Titan Uranium Incorporated

NWB Annual Report 2008

Date Prepared: **Jaunary 5, 2009**
Prepared by: **John Dixon, P. Geo**
Mark McLaren

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Figures

Appendices

NWB2(insert)

NWB Annual Report **Year being reported:** 2008

License No: 2BE-THE0608 **Issued Date:** April 28, 2006
Expiry Date: August 28, 2013

Project Name: Thelon Project

Licensee: Titan Uranium Inc.

Mailing Address: Suite 100, 2100 Airport Drive,
Saskatoon, Saskatchewan,
S7L 6M6

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):

See Attached Project Summary

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): See Attached Summary

Water Quantity:	
114	Quantity Allowable Domestic (cu.m)
71.35	Actual Quantity Used Domestic (cu.m)
450	Quantity Allowable Drilling (cu.m)
240.44	Total Quantity Used Drilling (cu.m)

Waste Management and/or Disposal

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

Additional Details:

NWB2(insert)

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

Spill No.: N/A (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

Other: (see additional details)

Additional Details:

Minor revisions as reccommended by regulating bodies and an update of the annual information. The revised plan is attached.

Revisions to the Abandonment and Restoration Plan

Select

Additional Details:

Minor Revisions made to update the annual information and the revised plan is attached.

Progressive Reclamation Work Undertaken

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

Drill holes cemented, drill cuttings backfilled into drill hole, drill sites cleaned;
Old camp site was cleaned of debris, greywater sump was backfilled and leveled, and peat moss was used to provide medium for new growth and prevent erosion.

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 attached

Additional Details:

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 attached

Additional Details:

NWB2(insert)

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 and Compliance Report received by the Licensee (Date):

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

Report dated August 6, 2008. Inspector - Henry Kablalik.
See Attached Summary

Any additional comments or information for the Board to consider

Date Submitted:	January 5, 2009	
Submitted/Prepared by:	John Dixon	
Contact Information:	**Tel:**	306-651-2405
	Fax:	306-651-5105
	email:	jdixon@titanuranium.com

2.0 Project Summary

2.1 2008 Work Program

In 2008, Titan Uranium Inc. used a camp site on the southwest shore of Itza Lake in N.T.S. Sheet 66 G01 (Crown Land: 65°02'25" North, 98°22'26" West), approximately 150 kilometres northwest of Baker Lake in Nunavut. The camp was constructed approximately 700 metres south of the previous site due to recommendations by the Nunavut Water Board in prior years. The old site was cleaned of all foreign debris, the grey water sump was backfilled and leveled, and peat moss was distributed on the ground to provide a medium for new growth and prevent erosion. The site will be reassessed in the next exploration year to determine if further reclamation will be needed. Photos will then be provided to the Nunavut Water Board and the Nunavut Impact Review Board to show that reclamation is complete. The camp was moved and managed by Matrix Aviation which is located in Yellowknife, N.W.T. Gemini Helicopters Inc. from High Level, Alberta provided two helicopters that were based at the camp for support.

The program consisted of prospecting and diamond drilling. A total of 12 diamond drill holes (1224.8 metres) were completed in N.T.S. Sheets 66 G02, G08, and B14. Drill cuttings were back filled in to the holes when drilling was completed, holes were cemented, and the sites were cleaned of debris. Prospecting was completed throughout the property on N.T.S. Sheet 66 G02, G08, B14, B15, and H05 using scintillometers to locate radioactive boulders. The helicopters were used to transport prospectors and drillers to and from camp.

2.2 2009 Work Program

Titan Uranium is currently assessing results from prior years of exploration. The 2009 work program has not been planned thus far and exploration may not be required until early in 2010.

3.0 Inspections

On July 22, 2008, an inspection of site utilized under the authorization of Land Use Permit N2005C0040 was conducted by Henry Kablalik. During his visit, Mr. Kablalik inspected the fuel storage and had observed standing water that had collected in one of the instaberms. An oil film was found on the water and likely originated from the 45 gallon diesel drums that it was containing. At the request of Mr. Kablalik, hydrophobic matting was used to soak up all the hydrocarbons within the instaberm and they were incinerated. All of the instaberms contain fuel filters for draining water while retaining the hydrocarbons. The

remaining standing water was drained through the filter. The instaberms in this case functioned as they were supposed to by containing a potential small spill.

Mr. Kablalik did not have any other compliance issues during his inspection and all other areas were deemed to be acceptable.

4.0 Water and Waste Management

4.1 Water Consumption

Water for domestic consumption was obtained from Itza Lake, approximately 75 metres from the camp. Water for diamond drilling operations was pumped from local water sources proximal to the drill sites. All water intake hoses were equipped with mesh screening to ensure that there was no entrainment of fish.

4.2 Waste Disposal

All sewage and combustible waste was incinerated on site with a SMART ASH portable forced air incinerator provided by Matrix Aviation Solutions. The non-combustible and the incinerated waste are contained within 5 gallon pails with lids inside one of the instaberms on site. No hazardous wastes have been handled to date. The Nunavut impact Review Board has requested that Titan Uranium should upgrade the single chamber incinerator that has been utilized in previous years. Titan will request that a dual chamber, forced air incinerator be supplied by Matrix Aviation for future exploration programs in an effort to meet the Canada-wide standards for dioxins and furans and the Canada-wide standard for mercury.

A sump for the camp greywater was constructed. A pit, approximately 4’ x 4’ x 4’, was dug in a gravel esker approximately 100 metres from the lake shore and lined with a wooden box. Holes were drilled in the plywood box to allow seepage into the surrounding sand and gravel and a lid was secured to the top as a safety precaution. The sump collected greywater from the kitchen and shower facilities.

