



October 31, 2011

Tara Arko  
Technical Advisor  
Nunavut Impact Review Board  
P.O. Box 1360  
Cambridge Bay, Nunavut  
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Via Email: [tarko@nirb.ca](mailto:tarko@nirb.ca);

**Subject: NIRB File 11EN047 – Request for Additional Information for the Lupin  
Exploration Project Proposal**

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Dear Ms. Arko,

I am pleased to submit a response to your email dated October 24, 2011 including a request for additional information regarding Lupin Mines Incorporated, a wholly owned indirect subsidiary of Elgin Mining Inc.'s (Elgin) Lupin Exploration Project Proposal (Project). For clarity, I have copied NIRB's inquiries 1 through 5 into this letter and addressed each request below as follows:

1. Additional construction details on the spur roads, specifically an estimate of the length of spur road required to reach the drill targets, the construction standards that will be employed, and any considerations or mitigation measures planned to preserve the drainage or permafrost around these spur roads.

Elgin has decided not to employ spur roads to access drill sites as part of its Project at this time. Should this season's exploration results indicate that drill target sites could be accessed by spur roads then an application to amend the Project to include these features will be submitted.

As stated in the NIRB Part 2 Form, when drilling during the winter and provided there is sufficient snow cover to protect the ground cover, drill rigs will be moved on skids. During the remainder of the year the rigs will be moved between drill sites by helicopter.

2. Provide approximate values of granular material to be extracted from the existing burrow areas for the purpose of constructing the spur roads, and indicate under which permit this activity has been authorized.

As noted above, Elgin is no longer considering the construction of spur roads at this time, and therefore will not be extracting material from the existing quarries.

For information purposes, the existing borrow pits are licensed under the NWB water licence 2AM-LUP0914.

3. In the Abandonment & Restoration Plan, the reference on page 9, section 5.0, bullet 5 requires clarification. The bullet currently states that “all roads will be regarded to match natural contours”; suspect that regarded should actually be re-graded. Please clarify if this includes removal of the granular material or just redistribution of the deposited material.

Page 9, section 5, bullet 5 of the Project Abandonment and Restoration Plan should read “all roads will be re-graded to match natural contours”.

As noted above, Elgin is no longer considering the construction of spur roads at this time, and therefore will not be placing granular material.

4. In the Abandonment & Restoration Plan, a reference is made to the “MMG Canada, Lupin Mine, Interim Abandonment and Restoration Plan dated March 2010”. Please provide the NIRB with a copy of this Interim Plan as it is the site’s approved plan with regard to A&R permitting requirements.

Please find enclosed with this letter a copy of the requested Abandonment and Restoration Plan entitled “MMG Canada, Lupin Mine, Interim Abandonment and Restoration Plan”, dated March 2010.

Since the purchase of the Lupin Mine by Elgin from MMG Canada, this Plan has been adopted by Elgin; however, this Plan is currently under review for revisions by Elgin as required by water licence 2AM-LUP0914.

5. The NIRB has not been provided a copy of the current guidelines for the Lupin site care and maintenance which may affect continued use of the site. Please submit either a copy of the care and maintenance guidelines/plan, or a discussion of how the new activities associated with this proposed exploration would be influenced by the care and maintenance guidelines or plan.

Please find enclosed with this letter a copy of the requested Care and Maintenance Plan entitled “MMG Canada – Lupin Mine, Care and Maintenance Plan”, dated March 2010.

Since the purchase of the Lupin Mine by Elgin from MMG Canada, this Plan has been adopted by Elgin; however, this Plan is currently under review for revisions by Elgin as required by water licence 2AM-LUP0914.

The current plan focuses on the Tailings Containment Facility; however, there are other components of the Lupin Mine Site that warrant special attention. Future revisions of the Plan, as required by water licence 2AM-LUP0914, will provide additional details on the management of fuel tank systems and the sewage lakes facility.

In addition to the enclosed Care and Maintenance Plan, plans for the management of petroleum fuel tank system areas are as follows:

*Elgin recognizes that the care and maintenance of the fuel tank systems at the Lupin Mine site are a fundamental task. The Bulk Fuel Storage Facilities at Lupin consist of the Main Tank Farm and the Satellite Tank Farm. A weekly inspection of the fuel tank systems for leaks, settlement and the presence of water in the secondary containment will be carried out during the time that the site is occupied and a record will be kept for review upon the request of an inspector. Prior to discharging from the secondary containment samples will be collected to determine if the water meets the discharge effluent quality limits. Water that exceeds the limits will be drummed and treated. As a minimum, water will be discharged from the secondary containment areas in the spring and fall each year.*

In addition to the enclosed Care and Maintenance Plan, plans for the management of the sewage lakes facility are as follows:

*A substantial amount of water collects within the Sewage Lakes Facility. Water will be periodically transferred downstream from the Upper Sewage Lake to the Lower Sewage Lake by manual means. Tailings Dump Pond No. 1 is located within the Sewage Lake Facility drainage area. Water that collects in the Tailings Dump Pond No. 1 will periodically transferred to the Lower Sewage Lake in accordance with the Nunavut Water Board water licence 2AM-LUP0914. Prior to discharging from the Lower Sewage Lake samples will be collected to determine if the water meets the discharge effluent quality limits. Water that exceeds the limits will be treated prior to release.*

If you have any questions please contact me at [kLewis@elginmining.com](mailto:kLewis@elginmining.com) or 604-682-3366.

Yours truly,  
**ELGIN MINING INC.**

*Karyn Lewis*

Karyn Lewis, Executive Assistant  
On Behalf of Patrick Downey, President and CEO

C.c. Phyllis Beaulieu, Nunavut Water Board ([licensing@nunavutwaterboard.org](mailto:licensing@nunavutwaterboard.org))  
Sean Joseph, Nunavut Water Board ([sjoseph@nunavutwaterboard.org](mailto:sjoseph@nunavutwaterboard.org))

Enclosures:

MMG Canada - Lupin Mine, Interim Abandonment and Restoration Plan, dated March 2010.

MMG Canada – Lupin Mine, Care and Maintenance Plan, dated March 2010.