NIRB File No. 11EN047

AANDC File No.: N2011C0026 Previous NWB File No.: 2AM-LUP0914

November 4, 2011

Patrick Downey Elgin Mining Inc. 1104-750 West Pender Street Vancouver, BC V6C 2T8

Via email: pdowney@elginmining.com

Re: Notice of Part 4 Screening for Elgin Mining Incorporated's "Lupin Exploration" project proposal

Dear Patrick Downey:

On September 9, 2011 the Nunavut Impact Review Board (NIRB or Board) received Elgin Mining Incorporated's (the Proponent; or Elgin) project proposal from Aboriginal Affairs and Northern Development Canada (AANDC). The project is proposed in an area without an approved land use plan in place; therefore a conformity determination was not required from the Nunavut Planning Commission for this file. The NIRB has assigned this project proposal file number 11EN047.

Following a preliminary completeness check, the NIRB found that the project proposal as submitted did not contain sufficient information to permit proper screening and on September 19, 2011 requested that the Proponent submit additional information by September 30, 2011 which was received on October 13, 2011. Further information was requested from the Proponent on October 24, 2011 which was received by the NIRB on October 31, 2011.

The project is located in the Kitikmeot region approximately 285 kilometres (km) southeast of the Hamlet of Kugluktuk, around the pre-existing Lupin Mine site. In July 2011 Elgin purchased the Lupin Mine from MMG Resources Ltd., and as a result Elgin intends to further explore the area surrounding the mine site from October 2011-2016 to determine whether economic deposits of gold exist.

The project activities include:

- Exploration activities include:
 - o November 2011 to April 2012: identify potential drill targets through geophysical surveys and drill approximately 5,000 metres or 3-5 holes per target;
 - o April 2012 to September 2012: drill up to 25,000 metres; and

- o September 2012 and beyond: drill between 25,000 and 50,000 metres depending on the results of the 2012 exploration activities.
- Utilize pre-existing infrastructure at the Lupin site including: airstrip, Main and Satellite tank farms, water supply and distribution system, camp and kitchen, sewage collection and disposal systems, quarry, landfill, burn pit, incinerator, and various warehouse and maintenance shops. These pre-existing structures will be used to support the following exploration activities:
 - o Camp used for 30 people (maximum 40 people) between April and September each year;
 - o Fuel stock of 511,181 gallons of diesel, 126,936 gallons of aviation fuel, 546 gallons of gasoline, and 5 − 100lb cylinders of propane already on site;
 - Transport workers, supplies, and drills to the Lupin site by fixed wing aircraft and helicopters and use pre-existing all weather landing strip; flights from Yellowknife to site approximately once a week during drilling.
 - Use of vehicles including passenger vehicles, fuel trucks, loaders, excavators, rock trucks, back hoe, dozers, water truck, and grader as well as generators, lift and crane already on site; and
 - Dust management of all-weather airstrip to occur using water deployed by a water truck already on site.
- Chemical storage: up to 400 tonnes of calcium chloride to be transported in sealed bags and stored in a pre-existing covered storage area on wooden pallets.
- Water use: approximately 40-45 cubic metres per day to be used for drilling under new Type B water license (currently in progress). Camp water use and sewage treatment are already permitted under water license 2AM-LUP0914.

All documents received and pertaining to this project proposal can be obtained from the NIRB's ftp site at http://ftp.nirb.ca/01-SCREENINGS/ACTIVE%20SCREENINGS/ including:

- NIRB Part 1 Summary Application Form in English and Inuinnaquan
- NIRB Part 2 PSIR Form in English
- Maps
- Non technical Project Proposal summary in English, Inuinnagtun and Inuktitut
- AANDC Application and Screening Request
- *NWB Application in English*
- *NPC Determination*
- Elgin Letter of Response to NIRB Information Request
- Abandonment and Restoration Plan
- *MMG's Interim Abandonment and Restoration Plan*
- MMG's Care and Maintenance Plan 2010
- Waste Management Plan
- Spill Plan

Pursuant to Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA), the NIRB shall proceed to screen this project proposal. The NIRB may request additional information at any time during the process. The NIRB will copy you on screening process related correspondence and upload related documents to the above ftp site for public access.

The NIRB is copying parties and municipalities potentially affected by Elgin's project proposal with this letter, and we invite interested parties to comment directly to the NIRB by November 25, 2011.

The NIRB would like parties to provide comments regarding:

- Whether the project proposal is likely to arouse significant public concern; and if so, why;
- Whether the project proposal is likely to cause significant adverse eco-systemic and socio-economic effects; and if so, why;
- Whether the project is of a type where the potential adverse effects are highly predictable and mitigable with known technology, (please provide any recommended mitigation measures); and
- Any matter of importance to the Party related to the project proposal.

Please send your comments to the NIRB at info@nirb.ca or via fax at (867) 983-2594.

If you have any questions or concerns, feel free to contact NIRB's Technical Advisor, Tara Arko at 867-983-4611 or tarko@nirb.ca.

Sincerely,

Tara Arko

Technical Advisor

Nunavut Impact Review Board

Jana Colon

cc: Distribution List

> Phyllis Beaulieu, NWB Tracey McCaie, AANDC Karyn Lewis, Elgin Mining

Enclosures (3): Comment Forms (English, Inuktitut and Inuinnagtun)