ANNUAL REPORT

Date	Nov 2 2005
Year being reported	2005
Licence number	NWB2PEL0507
Licensee	BHP Billiton
Mailing address	PO Box 49223 Van Stn Bentall Centre Vancouver, BC V7X L2 NOTE - THIS IS A NEW ADDRESS!
Location of undertaking	45 km south of Kugaaruk 90 4' 29" W 68 7" 43"
Name of Undertaking (if applicable):	Amaruk Project

The Licensee *must* provide the following information:

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

General: Water use was confined to the camp for the purposes of washing and drinking. Water Aquisition System: A gasoline centrifugal pump was periodically used to fill 2 - 200 gallon tanks linked in series. These tanks fed an electric pump tha pressurised the camp's internal plumbing. The centrifugal pump had a inch footvalved suction sealed in two layers of standard aluminum window screening. Pump capacity was 70 gallons per minute. Greywater: greywater from kitchen and ablution facilities was contained in a passive sumpexcavated in sand This sand assisted the regular percolation of sump fluids. Just prior to seasonal camp closure and in anticipation of possible cold-weather operations in 2006, an insulated and heaat-traced tank was set into the ground in place od the original open depression. This will eventually be outfitted with a discharge line to allow periodic pumping of the tank contents to a surface location further upland. (A scope of workoutline for 2006, to be submitted later, will detail these together). Sewage: Septic sewage was confined to two latrine pits excavated in deep sand. Latrine pits were periodically treated with a commercial lye product designed for the purpose and buried at the seaonal close fo the camp at the end of August.

Solid waste: Food leftovers and packaging was burned in a simple burning barrel and non-flammables were bagged and sent to Kugaaruk.

Hazardous Waste: Hydrocarbon spills were the only potential source of hazardous waste. Three 45 gallon spill kits were provided at the camp while the helicopters carried portable units. All crew members were trained on site in effective spill management.

[
tion Plan
:

iv Progressive reclamation work undertaken				
	aban Emp	ne pits used for the 2005 program were buried prior to seasonal donment of the camp at the end of August. ty fuel drums were progressively removed from site and flown to Churchill never backhaul space was available.		
٧	Resu	Its of the Monitoring Program including: A summary, in cubic metres, of the daily quantities of water utilized for domestic and industrial operations. All consumption was domestic. July average = 2.284 cu m per day August average = 2.223 cu m per day		
	2	The GPS co-ordinates (in degrees, minutes and seconds of latitude and longitude) of all locations where sources of water are utilized. Camp Supply Pump -90 4' 30"W 68 7' 42"		

	3	The GPS co-ordinates (in degrees, minutes and seconds of latitude and longitude) of all locations where wastes associated with industrial operations are deposited. Sump -90 4' 33"W 68 7' 42"N Outhouses -90 4' 38" W 68 7' 44"N
	4	Any additional sampling and/or analysis that was requested by an Inspector. Though it was not requested, two water tests were conducted for drinking water pathogens See attachments
V		other details on water use or waste disposal requested by the Board by ember I of the year being reported

Vii	Any responses or follow-up actions on inspection/compliance reports				
viii	Any additional information as appropriate				
""	Any additional information as appropriate				
	Work on the project in 2005 was confined to the construction of a camp, caching of fuel and helicopter-supported mapping and sampling. No drilling w performed. All crew members were trained in spill management by BHPB's Health, Safet and Environment manager. The generator was removed from site for the winter Current drummed fuel inventories on site:				
	jet B - 168				
	p50 Diesel - 69 empty drums - 238				
	Attachments - camp facilities plan				
	- camp photo				
Jeremy	v Howe	Oct 28, 2005			
Bv:		Date:			

