	R548166
Nitrite-N	<0.05		0.05	mg/L		14-JUL-07	BLI	R548166
pH, Conductivity and Total Alkalinity								
pH	7.8		0.1	pH		14-JUL-07	JWU	R548688
Conductivity (EC)	380		0.2	uS/cm		14-JUL-07	JWU	R548688
Bicarbonate (HCO3)	36		5	mg/L		14-JUL-07	JWU	R548688
Carbonate (CO3)	<5		5	mg/L		14-JUL-07	JWU	R548688

Sample Details/Parameters		Result	Qualifier*	D.L.	Units	Extracted	Analyzed	By	Batch
L528696-1	BR-TR01								
Sampled By: NOT PROVIDED on 09-JUL-07 @ 16:30									
Matrix: WATER									
Routine Water Analysis									
pH, Conductivity and Total Alkalinity									
Hydroxide (OH)		<5		5	mg/L		14-JUL-07	JWU	R548688
Alkalinity, Total (as CaCO3)		29		5	mg/L		14-JUL-07	JWU	R548688
L528696-2	BR-TR02								
Sampled By: NOT PROVIDED on 09-JUL-07 @ 16:30									
Matrix: WATER									
Dissolved Metals									
Dissolved Major Metals									
Iron (Fe)		0.010		0.005	mg/L		14-JUL-07	HAS	R548469
Manganese (Mn)		0.139		0.001	mg/L		14-JUL-07	HAS	R548469
Dissolved Trace Metals (Low Level)									
Silver (Ag)		<0.0002		0.0002	mg/L		17-JUL-07	CVM	R549188
Aluminum (Al)		0.03		0.01	mg/L		17-JUL-07	CVM	R549188
Arsenic (As)		0.0013		0.0004	mg/L		17-JUL-07	CVM	R549188
Boron (B)		0.018		0.002	mg/L		17-JUL-07	CVM	R549188
Barium (Ba)		0.0125		0.0001	mg/L		17-JUL-07	CVM	R549188
Beryllium (Be)		<0.0005		0.0005	mg/L		17-JUL-07	CVM	R549188
Bismuth (Bi)		<0.00005		0.00005	mg/L		17-JUL-07	CVM	R549188
Cadmium (Cd)		<0.0001		0.0001	mg/L		17-JUL-07	CVM	R549188
Cobalt (Co)		0.0006		0.0001	mg/L		17-JUL-07	CVM	R549188
Chromium (Cr)		0.0014		0.0004	mg/L		17-JUL-07	CVM	R549188
Copper (Cu)		0.0016		0.0006	mg/L		17-JUL-07	CVM	R549188
Molybdenum (Mo)		0.0008		0.0001	mg/L		17-JUL-07	CVM	R549188
Nickel (Ni)		0.0031		0.0001	mg/L		17-JUL-07	CVM	R549188
Lead (Pb)		<0.0001		0.0001	mg/L		17-JUL-07	CVM	R549188
Antimony (Sb)		<0.0004		0.0004	mg/L		17-JUL-07	CVM	R549188
Selenium (Se)		0.0007		0.0004	mg/L		17-JUL-07	CVM	R549188
Tin (Sn)		<0.0002		0.0002	mg/L		17-JUL-07	CVM	R549188
Strontium (Sr)		0.136		0.0001	mg/L		17-JUL-07	CVM	R549188
Titanium (Ti)		0.0003		0.0003	mg/L		17-JUL-07	CVM	R549188
Thallium (Tl)		<0.00005		0.00005	mg/L		17-JUL-07	CVM	R549188
Uranium (U)		0.0011		0.0001	mg/L		17-JUL-07	CVM	R549188
Vanadium (V)		0.0004		0.0001	mg/L		17-JUL-07	CVM	R549188
Zinc (Zn)		0.006		0.002	mg/L		17-JUL-07	CVM	R549188
Lithium (Li)-Dissolved		0.0019		0.0001	mg/L		17-JUL-07	CVM	R549188
Silicon (Si)-Dissolved		0.4		0.1	mg/L		14-JUL-07	HAS	R548469
Thorium (Th)-Dissolved		<0.05		0.05	mg/L		17-JUL-07	CVM	R549188
Routine Water Analysis									
Chloride (Cl)		63		1	mg/L		15-JUL-07	RGM	R548389
ICP metals and SO4 for routine water									
Calcium (Ca)		38.4		0.5	mg/L		15-JUL-07	EOC	R548557
Potassium (K)		1.3		0.5	mg/L		15-JUL-07	EOC	R548557
Magnesium (Mg)		18.3		0.1	mg/L		15-JUL-07	EOC	R548557
Sodium (Na)		<1		1	mg/L		15-JUL-07	EOC	R548557
Sulfate (SO4)		61.3		0.5	mg/L		15-JUL-07	EOC	R548557
Ion Balance Calculation									
Ion Balance		94.9			%		16-JUL-07		
TDS (Calculated)		201			mg/L		16-JUL-07		
Hardness (as CaCO3)		171			mg/L		16-JUL-07		
Nitrate+Nitrite-N		0.2		0.1	mg/L		14-JUL-07	BLI	R548166