5.0 Water Consumption

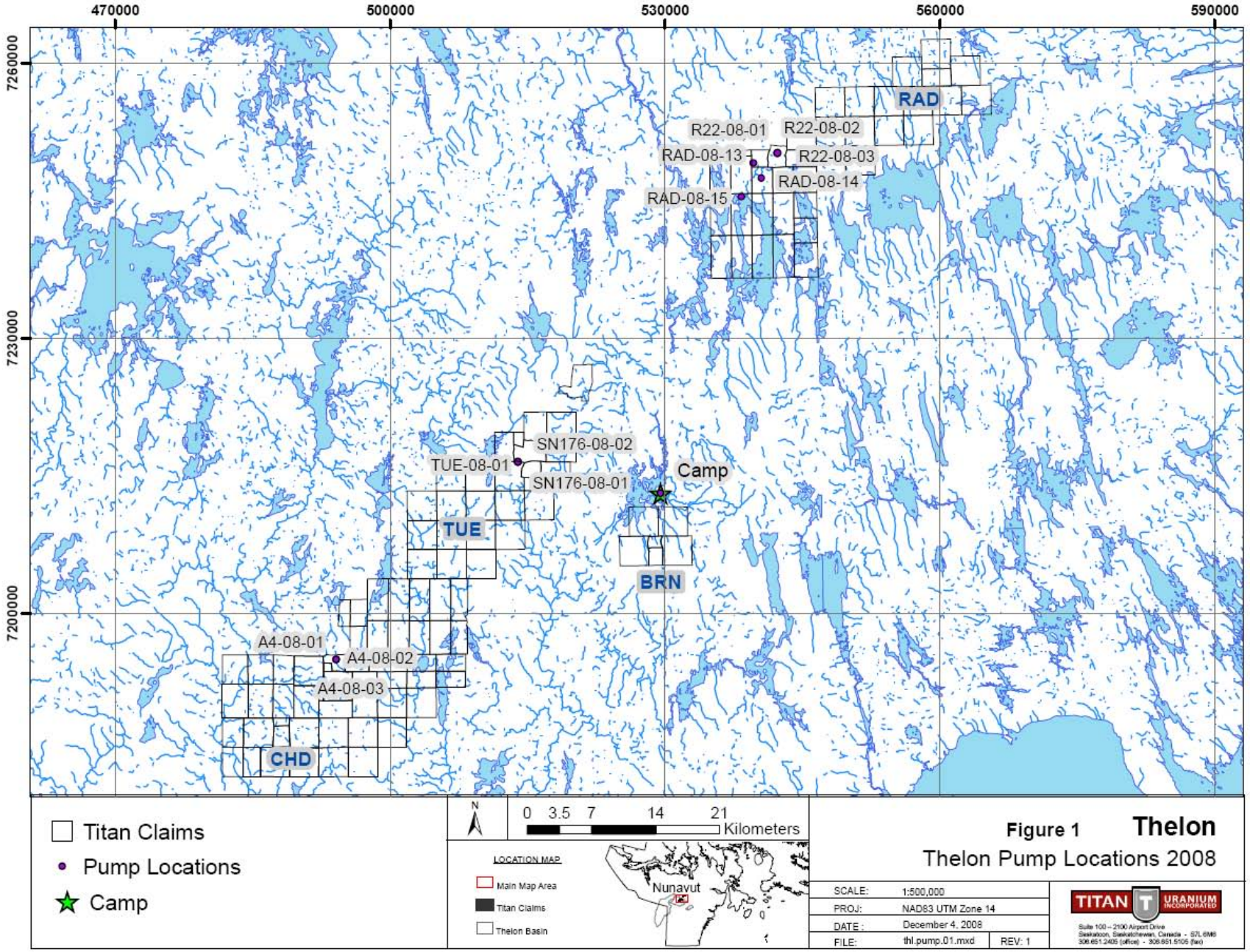
	Camp Water Use			Drilling Water Use		
Date	Consumption (gal)	Consumption (m^3)	Allowable (m^3)	Consumption (l)	Consumption (m^3)	Allowable (m^3)
July 16, 2008	750	2.84	3	4785	4.79	15
July 17, 2008	750	2.84	3	14880	14.88	15
July 18, 2008	500	1.89	3	9350	9.35	15
July 19, 2008	600	2.27	3	14010	14.01	15
July 20, 2008	650	2.46	3	8465	8.47	15
July 21, 2008	400	1.51	3	13885	13.89	15
July 22, 2008	550	2.08	3	14240	14.24	15
July 23, 2008	250	0.95	3	0	0.00	15
July 24, 2008	500	1.89	3	14440	14.44	15
July 25, 2008	700	2.65	3	9250	9.25	15
July 26, 2008	150	0.57	3	13170	13.17	15
July 27, 2008	650	2.46	3	7225	7.23	15
July 28, 2008	450	1.70	3	3505	3.51	15
July 29, 2008	500	1.89	3	9150	9.15	15
July 30, 2008	500	1.89	3	5510	5.51	15
July 31, 2008	650	2.46	3	0	0.00	15
August 1, 2008	600	2.27	3	0	0.00	15
August 2, 2008	400	1.51	3	14195	14.20	15
August 3, 2008	500	1.89	3	6945	6.95	15
August 4, 2008	450	1.70	3	0	0.00	15
August 5, 2008	650	2.46	3	13580	13.58	15
August 6, 2008	350	1.32	3	0	0.00	15
August 7, 2008	450	1.70	3	0	0.00	15
August 8, 2008	450	1.70	3	14250	14.25	15
August 9, 2008	750	2.84	3	12660	12.66	15
August 10, 2008	600	2.27	3	2980	2.98	15
August 11, 2008	400	1.51	3	3670	3.67	15
August 12, 2008	550	2.08	3	13995	14.00	15
August 13, 2008	550	2.08	3	8670	8.67	15
August 14, 2008	400	1.51	3	7625	7.63	15
August 15, 2008	400	1.51	3			
August 16, 2008	750	2.84	3			
August 17, 2008	500	1.89	3			
August 18, 2008	450	1.70	3			
August 19, 2008	450	1.70	3			
August 20, 2008	250	0.95	3			
August 21, 2008	200	0.76	3			
August 22, 2008	200	0.76	3			
Total	**18850**	**71.35**	**114.00**	**240,435**	**240.44**	**450.00**
Per Day	**496.05**	**1.88**	**3.00**	**8,015**	**8.01**	**15.00**

6.0 Camp and Drilling Water Pump Locations

Pump Locations				
Zone 14W	**Easting**	**Northing**	**Latitude**	**Longitude**
Camp	529547	7213047	65° 02' 23.6" N	98° 22' 20.9" W
R22-08-01	542298	7250180	65° 22' 17.9" N	98° 05' 25.3" W
R22-08-02	542298	7250180	65° 22' 17.9" N	98° 05' 25.3" W
R22-08-03	542298	7250180	65° 22' 17.9" N	98° 05' 25.3" W
RAD-08-13	539666	7249072	65° 21' 43.3" N	98° 08' 50.2" W
RAD-08-14	540568	7247445	65° 20' 50.4" N	98° 07' 42.1" W
RAD-08-15	538342	7245405	65° 19' 45.5" N	98° 10' 36.3" W
SN176-08-01	513973	7216490	65° 04' 18.5" N	98° 42' 10.4" W
TUE-08-01	513973	7216490	65° 04' 18.5" N	98° 42' 10.4" W
SN176-08-02	513973	7216490	65° 04' 18.5" N	98° 42' 10.4" W
A4-08-01	494149	7194879	64° 52' 41.3" N	99° 07' 24.6" W
A4-08-02	494149	7194879	64° 52' 41.3" N	99° 07' 24.6" W
A4-08-03	494149	7194879	64° 52' 41.3" N	99° 07' 24.6" W