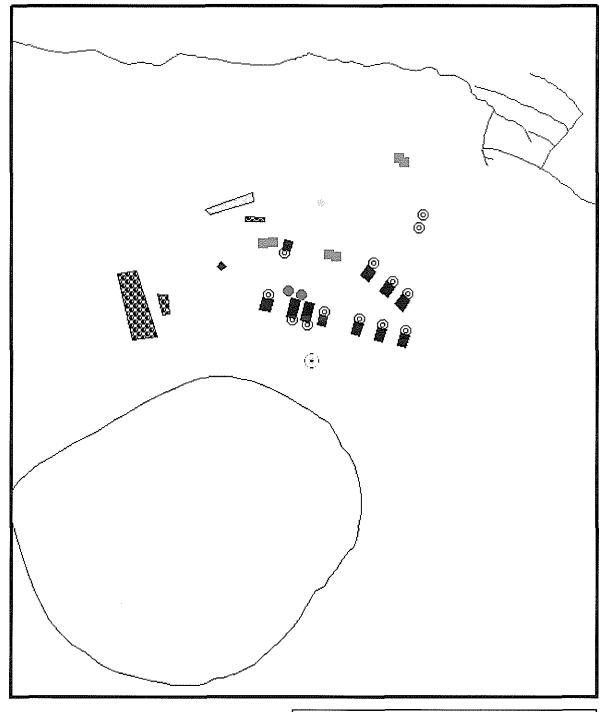
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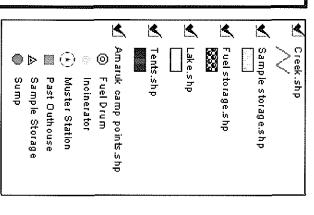
Telephone:

jeremy.j.howe@bhpbilliton.com

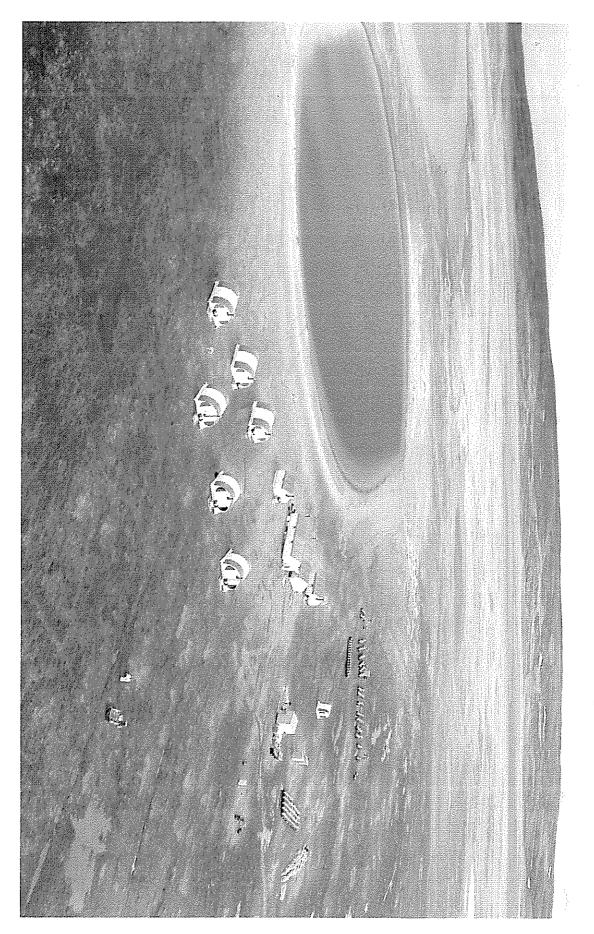
Email:

Layout of Amaruk Camp





Aerial View of Camp





ALS Environmental

CHEMICAL ANALYSIS REPORT

Date:

August 3, 2005

ALS File No.

W1692

Report On:

Pelly Bay J.V. Water Analysis

Report To:

BHP Billiton Diamonds Inc.

2300 - 1111 West Georgia Street

Vancouver, BC

V6E 4M3

Attention:

Mr. Martin H. Lenters

Received:

July 18, 2005

ALS ENVIRONMENTAL

per:

Can Dang, B.Sc. - Project Chemist Andre Langlais, M.Sc. - Project Chemist

REMARKS



The water as represented by the samples submitted met the Canadian Drinking Water Guidelines for all parameters analysed with the exception of Manganese which is limited for aesthetic purposes rather than health considerations. See the guidelines attached or contact ALS Environmental if you require any additional information.

Please note that the samples were received at ALS Environmental 4 days later after collection. Since the recommended holding time for Coliform Bacteria analysis is 30 hours at maximum, the bacteriological analysis was not performed on the samples. Mr. Martin Lenters was notified.