Sample Details/Parameters		Result	Qualifier*	D.L.	Units	Extracted	Analyzed	By	Batch
L528696-2	BR-TR02								
Sampled By: NOT PROVIDED on 09-JUL-07 @ 16:30									
Matrix: WATER									
Routine Water Analysis									
Nitrate-N		0.2		0.1	mg/L		14-JUL-07	BLI	R548166
Nitrite-N		<0.05		0.05	mg/L		14-JUL-07	BLI	R548166
pH, Conductivity and Total Alkalinity									
pH		7.8		0.1	pH		14-JUL-07	JWU	R548688
Conductivity (EC)		383		0.2	uS/cm		14-JUL-07	JWU	R548688
Bicarbonate (HCO3)		35		5	mg/L		14-JUL-07	JWU	R548688
Carbonate (CO3)		<5		5	mg/L		14-JUL-07	JWU	R548688
Hydroxide (OH)		<5		5	mg/L		14-JUL-07	JWU	R548688
Alkalinity, Total (as CaCO3)		29		5	mg/L		14-JUL-07	JWU	R548688
L528696-3	BR-TR03								
Sampled By: NOT PROVIDED on 09-JUL-07 @ 16:50									
Matrix: WATER									
Dissolved Metals									
Dissolved Major Metals									
Iron (Fe)		7.06		0.005	mg/L		14-JUL-07	HAS	R548469
Manganese (Mn)		0.218		0.001	mg/L		14-JUL-07	HAS	R548469
Dissolved Trace Metals (Low Level)									
Silver (Ag)		<0.0002		0.0002	mg/L		17-JUL-07	CVM	R549188
Aluminum (Al)		0.31		0.01	mg/L		17-JUL-07	CVM	R549188
Arsenic (As)		0.0012		0.0004	mg/L		17-JUL-07	CVM	R549188
Boron (B)		0.045		0.002	mg/L		17-JUL-07	CVM	R549188
Barium (Ba)		0.319		0.0001	mg/L		17-JUL-07	CVM	R549188
Beryllium (Be)		<0.0005		0.0005	mg/L		17-JUL-07	CVM	R549188
Bismuth (Bi)		<0.00005		0.00005	mg/L		17-JUL-07	CVM	R549188
Cadmium (Cd)		0.0001		0.0001	mg/L		17-JUL-07	CVM	R549188
Cobalt (Co)		0.0218		0.0001	mg/L		17-JUL-07	CVM	R549188
Chromium (Cr)		0.0011		0.0004	mg/L		17-JUL-07	CVM	R549188
Copper (Cu)		0.0037		0.0006	mg/L		17-JUL-07	CVM	R549188
Molybdenum (Mo)		<0.0001		0.0001	mg/L		17-JUL-07	CVM	R549188
Nickel (Ni)		0.0361		0.0001	mg/L		17-JUL-07	CVM	R549188
Lead (Pb)		0.0005		0.0001	mg/L		17-JUL-07	CVM	R549188
Antimony (Sb)		<0.0004		0.0004	mg/L		17-JUL-07	CVM	R549188
Selenium (Se)		0.0019		0.0004	mg/L		17-JUL-07	CVM	R549188
Tin (Sn)		<0.0002		0.0002	mg/L		17-JUL-07	CVM	R549188
Strontium (Sr)		2.58		0.0001	mg/L		17-JUL-07	CVM	R549188
Titanium (Ti)		0.0006		0.0003	mg/L		17-JUL-07	CVM	R549188
Thallium (Tl)		<0.00005		0.00005	mg/L		17-JUL-07	CVM	R549188
Uranium (U)		<0.0001		0.0001	mg/L		17-JUL-07	CVM	R549188
Vanadium (V)		0.0002		0.0001	mg/L		17-JUL-07	CVM	R549188
Lithium (Li)-Dissolved		0.0570		0.0001	mg/L		17-JUL-07	CVM	R549188
Silicon (Si)-Dissolved		2.7		0.1	mg/L		14-JUL-07	HAS	R548469
Thorium (Th)-Dissolved		<0.05		0.05	mg/L		17-JUL-07	CVM	R549188
Routine Water Analysis									
Chloride (Cl)		384		1	mg/L		15-JUL-07	RGM	R548389
ICP metals and SO4 for routine water									
Calcium (Ca)		180		0.5	mg/L		15-JUL-07	EOC	R548557
Potassium (K)		6.4		0.5	mg/L		15-JUL-07	EOC	R548557
Magnesium (Mg)		8.9		0.1	mg/L		15-JUL-07	EOC	R548557
Sodium (Na)		5		1	mg/L		15-JUL-07	EOC	R548557
Sulfate (SO4)		<0.5		0.5	mg/L		15-JUL-07	EOC	R548557

