Lupin Mines Incorporated

A wholly owned indirect subsidary of Elgin Mining Inc.

Lupin Project Exploration

Nunavut, Canada

Abandonment and Restoration Plan

October, 2011

Lupin Mines Incorporated
Elgin Mining Inc.
#1104 - 750 West Pender Street
Vancouver, BC, V6C 2T8

Contents

1.0 INTRODUCTION

Lupin Mines Incorporated (Lupin), a wholly owned indirect subsidiary of Elgin Mining Inc. (Elgin), has prepared this Abandonment and Restoration plan for surface exploration, which includes geological/geophysical surveying and core drilling, at the Lupin Project in Kitikmeot Region, Nunavut.

Company:	Lupin Mines Incorporated
Project:	Lupin Project Exploration, Nunavut
Company Address:	1104 – 750 W Pender St, Vancouver, BC, V6C 2T8
Telephone:	604-682-3366
Email:	vpark@elginmining.com
Attention:	Vivian Park, Manager, Exploration

Effective date: From 1 October 2011

Distribution List:

Patrick Downey	Chief Executive Officer
Brian Morales	Chief Financial Officer
Michele Jones	Manager, Corporate Affairs
Vivian Park	Manager, Exploration
Karyn Lewis	General Administration

Additional copies of this plan are available from General Administration.

This plan will be posted in key locations at the site, and all employees and contractors will be made aware of its contents.

This plan shall be reviewed as required by changes in operation and/or technology and modified accordingly.

1.2 Purpose and Scope

The purpose of this document is to describe how abandonment and restoration plans have been incorporated into the design of Lupin Project Exploration program.

A separate Abandonment and Restoration plan for the Lupin Mine, currently on care and maintenance, was developed for the transfer of the Mine to Wolfden Resources Inc., later MMG Resources Ltd., titled "MMG Canada, Lupin Mine, Interim Abandonment and Restoration Plan", dated March 2010. Since the purchase of the Lupin Mine from MMG, this Plan is currently under review

1.3 Environmental Policy

Lupin aims to achieve a high standard of care for the natural environment in all of the activities in which we engage. The company intends to minimize the impact on the environment by:

- conducting operations in compliance with all relevant environmental regulations, licenses and legislation as a minimum condition;
- identifying, monitoring and managing environmental risks arising from operations;
- seeking continuous improvement in environmental performance, production processes, waste management and the use of resources;
- providing appropriate training and awareness for all employees on environmental issues;
- communicating regularly with employees about the company's aim and about individual responsibilities;
- informing our customers and suppliers of company's aim and of their responsibilities in relation to the company's business;
- communicating with shareholders, the communities and governments about Lupin's environmental performance, and;
- contributing to the development of laws and regulations which may affect our business.

1.3 Project and Company Information

Lupin Mining Incorporated, a wholly owned indirect subsidiary of Elgin Mining Inc. which is a Canadian based company focused on the exploration and development of the Lupin Gold Mine and Ulu Gold Project, both located in Nunavut, Canada. In addition, Elgin's portfolio includes interests in Arizona, California, and Mexico.

Elgin purchased Lupin Mines Incorporated, which owns the Lupin Mine, from MMG Resources Ltd in July 2011. The site was an operational underground gold mine from 1982 to 2005 with temporary suspensions of activities between Jan 1998 and April 2000, and again between Aug 2003 and March 2004. The mine resumed production in March 2004 until 2005. Since 2005, the site has remained in care and maintenance; its Class A Water License (2AM-LUP0914) has been kept in good standing.

Lupin's exploration program will involve prospecting and mapping, geophysical surveying, and on-land core drilling, based out of the existing permitted Lupin Mine site. The purpose of the exploration program is to investigate on-lease targets near the mine to determine whether economic deposits of sufficient size exist in support of reopening of the Lupin Mine as a producing entity.

The first stage of the drill program commencing in November 2011 involves drilling approximately 5,000 meters, or three to five holes in each target identified through geophysical surveys, to a maximum depth of 500 meters. If results warrant, a second stage of drilling, for up to 25,000 meters will follow, spanning April to September 2012. Depending on the results of the 2012 program, additional exploration or resource development drilling may be planned.