RESULTS OF ANALYSIS - Water



Sample ID			Amaruk 101	Amaruk 102
Sample Date Sample Time ALS ID			05-07-14 07:00 1	05-07-14 07:00 2
Physical Tests Colour Conductivity Total Dissolved S Hardness pH	(CU) (uS/cm) olids CaCO3		<5.0 105 46 10.5 7.08	<5.0 104 46 10.3 6.86
Turbidity	(NTU)		1.03	0.54
Dissolved Anions Alkalinity-Total Chloride Fluoride Sulphate	CI F SO4	CaCO3	4.9 28.9 0.042 <0.50	4.8 29.0 0.042 <0.50
Nutrients Nitrate Nitrogen Nitrite Nitrogen		N N	<0.10 <0.10	<0.10 <0.10

Remarks regarding the analyses appear at the beginning of this report. Results are expressed as milligrams per litre except for pH, Colour (CU), Conductivity (umhos/cm), and Turbidity (NTU). < = Less than the detection limit indicated.

RESULTS OF ANALYSIS - Water



Sample ID		Amaruk 101	Amaruk 102
Sample Date		05-07-14	05-07-14
Sample Time		07:00	07:00
ALS ID		1	2
Total Metals Aluminum Antimony Arsenic Barium Boron	T-AI	0.022	0.022
	T-Sb	<0.00050	<0.00050
	T-As	0.00012	0.00011
	T-Ba	<0.020	<0.020
	T-B	<0.10	<0.10
Cadmium	T-Cd	<0.00020	<0.00020
Calcium	T-Ca	1.69	1.63
Chromium	T-Cr	<0.0020	<0.0020
Copper	T-Cu	0.0021	0.0020
Iron	T-Fe	0.044	0.039
Lead	T-Pb	0.0017	0.0017
Magnesium	T-Mg	1.53	1.50
Manganese	T-Mn	0.0521	0.0518
Mercury	T-Hg	<0.00020	<0.00020
Potassium	T-K	1.03	1.01
Selenium	T-Se	<0.0010	<0.0010
Sodium	T-Na	16.6	16.5
Uranium	T-U	<0.00010	<0.00010
Zinc	T-Zn	<0.050	<0.050

Remarks regarding the analyses appear at the beginning of this report. Results are expressed as milligrams per litre except for pH, Colour (CU), Conductivity (umhos/cm), and Turbidity (NTU). < = Less than the detection limit indicated.

Appendix 1 - REGULATORY CRITERIA

Health Canada



Summary of Guidelines for Canadian Drinking Water Quality, April 2003. Please see the guidelines for further details. All limits are Maximum Acceptable Concentration (MAC) unless otherwise indicated. Limits are expressed as mg/L except for pH, Turbidity, Colour and Bacteriolgical Tests.

		_	Lower Limit	Upper Limit	Notes	
Physical Test Colour Total Dissolve pH Turbidity	(CU)		- - 6.5	500 8.5	CU 1 mg/L 1 1 NTU 1, 2	
<u>Dissolved An</u> Chloride Fluoride Sulphate	ions CI F SO4		- - -	1.5 i	mg/L 1 mg/L mg/L 1, 3	
<u>Nutrients</u> Nitrate Nitroge Nitrite Nitroge		N N	-		ng/L ng/L	
Total Metals Antimony Arsenic Barium Boron Cadmium	T-Sb T-As T-Ba T-B T-Cd		- - - -	0.025 i 1 i 5 i	ng/L 4, 5 ng/L 4 ng/L ng/L 4 ng/L 4	
Chromium Copper Iron Lead Manganese	T-Cr T-Cu T-Fe T-Pb T-Mn		- - - -	1 1 0.3 1 0.01 1	ng/L ng/L 1, 6 ng/L 1 ng/L 6, 5 ng/L 1	٠,
Mercury Selenium Sodium Uranium Zinc	T-Hg T-Se T-Na T-U T-Zn		- - - - -	0.01 i 200 i 0.02 i	mg/L mg/L mg/L 1 mg/L 4 mg/L 1, 6	

¹ Aesthetic Objective (AO) (taste, odour, appearance, etc.)
2 1 NTU maximum allowed for water entering distribution systems.
3 There may be a laxative effect in some individuals when sulphate levels exceed 500 mg/L.

