



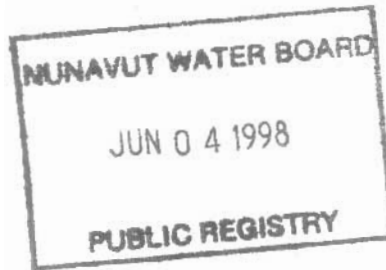
COGEMA

Resources Inc.

Exploration Department
Fax (306) 343-4632

May 26, 1998

Mr. Philippe di Pizzo
Executive Director
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NT
X0E 1J0



Dear Mr. di Pizzo:

Re: 1997 Summary Report of Water Use and Waste Disposal Activities (NWB Permit No. NWB2SIS)

Exploration activities in 1997 on the Sissons Project were undertaken by the personnel based at the Kiggavik (Lone Gull) base camp. Mobilization into the camp began on June 27 and the camp was closed-up for the winter on August 26. Field work performed consisted of diamond drilling on eight grids (Map 1). Twenty drill holes totaling 5157.2 m were completed and are summarized below:

- five drill holes at Andrew Lake (1416.1m)
- six drill holes at Grids 96-1, 96-2, and Context Grid (1713.2m)
- one drill hole at Twin Grid (355.4m)
- one drill hole at Grid 96-3 (191.1m)
- two drill holes at Fox95 Grid (382.3m)
- five drill holes at Grid 96-4 (1099.1m)

It is estimated that 1805 m³ of water from nearby lakes/streams was used in the twenty drill holes completed based on a rate of 0.35 m³ per metre of drilling. The volume of water used in drilling never showed imbalance of inputs and outputs in terms of draw down and recharge capability of the surface water source.

At the Kiggavik base camp, approximately 1008 m³ of water from a lake located 200m north of the camp was used during the summer based on a rate of 18 m³ per day. There was no effect on water level from intake source.



1996 WINNER – PHYSICAL ENVIRONMENT
1996 FINALIST – COMMUNITY INVOLVEMENT

P.O. BOX 9204, 817 - 825, 45th STREET WEST, SASKATOON, SASKATCHEWAN CANADA S7K 3X5
TEL: (306) 244-2554 FAX: (306) 653-3883

In terms of waste disposal activities, kitchen water (grey water) was piped westward from the kitchen to a sump where it was allowed to seep and evaporate. Water from the dry (shower and wash facilities) was discharged south to a small swampy area and allowed to seep and evaporate. Sewage from the camp area was placed in heavy plastic/rubber garbage bins and flown to a dump area located 10km to the east and burned with diesel fuel. Sewage from the outhouse at Andrew Lake was buried as required.

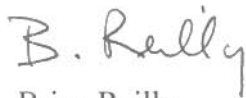
There were no unauthorized spills in 1997. An inventory of hazardous materials on the property and their storage locations is as follows:

Kiggavik camp:	52 drums of 205 litres of Jet B fuel
(64°25'N; 97°40'W)	60 drums of 205 litres of diesel fuel
Andrew Lake:	133 drums of 205 litres of Jet B fuel
(64°20'N; 97°52'W)	62 drums of 205 litres of diesel fuel

No field work is planned for the Sissons Project in 1998, however, we expect to resume exploration activities on the property in the future.

We trust this summary report meets the conditions of our permit.

Sincerely,
COGEMA Resources Inc.



Brian Reilly
District Geologist - NT