

WATER USE INSPECTION REPORT FORM

Date: July 12, 2012	Licensee Rep. Site inact	tive. There is to be no camp erected in this license.
Licensee: Aura Silver Resources Inc.		Licence No: 2BE-GRE0712

Comments: The license is for water use and waste disposal pertaining to drilling. The license expires on

October 31, 2012

As per a conversation with the representative, the Inspector noted that the operation will not be active during the time of the inspection.

WATER SUPPLY

Source(s): Unknown		Quantity used: Unknow	n
Owner:/Operator: Aura Silver Resources Inc.			
Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected			I - Not Inspected
Intake Facilities: NI	Storage Structure: NA	Treatment Systems:	Chemical Storage: NA

Pumping Stations: NA

Screen: NA

Comments: No water was being used at this time, as the license is for drilling and the operation is inactive.

Conveyance Lines: NI

WASTE DISPOSAL

Flow Meas. Device: NI

Sewage: Sewage Treatment System: NA

Natural Water Body: NA	Continuous Discharge (land or water	er): NA
Seasonal Discharge: NA	Wetlands Treatment: Unknown	Trench: None

Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected

Discharge Quality: NA	Decant Structure: NA	Erosion: NA
Discharge Meas. Device: NA	Dyke Inspection: NA	Seepages: NA
Dams, Dykes: NA	Freeboard: NA	Spills: NA
Construction: NA	O&M Plan: NI	A&R Plan: NI
Periods of Discharge: NA	Effluent Discharge Rate: None	

Comments: The inspector noted the fallowing

- A drill casing, cut off at the ground and a small confined area of cuttings was located
- Wood debris was scattered around co-ordinates 64.623311379 96.326218969
- A shack was noted a top the hill near wood debris
- The shacks door was wide open and had bedding and garbage inside

The licensee is required to clear all materials from drilling locations before the expiry of this license

FUEL STORAGE:

Owner/Operator:

Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected

Berms & Liners: NA	Water within Berms: NA	Evidence of Leaks: U
Drainage Pipes: NA	Pump Station & Catchments Berm: ∪	
Pipeline Condition: NA	Condition of Tanks: NA	

Comments: No fuel was stored onsite

SURVEILLANCE NETWORK PROGRAM (SNP)

Samples Colle	cted	Owner /Operator: Inactive	
0		INAC: NA	
Signs Posted	SNP: non	е	Warning:
Records & Reporting: Annual Report submitted			
Geotechnical Inspection: N/A			



Part I item 6

The Licensee shall remove from the site, all infrastructure and site materials, including all fuel caches, drums, barrels, buildings and contents, docks, water pumps and lines, material and equipment prior to the expiry of this Licence.

Part I Item 11

The Licensee shall restore all drill holes and disturbed areas to natural conditions immediately upon completion of the drilling. The restoration of drill holes must include the removal of any drill casing materials and the capping of holes with a permanent seal.

The license is reminded these issues must be addressed before the expiry of this license

Christine Wilson Sent by E-mail Original on File Inspector's Name Inspector's Signature

Andrew Keim- A/Manager Field Operations Phyllis Beaulieu - Manager Licensing- Nunavut Water Board

Contact Information: Christine Wilson Resource Management Officer Aboriginal Affairs and Northern Development Canada Building 918 - Box 100 Iqaluit, Nunavut XOA OHO 867-975-4296 Ph 867-979-6445 Fx Christine.Wilson@aandc.gc.ca