⁴ Interim Maximum Acceptable Concentration (IMAC)

⁵ First drawn water may be high, flush system before sampling. 6 At point of consumption.

Appendix 2 - METHODOLOGY



Outlines of the methodologies utilized for the analysis of the samples submitted are as follows

Colour in Water

This analysis is carried out using procedures adapted from APHA Method 2120 "Color". Colour (true colour) is determined by filtering a sample through a 0.45 micron membrane filter followed by analysis of the filtrate using the platinum-cobalt colourimetric method. The analysis is carried out without pH adjustment.

Recommended Holding Time:

Sample: 2 days Reference: APHA

For more detail see ALS Environmental "Collection & Sampling Guide"

Conductivity in Water

This analysis is carried out using procedures adapted from APHA Method 2510 "Conductivity". Conductivity is determined using a conductivity electrode.

Recommended Holding Time:

Sample: 28 days Reference: APHA

For more detail see ALS Environmental "Collection & Sampling Guide"

Solids in Water

This analysis is carried out using procedures adapted from APHA Method 2540 "Solids". Solids are determined gravimetrically. Total dissolved solids (TDS) and total suspended solids (TSS) are determined by filtering a sample through a glass fibre filter, TDS is determined by evaporating the filtrate to dryness at 180 degrees celsius, TSS is determined by drying the filter at 104 degrees celsius. Total solids are determined by evaporating a sample to dryness at 104 degrees celsius. Fixed and volatile solids are determined by igniting a dried sample residue at 550 degrees celsius.

Recommended Holding Time:

Sample: 7 days Reference: APHA

For more detail see ALS Environmental "Collection & Sampling Guide"

Conventional Parameters in Water

These analyses are carried out in accordance with procedures described in "Methods for Chemical Analysis of Water and Wastes" (USEPA), "Manual for the Chemical Analysis of Water, Wastewaters, Sediments and Biological Tissues" (BCMOE), and/or "Standard Methods for the Examination of Water and Wastewater" (APHA). Further details are available on request.

Appendix 2 - METHODOLOGY - Continued



pH in Water

This analysis is carried out using procedures adapted from APHA Method 4500-H "pH Value". The pH is determined in the laboratory using a pH electrode.

Recommended Holding Time:

Sample: 2 hours Reference: APHA

For more detail see ALS Environmental "Collection & Sampling Guide"

Turbidity of Water

This analysis is carried out using procedures adapted from APHA Method 2130 "Turbidity". Turbidity is determined by the nephelometric method.

Recommended Holding Time:

Sample: 2 days Reference: APHA

For more detail see ALS Environmental "Collection & Sampling Guide"

Alkalinity in Water by Colourimetry

This analysis is carried out using procedures adapted from EPA Method 310.2 "Alkalinity". Total Alkalinity is determined using the methyl orange colourimetric method.

Recommended Holding Time:

Sample: 14 days Reference: APHA

For more detail see ALS Environmental "Collection & Sampling Guide"

Dissolved Anions in Water by Ion Chromatography

This analysis is carried out using procedures adapted from APHA Method 4110 "Determination of Anions by Ion Chromatography" and EPA Method 300.0 "Determination of Inorganic Anions by Ion Chromatography". Anions are determined by filtering the sample through a 0.45 micron membrane filter and injecting the filtrate onto a Dionex IonPac AG17 anion exchange column with a hydroxide eluent stream. Anions routinely determined by this method include: bromide, chloride, fluoride, nitrate, nitrite and sulphate.

Recommended Holding Time:

Sample: 28 days (bromide, chloride, fluoride, sulphate)

Sample: 2 days (nitrate, nitrite) Reference: APHA and EPA

For more detail see ALS Environmental "Collection & Sampling Guide"

Appendix 2 - METHODOLOGY - Continued



Metals in Water

This analysis is carried out using procedures adapted from "Standard Methods for the Examination of Water and Wastewater" 20th Edition 1998 published by the American Public Health Association, and with procedures adapted from "Test Methods for Evaluating Solid Waste" SW-846 published by the United States Environmental Protection Agency (EPA). The procedures may involve preliminary sample treatment by acid digestion, using either hotplate or microwave oven, or filtration (EPA Method 3005A). Instrumental analysis is by atomic absorption/emission spectrophotometry (EPA Method 7000 series), inductively coupled plasma - optical emission spectrophotometry (EPA Method 6010B), and/or inductively coupled plasma - mass spectrometry (EPA Method 6020).