The Lupin Project is accessed via plane or helicopter using the existing airstrip located at the Lupin Mine. Drill targets are partially accessible from existing road infrastructure, and in other cases will be accessed either overland during winter conditions when there is sufficient snow cover to protect the ground or via helicopter. If necessary, short spur roads developed from existing roads may be constructed. If needed, these roads will be constructed from material obtained from existing sources, will be constructed a minimum of thirty (30) meters from any waterbody and will not involve any water crossings.

All camp infrastructure required for the exploration program currently exists at the Lupin Mine site, which has previously been screened by the Nunavut Impact Review Board under file 99WR053 and approved by the Nunavut Water Board under water license 2AM-LUP0914.

1.4 Site Location

The Lupin Project is located in Kitikmeot Region, Nunavut, 360 kilometers north-northeast of Yellowknife, Northwest Territories and 285 kilometers southeast of Kugluktuk. The geographic center of that property is 65° 45'29" N / 113° 13'20W (Figure 1). It is on the western shore of Contwoyto Lake, approximately 60 kilometers south of the Arctic Circle (Figure 2).

This is an isolated site. The only people immediately affected by a spill would be employees and contractors of the company.

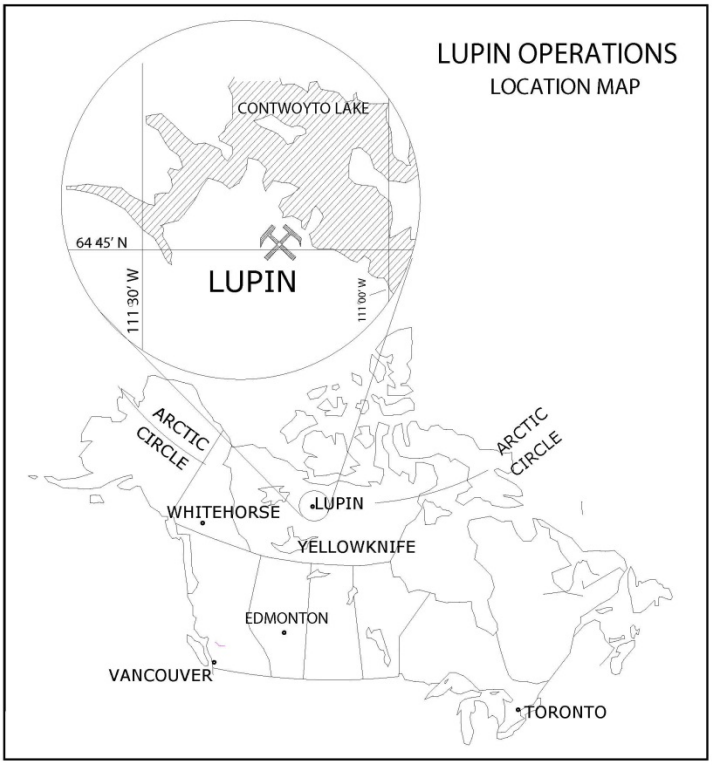

Figure 1 Lupin Project Location

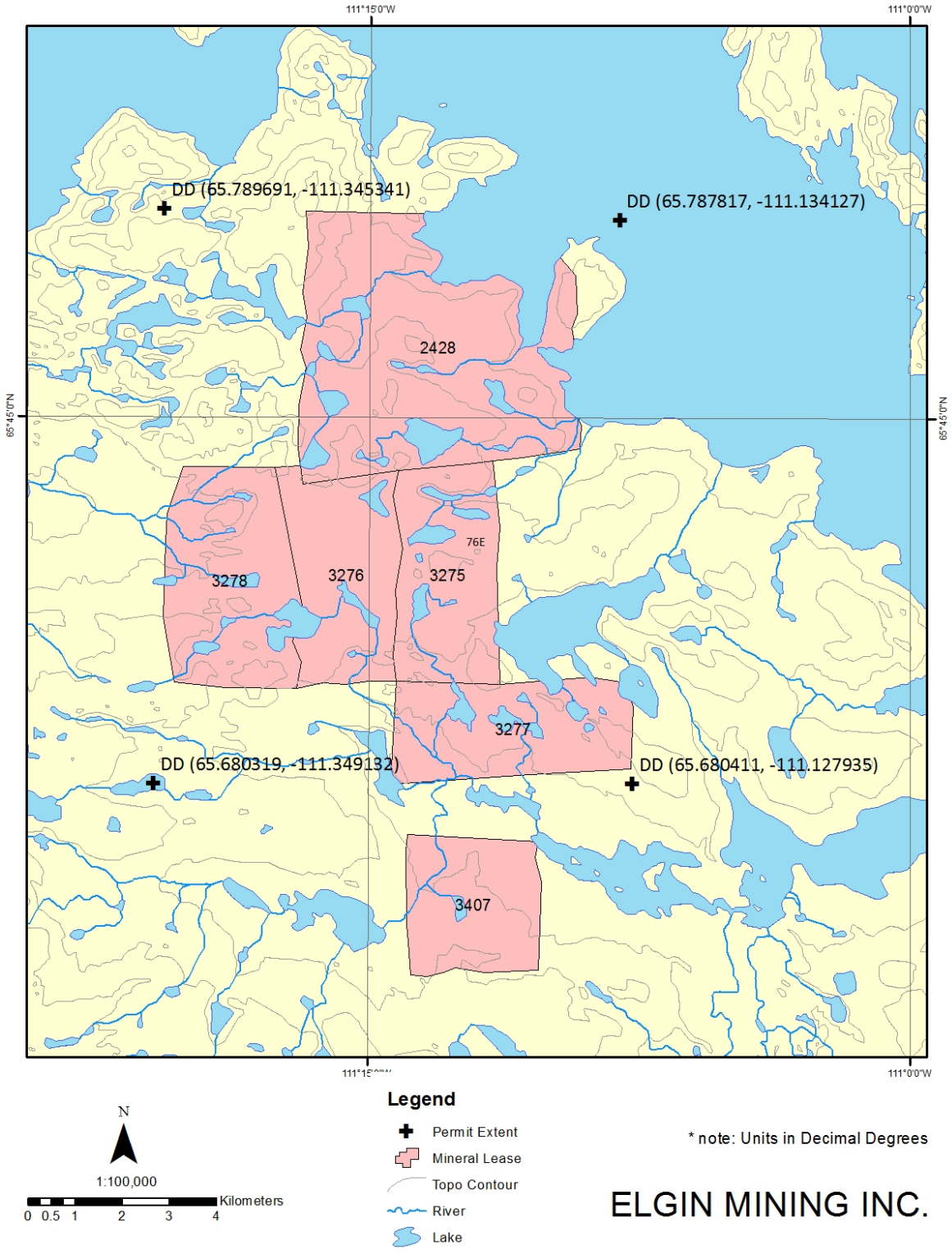

Figure 2 Lupin Project Mineral Leases

2.0 SCHEDULE

