



WATER USE INSPECTION REPORT FORM

Date: August 5th, 2012	Licensee Rep. Seasonal shutdown
Licensee: Vale Exploration Canada Inc.	Licence No: 2BE-SIP1114

Comments: A compliance inspection was conducted on the 5th of August 2012, at Vale Exploration's South Hampton Project in Coral Harbour, Nunavut.

Prior to the inspection, the Inspector was informed that Vale was completing a drill haul and preparing for seasonal closure.

Co-ordinates provided by Vale's pilot, for the drilling rig and fly shack N 64° 38' 09.7" W 082° 55' 58.7"

WATER SUPPLY

Source(s): Unnamed source	Quantity used: Unknown		
Owner:/Operator: Vale Exploration Canada inc.			
Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected			
Intake Facilities: NI	Storage Structure: NI	Treatment System: NI	Chemical Storage: NI
Flow Meas. Device: NI	Conveyance Lines: NI	Pumping Stations: NI	Screen : NI

Comments: No camp is constructed under this license. Water is obtained for drilling from sources proximal to the target location.

WASTE DISPOSAL

Sewage Treatment System: Unknown

Natural Water Body: NA	Continuous Discharge (land or water): NA	
Seasonal Discharge: NA	Wetlands Treatment: Unknown	Trench: None
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: NI	A&R Plan: NI
Periods of Discharge: NA	Effluent Discharge Rate: None	

Comments: The Inspector noted the following;

- Drill site is well maintained and organized
- Located near the drill location it appears as though a small sump is being utilized to contain cutting. The proponent is encouraged to continue this practice and is reminded that all sumps if constructed must be backfilled to restore freeze back.

FUEL STORAGE:

Owner/Operator: Vale Exploration Canada Inc.

Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected		
Berms & Liners: NA	Water within Berms: NA	Evidence of Leaks: NA
Drainage Pipes: NA	Pump Station & Catchments Berm: NA	
Pipeline Condition: NA	Condition of Tanks: NA	

Comments: The inspector noted the following;

- A Fly shack is utilized by Vale's exploration team during the seasonal drilling program. The heating fuel drum associated with this shack is lacking secondary containment.

SURVEILLANCE NETWORK PROGRAM (SNP)

Samples Collected	Owner /Operator: Inactive	
0	INAC: NA	
Signs Posted	SNP: none	Warning:
Records & Reporting: 2011 annual report has been submitted		
Geotechnical Inspection: N/A		



Non-Compliance of Act or Licence:

The Inspector noted no issues associated with this site. The site is well maintained, organized and the proponent continues to meet administrative requirements.

The Inspector encourages the proponent to obtain some form of secondary containment for the fuel drums used to support the fly shack.

Christine Wilson

Inspector's Name

Christopher Hicks

Representative Name

Sent by E-mail Original on File

Inspector's Signature

Christopher Hicks

Representative's Signature

Andrew Keim- A/Manager Field Operations
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