7.0 Camp and Drill Sump Locations

Sump Locations				
Zone 14W	**Easting**	**Northing**	**Latitude**	**Longitude**
Camp greywater	529462	7213041	65° 02' 23.4" N	98° 22' 27.4" W
R22-08-01	542270	7250330	65° 22' 22.8" N	98° 05' 27.3" W
R22-08-02	542330	7250259	65° 22' 20.5" N	98° 05' 22.7" W
R22-08-03	542510	7250190	65° 22' 18.1" N	98° 05' 8.8" W
RAD-08-13	539922	7248836	65° 21' 35.6" N	98° 08' 30.6" W
RAD-08-14	540845	7247630	65° 20' 56.2" N	98° 07' 20.5" W
RAD-08-15	538310	7245421	65° 19' 46.0" N	98° 10' 38.8" W
SN176-08-01	514650	7216240	65° 04' 10.3" N	98° 41' 18.7" W
TUE-08-01	514467	7216165	65° 04' 7.9" N	98° 41' 32.7" W
SN176-08-02	514677	7216196	65° 04' 8.9" N	98° 41' 16.6" W
A4-08-01	493949	7194988	64° 52' 44.8" N	99° 07' 39.9" W
A4-08-02	493916	7194962	64° 52' 44.0" N	99° 07' 42.4" W
A4-08-03	493887	7194933	64° 52' 43.0" N	99° 07' 44.6" W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A4-08-01
A4-08-02
A4-08-03
CHD
Titan Claims
Pump Locations
Camp
N
0 3.5 7 14 21
Kilometers
LOCATION MAP
Main Map Area
Titan Claims
Thelon Basin
Nunavut
Figure 1
Thelon
Thelon Pump Locations 2008
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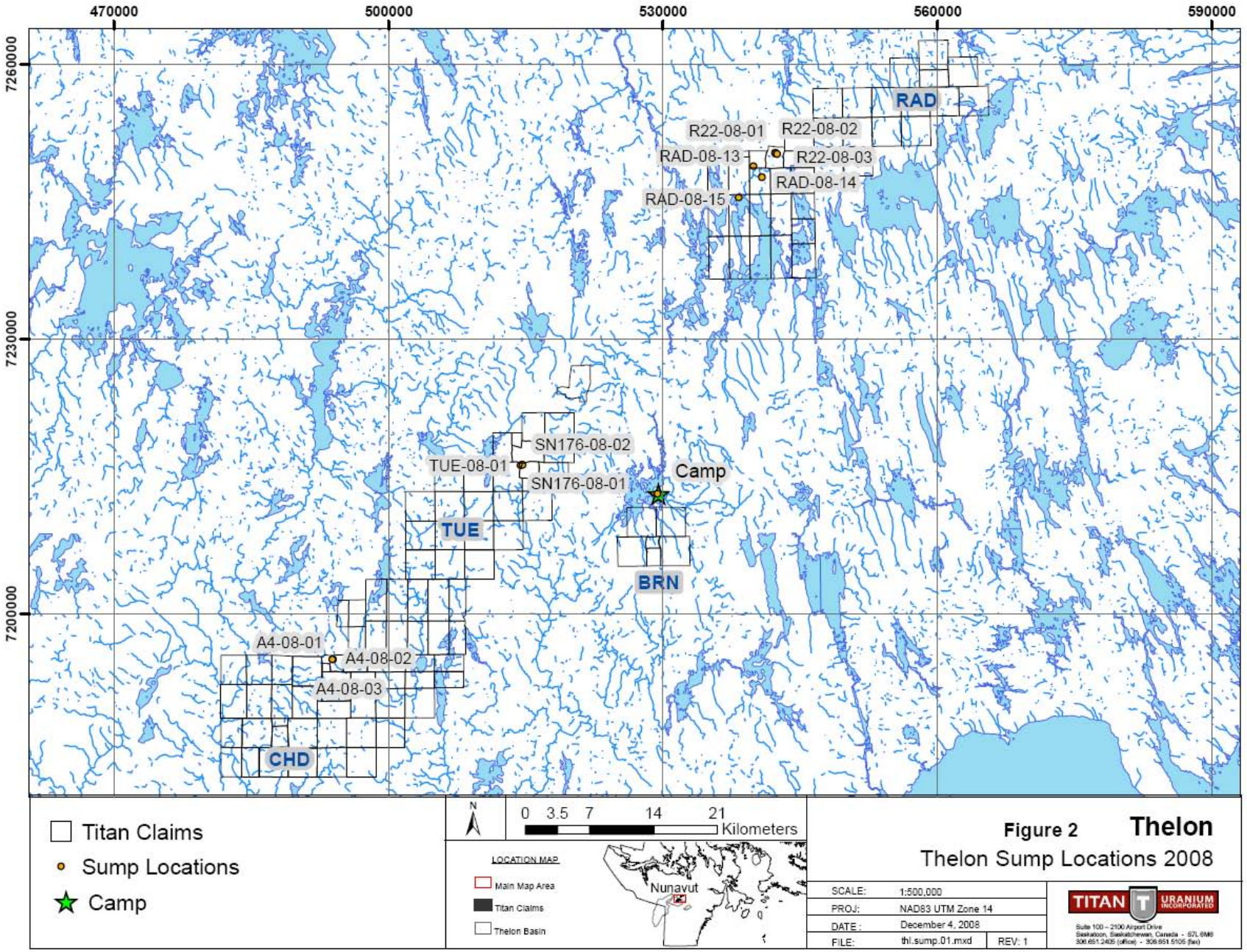
TITAN URANIUM INCORPORATED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TUE-08-01
SN176-08-01
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BRN
A4-08-01
A4-08-02
A4-08-03
CHD
Titan Claims
Sump Locations
Camp
N
0 3.5 7 14 21
Kilometers
LOCATION MAP
Main Map Area
Titan Claims
Thelon Basin
Nunavut
Figure 2
Thelon
Thelon Sump Locations 2008
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PROJ: NAD83 UTM Zone 14
DATE: December 4, 2008
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REV: 1
TITAN URANIUM INCORPORATED

Appendix 1 – Abandonment and Restoration Plan

Titan Uranium Inc.

Abandonment and Restoration Plan
Thelon Project
(Located Northwest of Baker Lake, Nunavut)
N.T.S. Sheets: 66 B-14, 66 B-15, 66 B-16, 66 G-1, 66 G-2, 66 G-8, and 66 H-5

Prepared by: **Paul R.J. Nicholls (P. Eng)**
Date: **September 12, 2006**

Revised by: **Mark McLaren**
Revised Date: **December 10, 2008**

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1.0 Preamble

The Abandonment and Restoration Plan has been prepared for Titan Uranium Inc. by Paul Nicholls (phone: 905-640-3957), and revised by John Dixon (Titan Uranium Inc.). The Abandonment and Restoration Plan will be in effect from April 1, 2006 to August 28, 2013 and applies to the Thelon Project operated by Titan Uranium Incorporated. The Thelon Project is located approximately 150 kilometres northwest of the Hamlet of Baker Lake in N.T.S. Sheets 66B, 66G, and 66H and consists of eight mineral leases and one hundred twelve mineral claims that are subject to an agreement with Ronald McMillan. The agreement defines the boundary project boundary by the following points: Point A - 97º34'W,65º33'N, Point B - 100º29'W, 64º57'N, Point C - 99º43'W, 64º36'N, Point D - 97º55'W, 65º02'N, and Point E - 97º13'W, 65º18'N (Figures 1 to 6). The camp was constructed and managed by Matrix Aviation from Yellowknife, N.W.T. (phone: 867-766-3134). The field supervisor and camp manager will be responsible for implementing the plan. Additional or revised copies of the Abandonment and Restoration Plan can be obtained from Titan Uranium Inc., Suite 100, 2100 Airport Drive, Saskatoon, Saskatchewan, S7L 6M6 (Phone: 306-651-2405; fax : 306-651-5105).