Equipment and supplies for the exploration program are either already present at the Lupin Mine camp or will be mobilized immediately upon approval of the project.

Exploration is expected to start in November 2011, and continue until September 2012, after which programs will operate on a seasonal basis between March and October, weather dependent. The overall length or number of years of the program will depend on whether results warrant expanding the program.

Immediately following the completion of each drill hole, the hole itself as well as the drill site will be restored, all fuel, drill equipment, and associated materials will be removed from the site and an inspection of the site will be conducted. Drill equipment and materials will either be mobilized to the next drill site, or back to the Lupin Mine camp site.

3.0 INFRASTRUCTURE AND EQUIPMENT

Project infrastructure including camp, air strip, fuel and chemical storage is provided by the Lupin Mine site.

The following lists of equipment are associated with the exploration program:

<u>Prospecting and mapping equipment</u>

- Rock hammer, chisel

<u>Geophysical surveying equipment</u>

- Magnetometers
- Horizontal loop electomagnetic instruments
- Pickets

<u>Drilling equipment</u>

- HD25A surface drill rig
- N-sized casing, to reach 50 meters
- N-sized drill rods, to reach 450 meters
- NQ core barrels
- Rod sloops
- Waterline – minimum 800 meters per rig
- Supply pumps
- Coil stoves for water line

- Mud mixing tanks
- Mud settling tanks
- Diamond tools – bits, reamer shells, casing shoes
- Cuttings separator
- Fuels and lubricants
- Replacement parts
- Helicopter transport baskets with straps
- Snowmobile with skimmer
- Survival shack