Sample Details/Parameters	Result	Qualifier*	D.L.	Units	Extracted	Analyzed	By	Batch
L528696-3 BR-TR03 Sampled By: NOT PROVIDED on 09-JUL-07 @ 16:50 Matrix: WATER Routine Water Analysis Ion Balance Calculation Ion Balance TDS (Calculated) Hardness (as CaCO ₃) Nitrate+Nitrite-N Nitrate-N Nitrite-N pH, Conductivity and Total Alkalinity pH Conductivity (EC) Bicarbonate (HCO ₃) Carbonate (CO ₃) Hydroxide (OH) Alkalinity, Total (as CaCO ₃)	 	 	 	 	 	 	 	
* Refer to Referenced Information for Qualifiers (if any) and Methodology.								

Reference Information

Qualifiers for Sample Submission Listed:				
Qualifier	Description			
EHT	CL-ED - Exceeds Recommended Holding Time Prior To Analysis			
Sample Parameter Qualifier key listed:				
Qualifier	Description			
RRV	Reported Result Verified By Repeat Analysis			
Methods Listed (if applicable):				
ALS Test Code	Matrix	Test Description	Preparation Method Reference(Based On)	Analytical Method Reference(Based On)
CL-ED	Water	Chloride (Cl)		APHA 4500 Cl E-Colorimetry
ETL-ROUTINE-ICP-ED	Water	ICP metals and SO4 for routine water		APHA 3120 B-ICP-OES
IONBALANCE-ED	Water	Ion Balance Calculation		APHA 1030E
LI-DIS-LOW-ED	Water	Lithium (Li)-Dissolved		EPA 6020
MET1-DIS-LOW-ED	Water	Dissolved Trace Metals (Low Level)		EPA 6020
MET2-DIS-ED	Water	Dissolved Major Metals		EPA 200.7
N2N3-ED	Water	Nitrate+Nitrite-N		APHA 4500 NO3-H - COLORIMETRY
NO2-ED	Water	Nitrite-N		APHA 4500 NO2B-Colorimetry
NO3-ED	Water	Nitrate-N		APHA 4500 NO3H-Colorimetry
P-DIS-LOW-ED	Water	Phosphorus (P)-Dissolved		EPA 6020
PH/EC/ALK-ED	Water	pH, Conductivity and Total Alkalinity		APHA 4500-H, 2510, 2320
SI-DIS-ED	Water	Silicon (Si)-Dissolved		EPA 200.7
TH-DIS-LOW-ED	Water	Thorium (Th)-Dissolved		EPA 6020
** Laboratory Methods employed follow in-house procedures, which are generally based on nationally or internationally accepted methodologies.				
Chain of Custody numbers:				
A038595				
The last two letters of the above test code(s) indicate the laboratory that performed analytical analysis for that test. Refer to the list below:				
Laboratory Definition Code	Laboratory Location		Laboratory Definition Code	Laboratory Location
ED	ALS LABORATORY GROUP - EDMONTON, ALBERTA, CANADA			