2.0 Introduction

This Abandonment and Restoration Plan has been prepared for exploration programs that will be carried out between September 2006 and August 2013 by Titan Uranium Incorporated. The programs will be carried out from a temporary fly-in camp located on the southwest shore of Itza Lake in N.T.S. Sheet 66 G/1 (Crown Land; 65°02'25"N and 98°22'26"W; Figure 4), approximately 150 kilometres northwest of Baker Lake in Nunavut.

The program involved establishing a temporary camp in June 2006, which was moved 700 metres south in June 2008, to the co-ordinates mentioned above, as recommended by various government inspections in 2007. The location selected for the temporary camp provides access by float equipped and wheeled aircraft, and is located centrally to Titan Uranium Incorporated leases, claims and permits. At peak times the camp could accommodate a maximum of 20 people but for the most part there will be 12 to 15 people on site. The camp will only operate during the summer field season.

The Thelon Project is in the early stages of exploration and the exploration program may consist of geological mapping, prospecting, ground geophysics and exploratory diamond drilling. The camp will be dismantled according to the Seasonal Shutdown Plan at the conclusion of the program. If it is deemed that exploration should not continue, a Final Abandonment and Restoration Plan would be followed. The KIA and NWB will be informed of any decision to use the Final Abandonment and Restoration Plan.

No buildings, equipment or waste will be left on the project area beyond the expiration date of the Land Use or Water License permits, unless new permits licenses have been obtained.

In order to conduct the work program Titan Uranium Inc. has received the following permits and licences:

Land use permit N2005C0040 from Indian and Northern Affairs Canada (expiry March 23, 2009)
Land use license KVL306C01 from the Kivalliq Inuit Association (expiry July 15, 2009)
Water license 2BE-THE0608 from the Nunavut Water Board (expiry August 28, 2013)

3.0 Schedule

The final restoration of the camp site will begin once the program is complete. All work under the Abandonment and Restoration Plan will be completed prior to the date of expiry of the land use permits and water license unless a renewal is applied for. Empty fuel drums will be removed from site regularly. Any contamination will be cleaned up according to the Spill Contingency Plan and debris will be removed from the site.

4.0 Infrastructure to be built

The temporary camp will consist of the following (Figure 7):

- 1 wood-floored 42' by 16' combination kitchen / tent with hot and cold running water, refrigerator, stove, shower(s), washer and dryer, hot water tank (Weatherhaven tent)
- 6 wood-floored 14' by 16' sleep tents (Weatherhaven tents)
- 1 wood-floored 14' by 16' office / sleeping (Weatherhaven tent)
- 1 wood-floored 14' by 16' canvas tent for logging core
- 2 wood-framed toilet
- 1 generator shelter housing 10 kW generator
- 1 wood-floored 14' by 16' helicopter pad
- 1 - 14’ in diameter steel granary was erected (September 2006) on the site to provide safe storage for any equipment left on site over the winter.

A temporary platform will be constructed for a diamond drill during exploration years that require drilling. It will consist of 4 – 8X8’s covered by approximately 20 – 2X10’s and will act as a flat base to support the drill.

5.0 Seasonal Shutdown

5.1 Tents

All canvas tents will be dismantled and removed from site for drying and proper storage. Weatherhaven tents will be either secured to the ground, and closed for winter or removed. Oil stoves will be removed from the tents and taken for storage, with the exception of one tent where the stove will be left installed for use by travelers and / or emergency use. Wood structures (generator and toilet shacks) and the wooden tent floors will be kept secured to the ground. Any wooden bed frames will be turned upside down and secured to the wooden floors for over-winter storage.

5.2 Water system

The pump and hoses will be drained and dismantled. The pump may be removed from site for servicing and storage. Hoses will be stored on site in the generator shack.

5.3 Fuel and Chemical Storage

An inventory of the Fuel Storage Area will be conducted prior to leaving at the end of the field season. Chemicals will not be stored on the site over the winter. All chemicals will be removed from the site for storage and or disposal.

5.4 Waste

Combustible waste: All combustible waste will be incinerated. The burn barrel will be stored at the camp site for use the following year.

Grey water sump: The grey water sump will be inspected, marked and covered securely for the winter.

5.5 Drill sites and Core Storage Area

The drill will be dismantled into its main components by the drilling contractor and packaged and secured along with its ancillary equipment and rods. The drill will be flown out by the drilling contractor. Rods and other equipment will be stored at the camp and at the fuel storage area.

All drill sites will be inspected for soil contamination. Any remaining waste will be taken to camp to be burned if possible or to be flown out to an approved disposal location. As much as possible, drill sites will be restored immediately after the drill has been moved to the next site. During drilling, all drill cuttings will be collected and cuttings with elevated uranium values will be placed back in the drill hole. All holes will be sealed by cementing or grouting to an appropriate depth from the surface such that surface waters are prevented from interacting with ground waters. In holes that encounter mineralization with a uranium content greater than 1.0% U_3O_8 (or equivalent millisievert reading) over a length > 1 meter, and with a meter-percent concentration > 5.0 the drill cuttings will be collected and back filled into the hole, and the zone of mineralization will be sealed by grouting to a distance of 10 metres above and 10 metres below the mineralization. This condition is consistent with the Mineral Exploration Guidelines for Saskatchewan as well as Nunavut Water Board Water Licenses for Uranium Exploration Projects. Greywater sumps will be back filled and leveled. Following back filling, a radiometric survey will be conducted and if material is found to exceed background radiation levels, then the Land Use Inspector will be contacted for review and approval of the handling procedures.

The core storage area will be adjacent to the camp, 70 metres away from the high water level and will consist of piles of cross stacked boxes. Gamma radiation levels of the core storage area must meet the decommissioning requirements of being less than 1.0 µSv one meter from the surface of the storage area and in no instance will the level be allowed to exceed 2.5 µSv. If core is found to exceed the levels identified, then the Land Use Inspector will be contacted for review and approval of the handling procedures.