Logging/Sampling equipment

- Electric core saw
- Water tank
- Cuttings settler/collector

Air transport equipment

- Twin Otter, Navajo, Dornier, Buffalo fixed wing aircraft
- Helicopter for drill site access

Drill site fuel and chemical storage equipment

- 2 - 205 L barrel of diesel fuel (when pickup with tidy tank cannot approach site)
- <10 assorted pails of biodegradable greases, lubricants and polymers

Other on-land equipment

Equipment type and number			Size – dimensions	Proposed use
3	FORD	F350	CREW CAB 4X4	General transport
1	FORD	F250	EXT CAB 4X4	General transport
1	GMC	K2500	SUBURBAN	General transport
1	GMC	K1500	SUBURBAN	General transport
1	FORD	L9000	TANDEM DECK	General transport
1	FORD	F350	REG CAB DRW 4X4	General transport
1	FORD	F700	SERVICE TRUCK	General Maintenance
1	GMC	GENERAL	JET FUEL TRUCK	Fuel Transport
1	VOLVO	5350B	ROCK TRUCK 6X6	General Transport
1	KOMATSU	HM 300	ROCK TRUCK 6X6	General Transport

Equipment type and number			Size – dimensions	Proposed use
1	KOMATSU	WA250 PT	LOADER	Equipment Carrier
1	KOMATSU	WA250	LOADER	Equipment Carrier
1	CATERPILLAR	966 G	LOADER	Equipment Carrier
1	CATERPILLAR	966 C	LOADER	Equipment Carrier
1	KOMATSU	PC 200-7	EXCAVATOR	General Maintenance
1	CASE	580 C	BACK HOE	General Maintenance
1	KOMATSU	D61 EX 15	DOZER W/RIPPER	General Maintenance
1	JOHN DEERE	350	DOZER	General Maintenance
1	CATERPILLAR	14 H	GRADER	Road Maintenance
1	GROVE	RT 522	20 TON R/T CRANE	General Maintenance
1	JLG		MAN LIFT	General Maintenance
2	KOHLER	250KW	GEN SET	Power Generation
1	KUBOTA		GEN SET	Power Generation
1	ISUZU		GEN SET	Power Generation
2	JOHN DEERE		GEN SET	Power Generation
3	CATERPILLAR		GEN SET	Power Generation

4.0 SEASONAL SHUTDOWN

As mentioned above, drill sites will be restored upon completion of the hole. Drill site restoration will involve the following:

- Removal of any drill casing materials, and capping of holes with a permanent seal;
- Backfilling and restoring all sumps to pre-existing natural contours of the land.

If the exploration program continues over a multi-year period, the following seasonal shutdown procedures will occur:

- Remaining fuel and chemicals will be inventoried and documented;
- Full and partially full fuel and chemical storage containers will be inspected and secured at the Lupin Mine site. Efforts will be made to use partially filled containers;
- Empty fuel and chemical storage containers will be stored at the Lupin Mine site for eventual transport to an approved facility off site;
- The project site will be inspected for fuel staining and any contamination will be treated in accordance with the project' Spill Contingency Plan;

- Drills and drill equipment will be dismantled, packaged, securely stored, and/or transported as per the drill contractor procedures and in such a manner as to prevent winter damage;
- Drill cores will be stored at least thirty (30) meters from the ordinary high water mark of any waterbody.

5.0 FINAL ABANDONMENT

Prior to the expiry of any authorizations, the following procedures will be followed:

- Drill sites will be restored as per the seasonal shut down procedures;
- Remaining fuel and chemicals will be inventoried and documented;
- Full and partially full fuel and chemical storage containers will be transported off site for re-use or disposal at an approved facility;
- Empty fuel and chemical storage containers will transported to an approved facility off site;
- All roads will be regarded to match natural contours;
- All disturbed surfaces will be prepared so as to promote the growth of vegetation and to conform to the natural topography;
- The project site will be inspected for staining and areas that have been contaminated will be treated in accordance with the project's Spill Contingency Plan;
- Drill core will be stored at the Lupin Mine site on stable ground for future access;
- Drills and drill equipment will be dismantled, packaged and transported off site as per the drill contractor procedures.
- The final closure report will be submitted to the appropriate regulators and authorizing agencies.