Recommended Holding Time:

Sample: 6 months Reference: EPA

For more detail see: ALS "Collection & Sampling Guide"

Mercury in Water

This analysis is carried out using procedures adapted from "Standard Methods for the Examination of Water and Wastewater" 20th Edition 1998 published by the American Public Health Association, and with procedures adapted from "Test Methods for Evaluating Solid Waste" SW-846 published by the United States Environmental Protection Agency (EPA). The procedure involves a cold-oxidation of the acidified sample using bromine monochloride prior to reduction of the sample with stannous chloride. Instrumental analysis is by cold vapour atomic fluorescence spectrophotometry (EPA Method 245.7).

Recommended Holding Time:

Sample: 28 days Reference: EPA

For more detail see ALS Environmental "Collection & Sampling Guide"

Results contained within this report relate only to the samples as submitted.

This Chemical Analysis Report shall only be reproduced in full, except with the written approval of ALS Environmental.

End of Report



ALS Environmental

CHEMICAL ANALYSIS REPORT

Date:

September 20, 2005

ALS File No.

W3523

Report On:

Amaruk Camp Water Analysis

Report To:

BHP Billiton Diamonds Inc.

2300 - 1111 West Georgia Street

Vancouver, BC

V6E 4M3

Attention:

Mr. Martin H. Lenters

Received:

August 26, 2005

ALS ENVIRONMENTAL

per:

Can Dang, B.Sc. - Project Chemist Andre Langlais, M.Sc. - Project Chemist

REMARKS



The water as represented by the samples submitted met the Canadian Drinking Water Guidelines for all parameters analysed. See the guidelines attached or contact ALS Envrionmental if you require any additional information.

RESULTS OF ANALYSIS - Water



Sample ID		Amaruk 103	Amaruk 104
Sample Date Sample Time ALS ID		05-08-25 10:00 1	05-08-25 10:15 2
Conductivity (in Total Dissolved Solids	CU) uS/cm) CaCO3	<5.0 112 62.0 10.0 7.93	<5.0 117 66 12.0 7.93
Turbidity (I	NTU)	0.17	0.24
Dissolved Anions Alkalinity-Total Chloride Cl Fluoride F Sulphate SO4	CaCO3	5.1 29.0 0.069 <0.50	7.9 28.8 0.075 <0.50
<u>Nutrients</u> Nitrate Nitrogen Nitrite Nitrogen	N N	<0.10 <0.10	<0.10 <0.10
Bacteriological Tests E. coli Coliform Bacteria - Feca Coliform Bacteria - Tota		<1.0 <1 <1.0	<1.0 <1 <1.0

Remarks regarding the analyses appear at the beginning of this report. <= Less than the detection limit indicated. Coliform results are expressed as Colony Forming Units (CFU) per 100 mL. Results are expressed as milligrams per litre except for pH, Colour (CU), Conductivity (umhos/cm), and Turbidity (NTU).