5.6 Contamination Clean Up

All contaminated water, ice, snow, soil, and clean up supplies will be stored in closed, labeled containers. All containers will be stored in a well ventilated area away from incompatible materials. Materials will be handled according to the Titan Spill Contingency Plan and the Federal and Nunavut regulatory agencies will be contacted to ensure approved and authorized disposal methods are used before disposing contaminated material. Before and after photos will be taken to document the contamination and the clean up.

5.7 Inspection and Documentation

A complete inspection of all areas and a full inventory will be conducted prior to seasonal closure.

6.0 Final Abandonment and Restoration

6.1 Tents and Equipment

All buildings will be dismantled and removed. All wooden structures including floors will either be burned or removed. All equipment, including pumps, generators, etc. will be dismantled and removed from the project area.

6.2 Fuel and Chemical Storage

All fuel drums will be removed and the area where fuel has been stored will be thoroughly inspected. Any contamination will be cleaned up as well as any debris removed. Contaminated soil will be handled as outlined in the Spill Contingency Plan. Final photos will be taken of the fuel storage area for inclusion in the final report. All chemicals will be removed from the site. Areas where chemicals have been stored will be inspected to ensure that there has been no contamination.

6.3 Sumps

All sumps will be inspected to ensure that there is no leaching or run-off. Sumps will be back-filled and leveled as required. Final photos will be taken.

6.4 Camp Site

A final inspection of the camp site area will be conducted to ensure that there is no waste left behind. All wastes that are not combustible will be removed from the site.

6.5 Drill Sites and Core Storage Area

The drill will be dismantled into its main components by the drilling contractor and packaged and secured along with its ancillary equipment and rods. The drill will be flown out by the drilling contractor.

All drill sites will be inspected for soil contamination. Any remaining waste will be taken to camp to be burned if possible or to be flown out to an approved disposal location. As much as possible, drill sites will be restored immediately after the drill has been moved to the next site. During drilling all drill cuttings will be collected and cuttings with elevated uranium values will be placed back in the drill hole. All holes will be sealed by cementing or grouting to an appropriate depth from the surface such that surface waters are prevented from interacting with ground waters. In holes that encounter mineralization with a uranium content greater than 1.0% U3O8 (or equivalent millisievert reading) over a length > 1 meter, and with a meter-percent concentration > 5.0 the drill cuttings will be collected and back filled into the hole, and the zone of mineralization will be sealed by grouting to a distance of 10 metres above and 10 metres below the mineralization. Greywater sumps will be back filled and leveled. Following back filling, a radiometric survey will be conducted and if material is found to exceed background radiation levels, then the Land Use Inspector will be contacted for review and approval of the handling procedures.

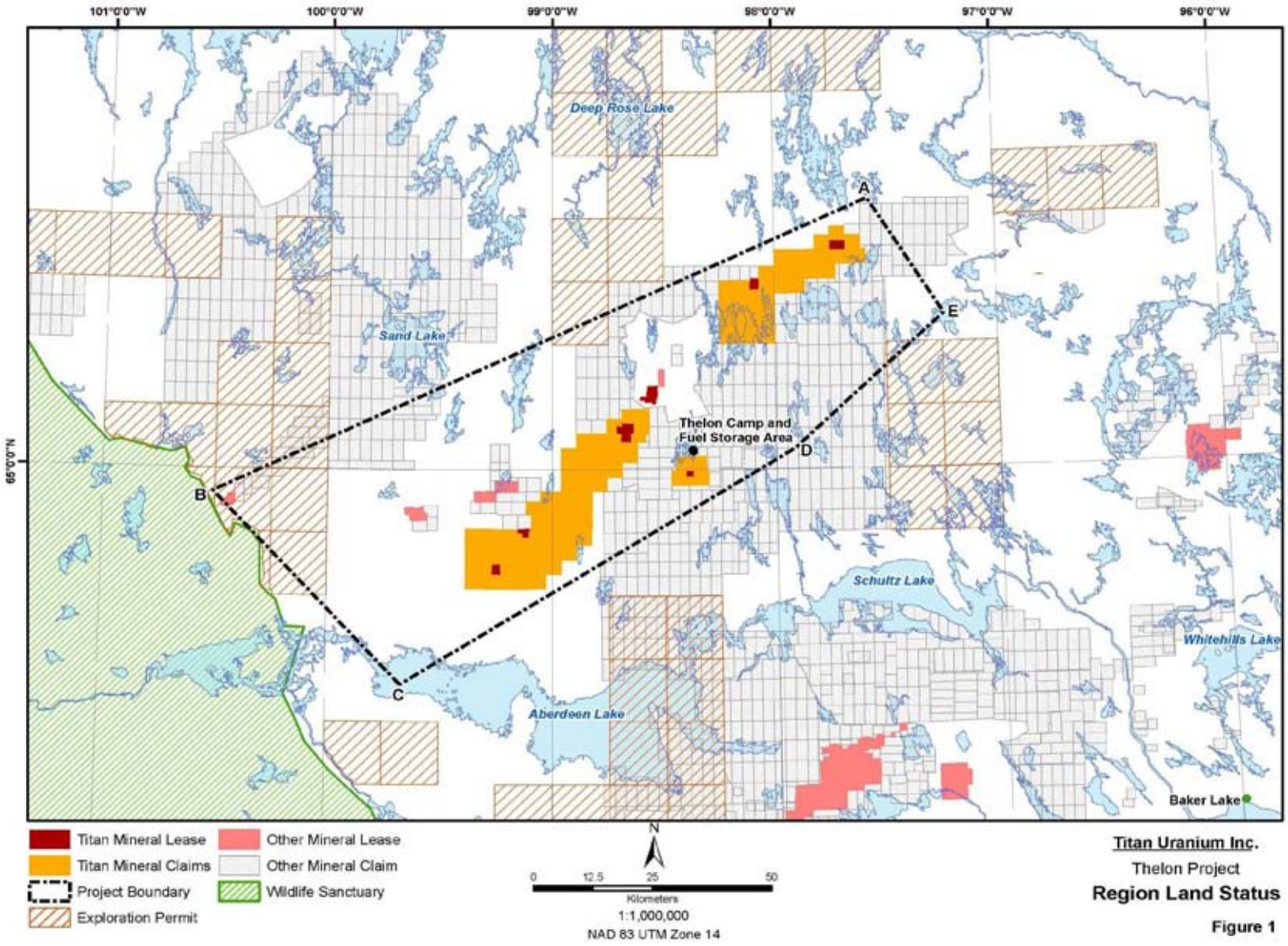
Gamma radiation levels of the core storage area must meet the decommissioning requirements of being less than 1.0 µSv one meter from the surface of the storage area and in no instance will the level be allowed to exceed 2.5 µSv. If core is found to exceed the levels identified, then the Land Use Inspector will be contacted for review and approval of the handling procedures.