Reference Information

GLOSSARY OF REPORT TERMS

Surr - A surrogate is an organic compound that is similar to the target analyte(s) in chemical composition and behavior but not normally detected in environmental samples. Prior to sample processing, samples are fortified with one or more surrogate compounds.

The reported surrogate recovery value provides a measure of method efficiency. The Laboratory control limits are determined under column heading D.L.

mg/kg (units) - unit of concentration based on mass, parts per million.

mg/L (units) - unit of concentration based on volume, parts per million.

< - Less than.

D.L. - The reporting limit.

N/A - Result not available. Refer to qualifier code and definition for explanation.

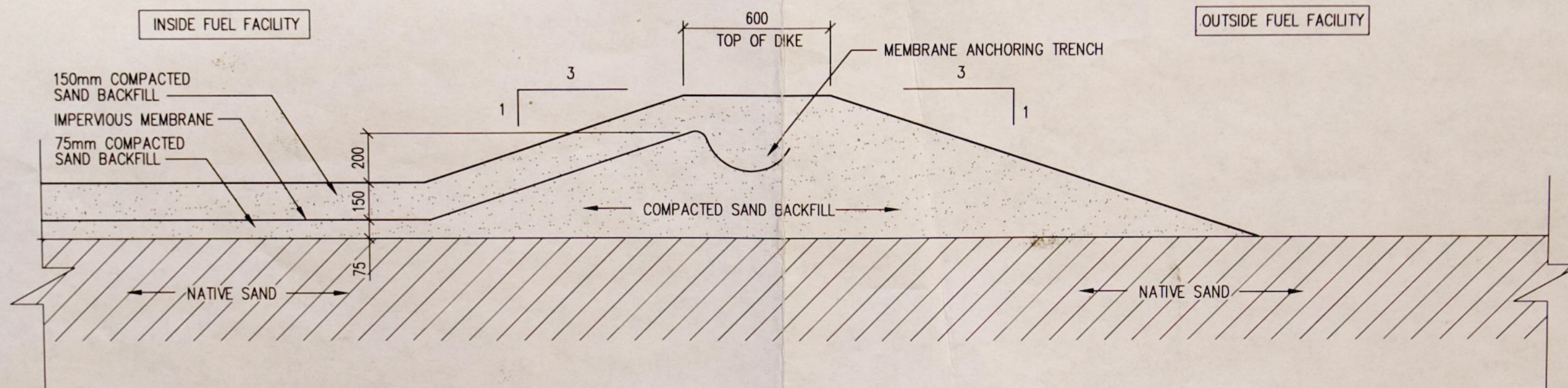
Test results reported relate only to the samples as received by the laboratory.

UNLESS OTHERWISE STATED, ALL SAMPLES WERE RECEIVED IN ACCEPTABLE CONDITION.

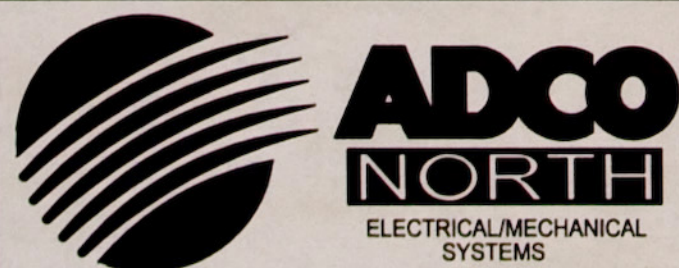
UNLESS OTHERWISE STATED, SAMPLES ARE NOT CORRECTED FOR CLIENT FIELD BLANKS.

