LUPIN MINES INCORPORATED

March 31, 2017

Karen Kharatyan A/Manager of Licensing Nunavut Water Board P.O. Box 119 Gjoa Haven, NU X0B 1J0

By email <u>karen.kharatyan@nwb-oen.ca</u>

Re: 2016 Annual Report: Lupin Exploration Project Type B Water Licence (2BE-

LEP1217).

Dear Ms. Kharatyan,

Lupin Mines Incorporated (LMI) is pleased to submit the attached 2016 Annual Report for the Lupin Exploration Project (Project) in accordance with Type B water licence 2BE-LEP1217 Part B, Item 2. The Type B water licence 2BE-LEP1217 is currently in the renewal process.

LMI has used the Nunavut Water Board's standard annual reporting form for exploration licences to develop the annual report. Please note that there was no activity related to the Project in 2015.

Should you have any questions please contact the undersigned.

Yours truly,

"Karyn Lewis"

Karyn Lewis

Executive Summary – English

Lupin Mines Incorporated (LMI) has submitted the 2016 Annual Report for the Lupin Exploration Project (Project) in accordance with Type B water licence 2BE-LEP1217 Part B, Item 2.

LMI has used the Nunavut Water Board's standard annual reporting form for exploration licences to develop the annual report. Please note that there was no activity related to the Project in 2016.

2BEM-LEP1217 – 2016 Lupin Exploration Project Annual Reporting Requirements - Part B, Item 2

The Licensee shall file an Annual Report on the Appurtenant Undertaking with the Board no later than March 31st of the year following the calendar year being reported, containing the following information:

a) summary report of water use and waste disposal activities;

There was no activity related to the Project in 2016.

b) A list of unauthorized discharges and a summary of follow-up actions taken;

There were no unauthorized discharges.

c) Any revisions to the Spill Contingency Plan and Abandonment and Restoration Plan, as required by Part B, Item 7, submitted in the form of an Addendum;

Revisions in addendum format to the Spill Contingency Plan and the Abandonment and Restoration Plan were submitted with the 2015 Annual Report and the Project is awaiting comments and/or approval from the NWB.

d) A description of all progressive and or final reclamation work undertaken, including photographic records of site conditions before, during and after completion of operations:

There was no progressive or final reclamation work undertaken during 2016. LMI continues to monitor the global economic climate and evaluate the feasibility of operating the Lupin mine along with the potential for identifying additional resources through its exploration activities. In the interim, the site remains in care and maintenance.

e) Report all artesian flow occurrences as required under Part F, Item 4;

There was not activity related to the Project in 2016.

f) All geochemical sampling results including acid rock drainage and metal leaching results, as required by Part E, Item 7;

There was no activity related to the Project in 2016. Please note that we were unable to find a Part E, Item 7 in the water licence.

g) A summary of all information requested and results of the Monitoring Program; and

There was no drilling activity related to the Project in 2016.

h) Any other details on water use or waste disposal requested by the Board by November 1 of the year being reported.

The Nunavut Water Board did not request additional information for the 2016 reporting period.