6.6 Contamination Clean Up

All contaminated water, ice, snow, soil, and clean up supplies will be stored in closed, labeled containers. All containers will be stored in a well ventilated area away from incompatible materials. Materials will be handled according to the Titan Spill Contingency Plan and the Federal and Nunavut regulatory agencies will be contacted to ensure approved and authorized disposal methods are used before disposing contaminated material. Before and after photos will be taken to document the contamination and the clean up.

6.7 Inspection and Documentation

All areas will be inspected prior to closure and photos will be taken to document the conditions prior to leaving the site for use in the final plan. All appropriate agencies will be contacted and notified once the final clean up has been conducted.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Whitehills Lake
Aberdeen Lake
Baker Lake
A
B
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D
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Exploration Permit
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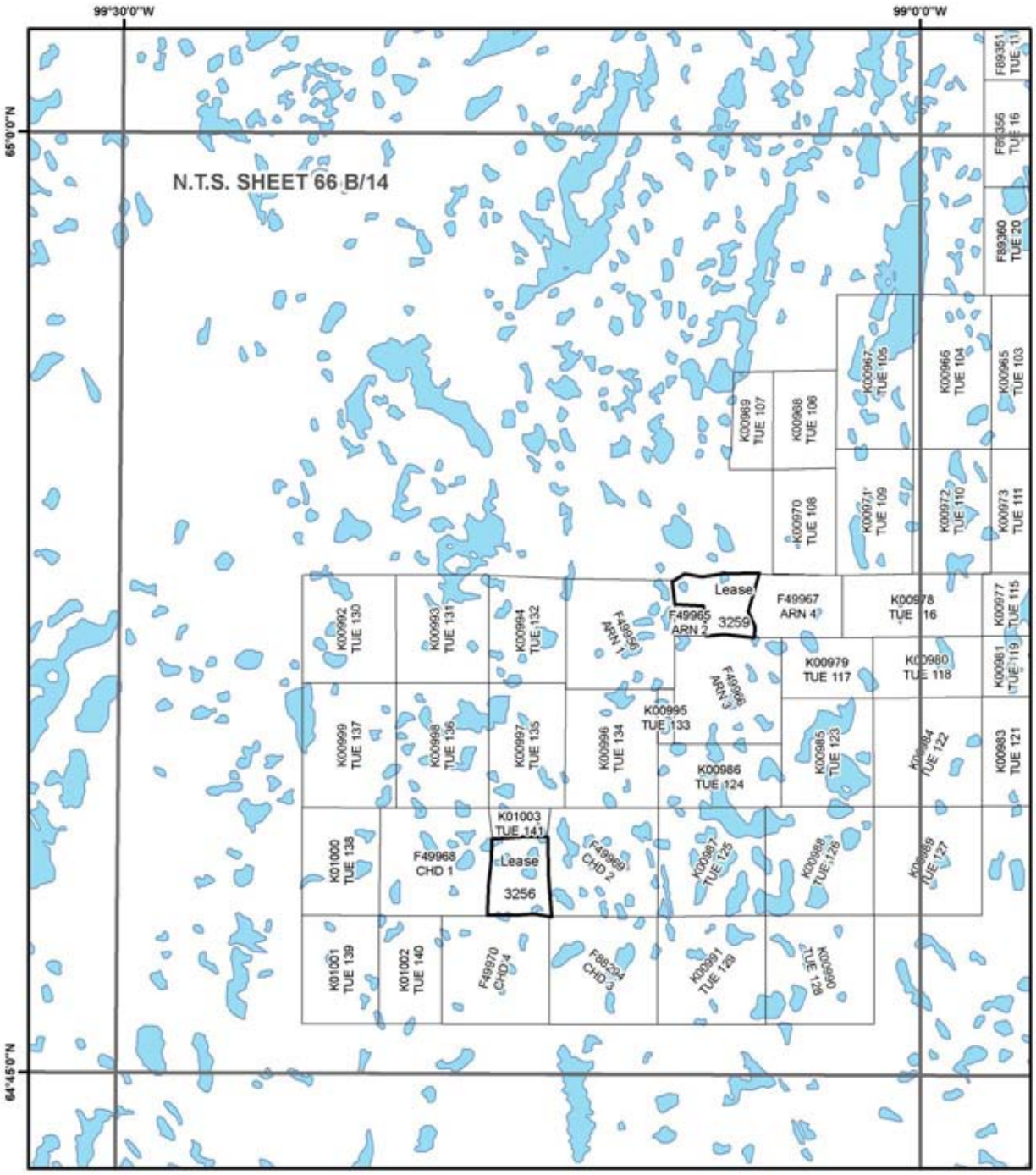
Titan Uranium Inc.
Thelon Project
Region Land Status
Figure 1



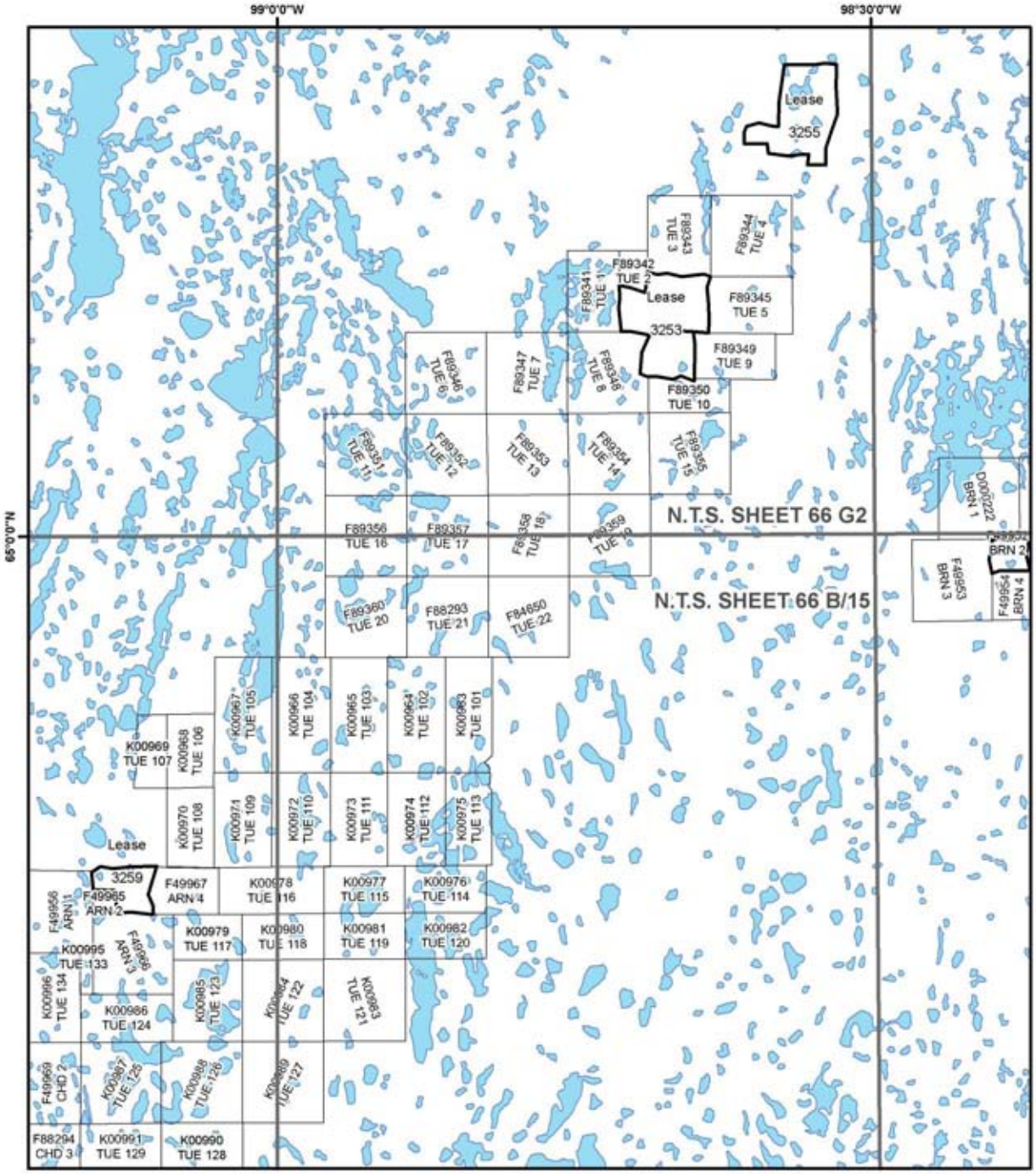
Titan Uranium Inc.