RESULTS OF ANALYSIS - Water

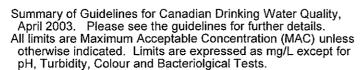


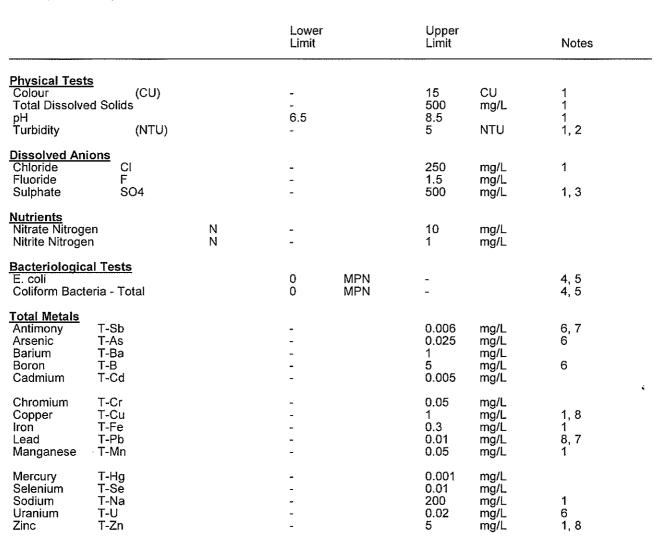
Sample ID		Amaruk 103	Amaruk 104
Sample Date		05-08-25	05-08-25
Sample Time		10:00	10:15
ALS ID		1	2
Total Metals Aluminum Antimony Arsenic Barium Boron	T-AI	<0.010	<0.010
	T-Sb	<0.00050	<0.00050
	T-As	<0.00010	<0.00010
	T-Ba	<0.020	<0.020
	T-B	<0.10	<0.10
Cadmium	T-Cd	<0.00020	<0.00020
Calcium	T-Ca	1.56	1.54
Chromium	T-Cr	<0.0020	<0.0020
Copper	T-Cu	0.0027	0.0047
Iron	T-Fe	<0.030	0.041
Lead	T-Pb	0.0010	0.0014
Magnesium	T-Mg	1.50	1.98
Manganese	T-Mn	0.0021	0.0025
Mercury	T-Hg	<0.00020	<0.00020
Potassium	T-K	1.04	1.05
Selenium	T-Se	<0.0010	<0.0010
Sodium	T-Na	14.7	14.8
Uranium	T-U	<0.00010	<0.00010
Zinc	T-Zn	<0.050	<0.050

Remarks regarding the analyses appear at the beginning of this report. <= Less than the detection limit indicated.
Coliform results are expressed as Colony Forming Units (CFU) per 100 mL.
Results are expressed as milligrams per litre except for pH, Colour (CU),
Conductivity (umhos/cm), and Turbidity (NTU).

Appendix 1 - REGULATORY CRITERIA

Health Canada







¹ Aesthetic Objective (AO) (taste, odour, appearance, etc.)
2 1 NTU maximum allowed for water entering distribution systems.

³ There may be a laxative effect in some individuals when sulphate levels exceed 500 mg/L.

⁴ For Semi-public and Private Drinking Water Systems - no sample should contain E. coli or Total Coliform Bacteria.

⁵ For Public Drinking Water Systems - no sample should contain E. coli and no consectutive sample or no more than 10% should show the presence of Total Coliform Bacteria.

⁶ Interim Maximum Acceptable Concentration (IMAC)

⁷ First drawn water may be high, flush system before sampling.

⁸ At point of consumption.

Appendix 2 - METHODOLOGY



Outlines of the methodologies utilized for the analysis of the samples submitted are as follows

Colour in Water

This analysis is carried out using procedures adapted from APHA Method 2120 "Color". Colour (true colour) is determined by filtering a sample through a 0.45 micron membrane filter followed by analysis of the filtrate using the platinum-cobalt colourimetric method. The analysis is carried out without pH adjustment.

Recommended Holding Time:

Sample: 2 days Reference: APHA

For more detail see ALS Environmental "Collection & Sampling Guide"

Conductivity in Water

This analysis is carried out using procedures adapted from APHA Method 2510 "Conductivity". Conductivity is determined using a conductivity electrode.

Recommended Holding Time:

Sample: 28 days Reference: APHA

For more detail see ALS Environmental "Collection & Sampling Guide"

Solids in Water

This analysis is carried out using procedures adapted from APHA Method 2540 "Solids". Solids are determined gravimetrically. Total dissolved solids (TDS) and total suspended solids (TSS) are determined by filtering a sample through a glass fibre filter, TDS is determined by evaporating the filtrate to dryness at 180 degrees celsius, TSS is determined by drying the filter at 104 degrees celsius. Total solids are determined by evaporating a sample to dryness at 104 degrees celsius. Fixed and volatile solids are determined by igniting a dried sample residue at 550 degrees celsius.

Recommended Holding Time:

Sample: 7 days Reference: APHA

For more detail see ALS Environmental "Collection & Sampling Guide"

pH in Water

This analysis is carried out using procedures adapted from APHA Method 4500-H "pH Value". The pH is determined in the laboratory using a pH electrode.

Recommended Holding Time:

Sample: 2 hours

Appendix 2 - METHODOLOGY - Continued



Reference: APHA

For more detail see ALS Environmental "Collection & Sampling Guide"

Turbidity of Water

This analysis is carried out using procedures adapted from APHA Method 2130 "Turbidity". Turbidity is determined by the nephelometric method.

