	I Report	Year being reported: 2006 ▼
License No:	2BE-KIM0609	Issued Date: May 5, 2006
		Expiry Date: December 31, 2009
	Project Name:	Beluga Sapphire Project
	Licensee: True	e North Gems Inc
	Mailing Address:	Suite 500-602 West Hastings St Vancouver BC V6B 1P2
		filing Annual Report (if different from Name of Licensee please clarify
	True North Gems	he two entities, if applicable):
General Bac	kground Informatio	n on the Project (*optional):
Licence Rec with	-	nsee must provide the following information in accordance Item 2
	ater; sewage and gr	and waste disposal activities, including, but not limited to: methods of ey water management; drill waste management; solid and hazardous
	Water Source(s): Water Quantity:	Lake in the area of drilling; Quantity Allowable Domestic (cu.m) Actual Quantity Used Domestic (cu.m) 40 m³/day Quantity Allowable Drilling (cu.m) Total Quantity Used Drilling (cu.m) ar day was calculated on a basis of 40L/minute pump speed during 12 hours
	of drilling per day.	was saistiated on a saist of 102/minute pamp speed dailing 12 hours

	Nillilliut.
A list of u	nauthorized discharges and a summary of follow-up actions taken.
	Spill No.: Date of Spill: Date of Notification to an Inspector: Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)
	There were no unauthorized discharges.
Revisions	to the Spill Contingency Plan
	SCP addendum attached for Board consideration
	Additional Details:
	There is only one minor revision to The Spill Contingency Plan (Revised March 2007) to report. A copy of the Spill Contingency Plan (Revised March 2007) is attached to this report with changes found on page 10 and the addition of the fax from the Hamlet of Kimmirut giving True North Gems permision to use the landfill for disposal of waste (Appendix 5). Note that the MSDS Sheets have not been attached as there has been no changes to this protion of the spill contingency plan.
Revisions	to the Abandonment and Restoration Plan
	AR plan submitted and approved - no revision required or proposed Additional Details:
Progressi	ve Reclamation Work Undertaken
	Additional Details (i.e., work completed and future works proposed) Drill sites were remediated at the conclusion of the drill program. The sites were cleaned, any garbage and drill cuttings were properly disposed at designated facilities and a company representative took photographs and inspected each site to ensure that they were returned to, at minimum, their original conditions. As work is still ongoing only seasonal abandonment and restoration had been carried out as described in True North Gems' Abandonment and Restoration Plan April 2006. Only seasonal abandonment and restoration is anticipated for te next year.
Results of	the Monitoring Program including:
incoming of	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:

Water to supply the drill was pumped from the lake at N62°49'49.2" by W69°53'52.3". There were also a total of 10 water samples taken for chemical and water quality analysis across the property and surrounding area (See attached map and tables for results).

	each location where wastes associated with the licence are deposited;
	Details described below ▼
	Additional Details:
	All wastes were properly disposed of in the Municipality Landfill in the Hamlet of Kimmirut located at: N62°50'27.9" by W69°52'27.4"
	Results of any additional sampling and/or analysis that was requested by an Inspector
	No additional sampling requested by an Inspector or the Board
	Additional Details: (date of request, analysis of results, data attached, etc)
Any other d being repor	etails on water use or waste disposal requested by the Board by November 1 of the year ted.
	No additional sampling requested by an Inspector or the Board
	Additional Details: (Attached or provided below)
Any respon	ses or follow-up actions on inspection/compliance reports
	No inspection and/or compliance report issued by INAC ▼
	Additional Details: (Dates of Report, Follow-up by the Licensee)
Any additio	n <u>al comments or information for the Board to consider</u>

Date Submitted: Submitted/Prepared by: March 30, 2007

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