Thelon Project

N.T.S. Sheet 66B/14

Land Status

Figure 2



N

0 2,500 5,000 10,000

Meters

1:200,000

NAD 83 UTM Zone 14

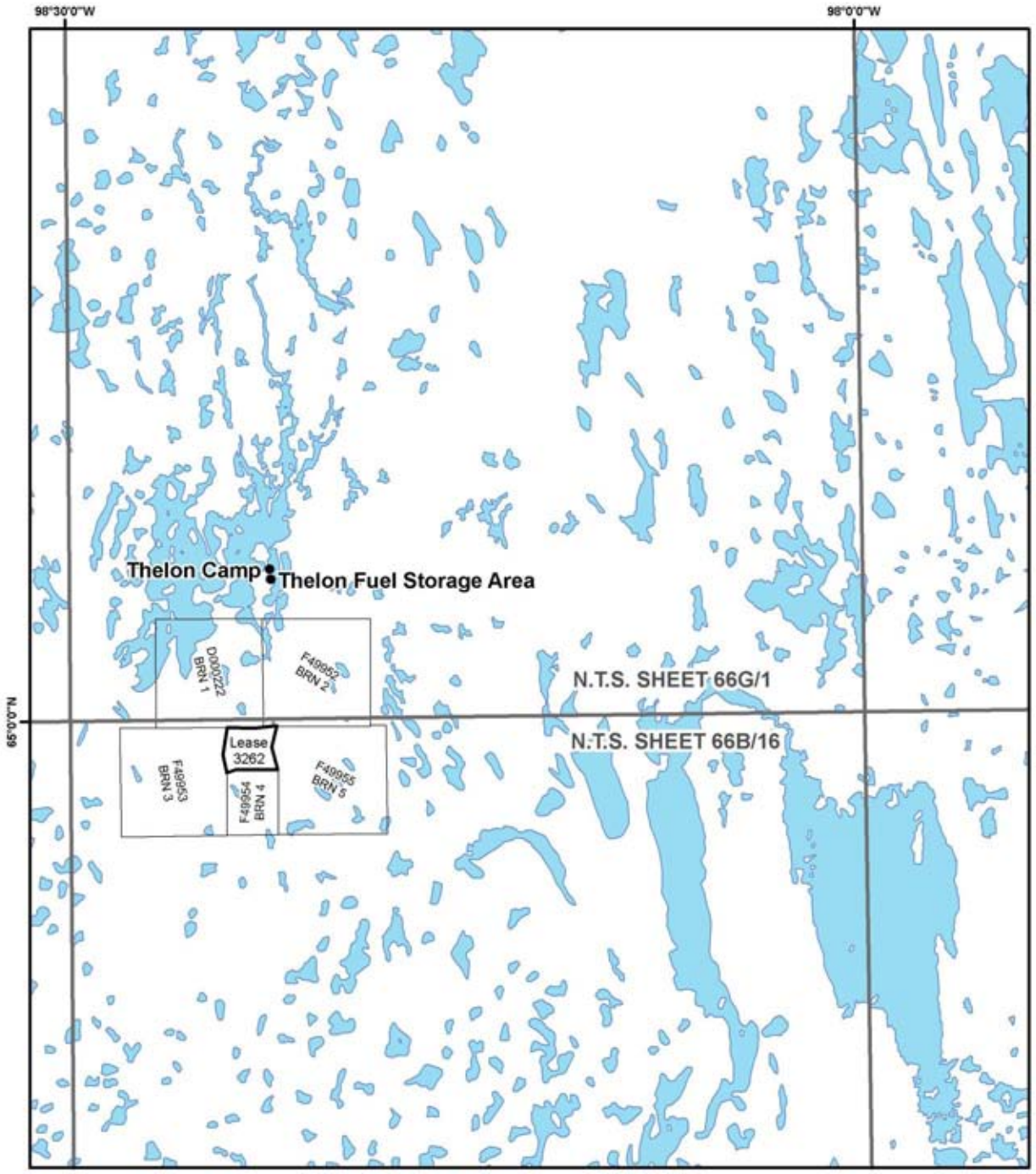
Titan Uranium Inc.