Recommended Holding Time:

Sample: 2 days Reference: APHA

For more detail see ALS Environmental "Collection & Sampling Guide"

Alkalinity in Water by Colourimetry

This analysis is carried out using procedures adapted from EPA Method 310.2 "Alkalinity". Total Alkalinity is determined using the methyl orange colourimetric method.

Recommended Holding Time:

Sample: 14 days Reference: APHA

For more detail see ALS Environmental "Collection & Sampling Guide"

Dissolved Anions in Water by Ion Chromatography

This analysis is carried out using procedures adapted from APHA Method 4110 "Determination of Anions by Ion Chromatography" and EPA Method 300.0 "Determination of Inorganic Anions by Ion Chromatography". Anions are determined by filtering the sample through a 0.45 micron membrane filter and injecting the filtrate onto a Dionex IonPac AG17 anion exchange column with a hydroxide eluent stream. Anions routinely determined by this method include: bromide, chloride, fluoride, nitrate, nitrite and sulphate.

SampRe@ndagen(bordnhioldinghlbirider, fluoride, sulphate)

Sample: 2 days (nitrate, nitrite) Reference: APHA and EPA

Laboratory Location: ALS Environmental, Vancouver

E. coli and Total Coliform Bacteria in Water by Enzyme Substrate

This analysis is carried out using procedures adapted from APHA Method 9223 "Enzyme Substrate Coliform Test". E. coli and Total Coliform are determined simultaneously. The sample is mixed with a mixture hydrolyzable substrates and then sealed in a multi-well packet. The packet is incubated for 18 or 24 hours and then the number of wells exhibiting a positive response are counted. The final result is obtained by comparing the positive responses to a probability table.

Appendix 2 - METHODOLOGY - Continued



Recommended Holding Time:

Sample: 1 day Reference: APHA

For more detail see ALS Environmental "Collection & Sampling Guide"

Coliform Bacteria in Water by Membrane Filtration

This analysis is carried out using procedures adapted from APHA Method 9222 "Membrane Filter Technique for Members of the Coliform Group". Coliform bacteria is determined by colony counting. A known sample volume is filtered through a 0.45 micron membrane filter. The test involves an initial 24 hour incubation of the filter with the appropriate growth medium, positive results require further testing (up to an additional 48 hours) to confirm and quantify the total and fecal coliform. This method is used for non-turbid water with a low background bacteria level.

Recommended Holding Time:

Sample: 1 day Reference: APHA

For more detail see ALS Environmental "Collection & Sampling Guide"

Metals in Water

This analysis is carried out using procedures adapted from "Standard Methods for the Examination of Water and Wastewater" 20th Edition 1998 published by the American Public Health Association, and with procedures adapted from "Test Methods for Evaluating Solid Waste" SW-846 published by the United States Environmental Protection Agency (EPA). The procedures may involve preliminary sample treatment by acid digestion, using either hotplate or microwave oven, or filtration (EPA Method 3005A). Instrumental analysis is by atomic absorption/emission spectrophotometry (EPA Method 7000 series), inductively coupled plasma - optical emission spectrophotometry (EPA Method 6010B), and/or inductively coupled plasma - mass spectrometry (EPA Method 6020).

Recommended Holding Time:

Sample: 6 months Reference: EPA

For more detail see: ALS "Collection & Sampling Guide"

Mercury in Water

This analysis is carried out using procedures adapted from "Standard Methods for the Examination of Water and Wastewater" 20th Edition 1998 published by the American Public Health Association, and with procedures adapted from "Test Methods for Evaluating Solid Waste" SW-846 published by the United States Environmental Protection Agency (EPA). The procedure involves a cold-oxidation of the acidified sample using bromine monochloride prior to reduction of the sample with stannous chloride. Instrumental analysis is by cold vapour atomic fluorescence spectrophotometry (EPA Method 245.7).

Appendix 2 - METHODOLOGY - Continued



Recommended Holding Time:

Sample:

28 days

Reference:

EPA

For more detail see ALS Environmental "Collection & Sampling Guide"

Results contained within this report relate only to the samples as submitted.

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End of Report