

WATER USE INSPECTION REPORT

Date: August 9, 2011	Licensee Rep. (Name/Title): No Representative
Licensee: Terrane Metals Corp.	Licence No.: 2BE-MZE0712

WATER SUPPLY

Source(s): Unknown	Quantity Permitted: 18 m3 per day
Owner:/Operator: Terrane Metals Corp.	

Indicate: **A** - Acceptable   **U** - Unacceptable   **NA** - Not Applicable   **NI** - Not Inspected

Intake Facilities: NA	Storage Structure: NA	Treatment Systems: NA	Chemical Storage: NA
Flow Meas. Device: NA	Conveyance Lines: NA	Pumping Stations: NA	Screen : NA

Comments: This site was not occupied and no activities occurring at the time of the inspection.

WASTE DISPOSAL

Sewage:   Sewage Treatment System (Prim./Sec/Ter.): None

Natural Water Body: NA	Continuous Discharge (land or water): NA	
Seasonal Discharge: NA	Wetlands Treatment: NA	Trench: NA

Indicate: **A** - Acceptable   **U** - Unacceptable   **NA** - Not Applicable   **NI** - Not Inspected

Discharge Quality: NA	Decant Structure: NA	Erosion: NA
Discharge Meas. Device: NA	Dyke Inspection: NA	Seepages: NA
Dams, Dykes: NA	Freeboard: NA	Spills: NA
Construction: NA	O&M Plan: NA	A&R Plan: NA
Discharge: NA	Effluent Discharge Rate: NA	

Comments: Camp was inactive during the inspection.

Solid Waste:

Owner/Operator:

Landfill: NA	Burn & Landfill: NA	Other: Burn Pits
--------------	---------------------	------------------

Comments: There are 11 wooden base structures onsite as well as one wooded shack and one metal dome structure. Other building materials are scattered around the site which should be cleaned up and disposed of appropriately.

FUEL STORAGE:

Waste Oil Storage:

Owner/Operator:

Indicate: **A** - Acceptable   **U** - Unacceptable   **NA** - Not Applicable   **NI** - Not Inspected

Berms & Liners: U	Water within Berms: NA	Evidence of Leaks: U
Drainage Pipes: NA	Pump Station & Catchments Berm: NA	
Pipeline Condition: NA	Condition of Tanks: U	

Comments: There is a considerable amount of fuel stored onsite (~200 drums) without secondary containment. Some of the drums are leaking through the bungs onto the tundra causing a considerable amount of contamination. This is unacceptable and must be cleaned up as soon as possible.

SURVEILLANCE NETWORK PROGRAM (SNP)

Samples Collected		Owner /Operator:	
		INAC:..None	
Signs Posted	SNP: None		Warning:
Records & Reporting:			
Geotechnical Inspection: NA			

**Non-Compliance of Act or Licence:**

- All fuel onsite must be placed in secondary containment. Contaminated soil around the leaking drums must be cleaned up and disposed of properly.
- If the proponent does not intend to use this site for future activities then an A&R Plan must be developed and initiated. All fuel, structures and contaminated soils must be removed from site.

Ian Rumbolt

**Inspector's Name**

Sent by E-mail

**Inspector's Signature**