

NWB Annual Report

Year being reported: 2013 ▼

License No: 2BE-MSX0712 Issued Date: May 16, 2007
 Expiry Date: December 31, 2012

Project Name: Muskox Project

Licensee: Silvermet Inc.

Mailing Address: 8 King Street East, Suite 1700
 Toronto ON M5C 1B5

Name of Company filing Annual Report (if different from Name of Licensee please clarify relationship between the two entities, if applicable):

General Background Information on the Project (*optional):

There was no activity during 2013

Licence Requirements: the licensee must provide the following information in accordance with

Part B ▼ Item 2 ▼

A summary report of water use and waste disposal activities, including, but not limited to: methods of obtaining water; sewage and greywater management; drill waste management; solid and hazardous waste management.

Water Source(s):	Silvermet camp and drilling locations - no water use in 2010	
Water Quantity:	included below	Quantity Allowable Domestic (cu.m)
	none	Actual Quantity Used Domestic (cu.m)
	18 cu m/day	Quantity Allowable Drilling (cu.m)
	none	Total Quantity Used Drilling (cu.m)

Waste Management and/or Disposal

- ☐ Solid Waste Disposal
☐ Sewage
☐ Drill Waste
☐ Greywater
☐ Hazardous
☐ Other:

Additional Details:

n/a

A list of unauthorized discharges and a summary of follow-up actions taken.

Spill No.: (as reported to the Spill Hot-line)
 Date of Spill:
 Date of Notification to an Inspector:
 Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

Revisions to the Spill Contingency Plan

▼

Additional Details:

Revisions to the Abandonment and Restoration Plan

▼

Additional Details:

Progressive Reclamation Work Undertaken

Additional Details (i.e., work completed and future works proposed)

Kikiak Contracting was unable to get to Silvermet's site during 2013 to complete the remaining clean up. This work is now scheduled for 2014.

Results of the Monitoring Program including:

The GPS Co-ordinates (in degrees, minutes and seconds of latitude and longitude) of each location where sources of water are utilized;

Details described below

Additional Details:

Camp - N 66 degrees 59' 9.7" and W 114 degrees 53' 51.4"
Drill locations previously reported (2007 report)

The GPS Co-ordinates (in degrees, minutes and seconds of latitude and longitude) of each location where wastes associated with the licence are deposited;

Details described below

Additional Details:

Camp - N 66 degrees 59' 9.7" and W 114 degrees 53' 51.4"

Results of any additional sampling and/or analysis that was requested by an Inspector

No additional sampling requested by an Inspector or the Board

Additional Details: (date of request, analysis of results, data attached, etc)

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

No additional sampling requested by an Inspector or the Board

Additional Details: (Attached or provided below)

Any responses or follow-up actions on inspection/compliance reports

Inspection Report received by the Licensee (Date):

Additional Details: (Dates of Report, Follow-up by the Licensee)

INAC inspection report dated October 21, 2013 was received in connection with a field inspection completed by Baba Pedersen on July 15, 2013 with the following issues identified:

Drill site location coordinates previously provided seem to be the lake location

- Drill site location coordinates previously provided seem to be the lake locations from which the water was pumped to the drills - attached is a complete list of the drill coordinates for each drill hole
- the drill laydown area at N 66 degrees 45' 10.9" & W 115 degrees 11' 29.0" required clean up
- the camp located at N 66 degrees 59' 10.5" & W 114 degrees 53' 53.4" still had some miscellaneous scrap and nails which require removal.

In March 2014, a Department of Environment officer advised Kikiak Contracting that a cache of 65 drums still existed at Stanbridge Lake (N 66 degrees 53' 46" & W 115 degrees 4' 36"). This came as a surprise as we thought these had been removed in 2011.

In April 2014, Kikiak Contracting removed all remaining drums and other bulky materials from the drill laydown area, the camp and the Stanbridge Lake cache, taking these to Kugluktuk yard.

Kikiak Contracting will be returning to the drill laydown and Stanbridge Lake cache site in July to clean up two oil spill areas. Also, nails, screws etc at the camp site will be picked up and removed.

Any additional comments or information for the Board to consider

Date Submitted:

June 24, 2014

Submitted/Prepared by:

Rein Lehari

Contact Information:

Tel: 416-203-8336

Fax: 416-368-5146

email: rlehari@silvermet.ca

A total of 782 samples were sent out for assay of the 1EX package using Acme Analytical of Vancouver, BC. All assay results are listed in Appendix III. Table 2.2.1b documents the best assay values for each drillhole. A total of 14 samples were sent out for metallurgical testing to Lakefield Labs in Ontario. There have been no results returned from the metallurgical testing.

Table 2.2.1a MUSKOX DIAMOND DRILL HOLE SUMMARY

Collar Name	Company	UTM E	UTM N	Hole Depth	Dip	Azimuth	Elev
SM-07-MX-01	Silvermet	580458	7410414	137.77	-90.0	0.0	547.00
SM-07-MX-02	Silvermet	580334	7410799	121.00	-90.0	0.0	551.00
SM-07-MX-03	Silvermet	580213	7411156	79.20	-90.0	0.0	554.00
SM-07-MX-04	Silvermet	580104	7411615	102.70	-90.0	0.0	564.00
SM-07-MX-05	Silvermet	580052	7411845	77.7	-90.0	0.0	568.00
SM-07-MX-06	Silvermet	579790	7411611	53.6	-90.0	0.0	554.00
SM-07-MX-07	Silvermet	579790	7411611	214.85	-80.0	355.0	554.00
SM-07-MX-08	Silvermet	580102	7410757	211	-90.0	0.0	545.00
SM-07-MX-09	Silvermet	580177	7410564	217.6	-90.0	0.0	546.00
SM-07-MX-10	Silvermet	579910	7410934	382.5	-90.0	0.0	552.00
SM-07-VL-01	Silvermet	579704	7404822	96.01	-45.0	257.0	536.00
SM-07-VL-02	Silvermet	579704	7404822	118	-90.0	0.0	536.00
SM-07-VL-03	Silvermet	579650	7405030	135.6	-90.0	0.0	525.00
SM-07-VL-04	Silvermet	580182	7404809	449.6	-90.0	0.0	517.00
SM-07-VL-05	Silvermet	580151	7404514	303.3	-90.0	0.0	496.00
SM-07-VL-06	Silvermet	580151	7404514	275.8	-70.0	255.0	496.00
SM-07-VL-07	Silvermet	579871	7404617	160	-90.0	0.0	520.00
SM-07-VL-08	Silvermet	579889	7404070	77	-90.0	0.0	530.00
SM-07-VL-09	Silvermet	579889	7404070	68.6	-45.0	265.0	530.00
SM-07-VL-10	Silvermet	581023	7404833	93	-90.0	0.0	552.00
SM-07-VL-11	Silvermet	581019	7404640	99	-90.0	0.0	537.00
SM-07-VL-12	Silvermet	581029	7404424	89.7	-90.0	0.0	511.00
SM-07-VL-13	Silvermet	580747	7404486	211.85	-90.0	0.0	485.00
SM-07-VL-14	Silvermet	581098	7404042	111.2	-90.0	0.0	488.00
SM-07-VL-15	Silvermet	580966	7404250	160	-70.0	0.0	500.00
SM-07-VL-16	Silvermet	581180	7403830	83.8	-90.0	0.0	488.00
				4130.38			

A total of 1597.92 metres of drilling in the Pyrrhotite Lake area are documented in drillholes SM-07-MX-01 to MX-10. A total of 2532.46 metres of drilling in the Valley Lake area are documented in drillholes SM-07-VL-01 to VL-16.