Although test results are generated under strict QA/QC protocols, any unsigned test reports, faxes, or emails are considered preliminary.

ALS Laboratory Group has an extensive QA/QC program where all analytical data reported is analyzed using approved referenced procedures followed by checks and reviews by senior managers and quality assurance personnel. However, since the results are obtained from chemical measurements and thus cannot be guaranteed, ALS Laboratory Group assumes no liability for the use or interpretation of the results.



1 SECTION THROUGH DIKE WALL
G2 SCALE: 1:20



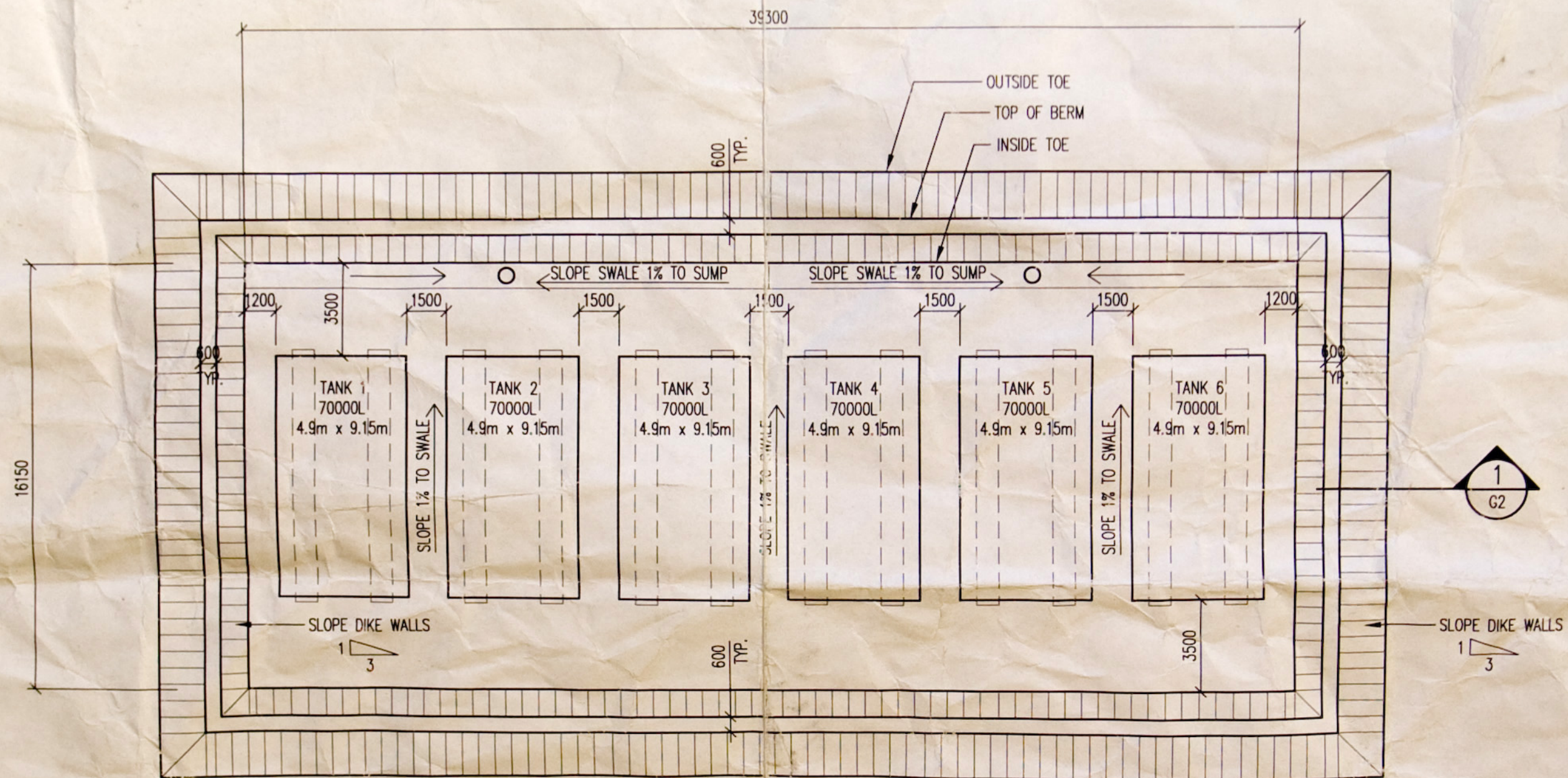
THE ASSOCIATION OF
PROFESSIONAL ENGINEERS,
GEOLOGISTS and GEOPHYSICISTS
OF THE NORTHWEST TERRITORIES
PERMIT NUMBER
P 053
A.D. WILLIAMS
ENGINEERING INC.



