

Kiyuk Lake Gold Project Executive Summary Amendment

Location and Description of Undertaking

The purpose of Prosperity's activities is to continue the evaluation of the Kiyuk Lake Gold Project, located 350 km southwest of Arviat, NU.

The proposed amendments being applied for will allow a third drill and an expansion of the temporary camp already in place, increased fuel storage and preparation for an airstrip.

The minimum and maximum latitude/longitude coordinates of the property boundary remain the same:

North	60°28'42"	West	100°30'58"	Camp coordinates	60°27'49" 100°23'05"
South	60°23'15"	East	100°16'51"		

The planned work for 2013 is a diamond drill program consisting of 126 targets drilled to a maximum depth of 200 m. Other permitted activities include prospecting, rock, soil and till sampling, baseline environmental studies.

Water use and quantity

Camp expansion and a third drill will result in an increase of water for use from 100m³/day to 160 m³/day. Each hole will use a maximum 150 m³ and camp will use a maximum of 10 m³/day, thus the maximum estimated water use for the project over 200 day field season is 25,250 m³.

Waste

Combustible waste will be incinerated on site and non-combustible waste will be backhauled to Manitoba.

Other persons or properties affected by the undertaking

There are no known persons or properties that will be adversely affected by the proposed undertaking.

Predicted environmental impacts of the undertaking and proposed mitigation measures

Progressive reclamation will be implemented whereby every site will be reclaimed by ensuring that it is properly cleaned and that all equipment, debris and fuel is removed and the site is restored and left in a condition whereby natural re vegetation can occur.

Water used at the drill and camp grey water will be pumped a minimum of 31 m above the high water mark of any nearby water body and away from drainage into any water body.

Water Rights

This proposed undertaking would not impact the quality and quantity of waters.

Proposed time schedule

Upon regulatory approval mobilization of equipment and gear will begin late February 2013. The drill program will take place in two phases between February and September. The program will be completed before caribou migration in the fall.