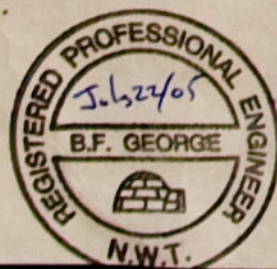
**A. D. Williams
Engineering Inc.
CONSULTING ENGINEERS**

P.O. BOX 1529 Yellowknife, NT X1A 2P2
Ph: (867)873-2395 Fax: (867)873-2547
ADWEI PROJ. NUMBER: i10149

JOB. TITLE: DUNDEE PRECIOUS MINERALS GOOSE AND GEORGE LAKES	DWN. BY: PF		DES. BY: BFG	
	REV. BY BFG		DATE: JULY 2005	
	SCALE: NTS		PROJ. # i10149	
	DWG.# G2	OF	REV.# 0	



1 SITE PLAN
G1 SCALE: 1:200



THE ASSOCIATION OF
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JOB. TITLE:
**DUNDEE PRECIOUS
MINERALS**
GOOSE AND GEORGE LAKES

DWG. TITLE:
**GOOSE LAKE
SITE PLAN**

DWN. BY: PF	DES. BY: BFG
REV. BY BFG	DATE: JULY 2005
SCALE: NTS	PROJ. # i10149
DWG# G1	OF 0



P.O. Box 119
GJOA HAVEN, NU X0B 1J0
TEL: (867) 360-6338
FAX: (867) 360-6369

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NUNAVUT WATER BOARD
NUNAVUT IMALIRIYIN KATIMAYINGI
OFFICE DES EAUX DU NUNAVUT

File: 2BE-GOO0510/D7

July 25, 2006

By Email and Regular Mail

Doug Cater
Exploration Manager
Back River Joint Venture
Dundee Precious Metals Inc.
P.O. Box 14
Suite 3220-666 Burrard Street
Vancouver, B.C. V6C 2X8

dcater@dundeeprecious.com

Subject: Dundee Precious Metals Inc.; Submission of a Trenching Plan for the Goose Lake Project; Licence 2BE-GOO0510

Dear Mr. Cater;

The Nunavut Water Board ("NWB") would like to acknowledge receipt of the above Plan under Part D, Item 7 of Licence 2BE-GOO0510. The technical review of the Abandonment and Restoration Plan has been completed and no immediate concerns were identified by interested persons during this review period. The Board has taken into consideration the information submitted. The Plan was found to meet the requirements set out in the Licence under Part D, Item 7 and is hereby approved by the NWB.

The Licensee shall carry out the trenching activity in a manner as to prevent erosion and sedimentation of any surrounding water body. Sedimentation control measures shall be implemented, where necessary in order to ensure control.

Part E of the Licence provides conditions with respect to the protection of waters during operations. These items are intended to apply during trenching activities as well.

Should you have any further questions, please feel free to contact me at (780) 443-4406, at your earliest convenience.

Yours truly,

Original signed by:

Philippe Di Pizzo
Executive Director

PDP/dh

Cc: Distribution list