Thelon Project

N.T.S. Sheet 66B/15, 66G/2

Land Status

Figure 3



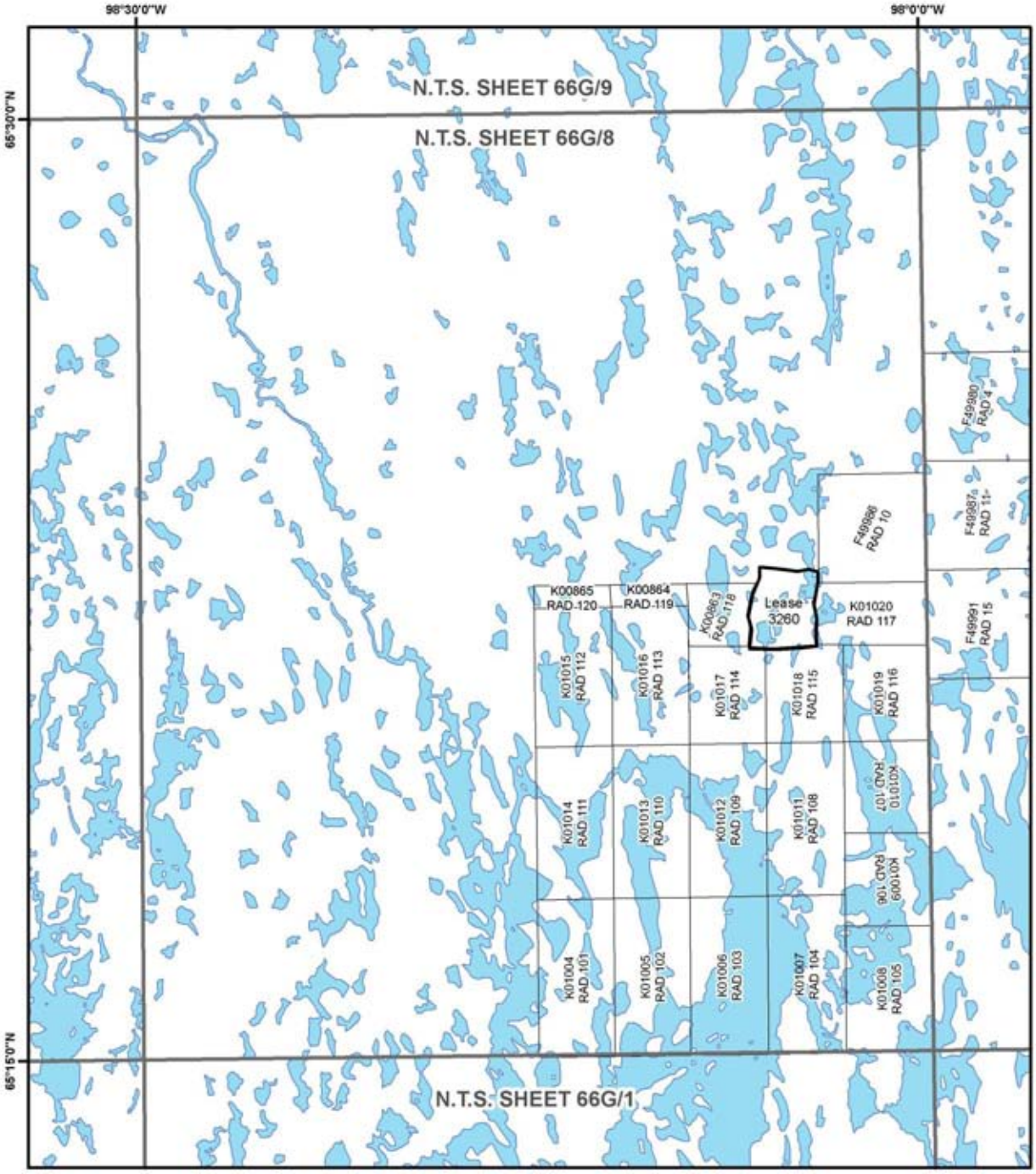
Titan Uranium Inc.

Thelon Project

N.T.S. Sheet 66B/16, 66G/1

Land Status

Figure 4



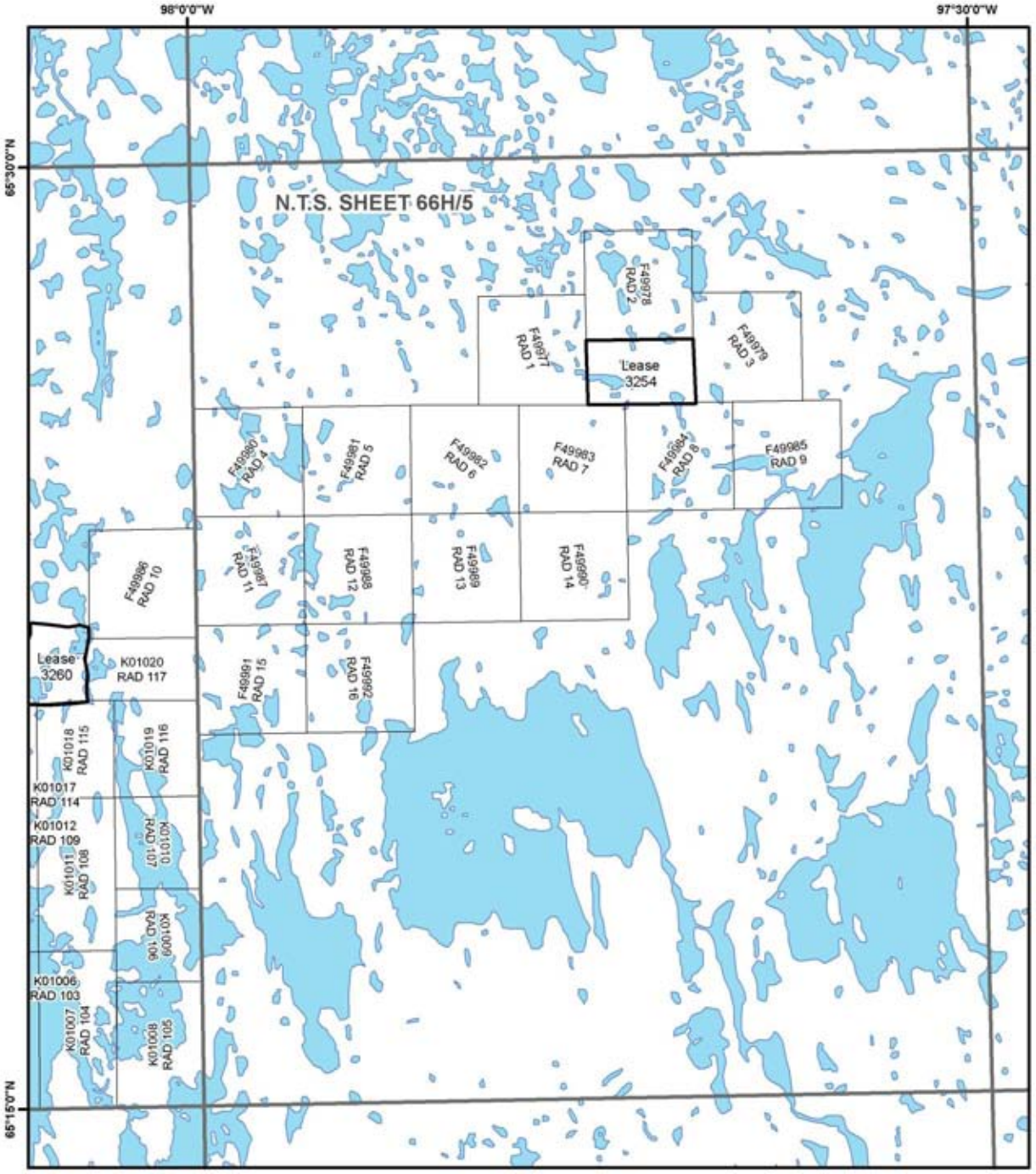
Titan Uranium Inc.

Thelon Project

N.T.S. Sheet 66G/8

Land Status

Figure 5



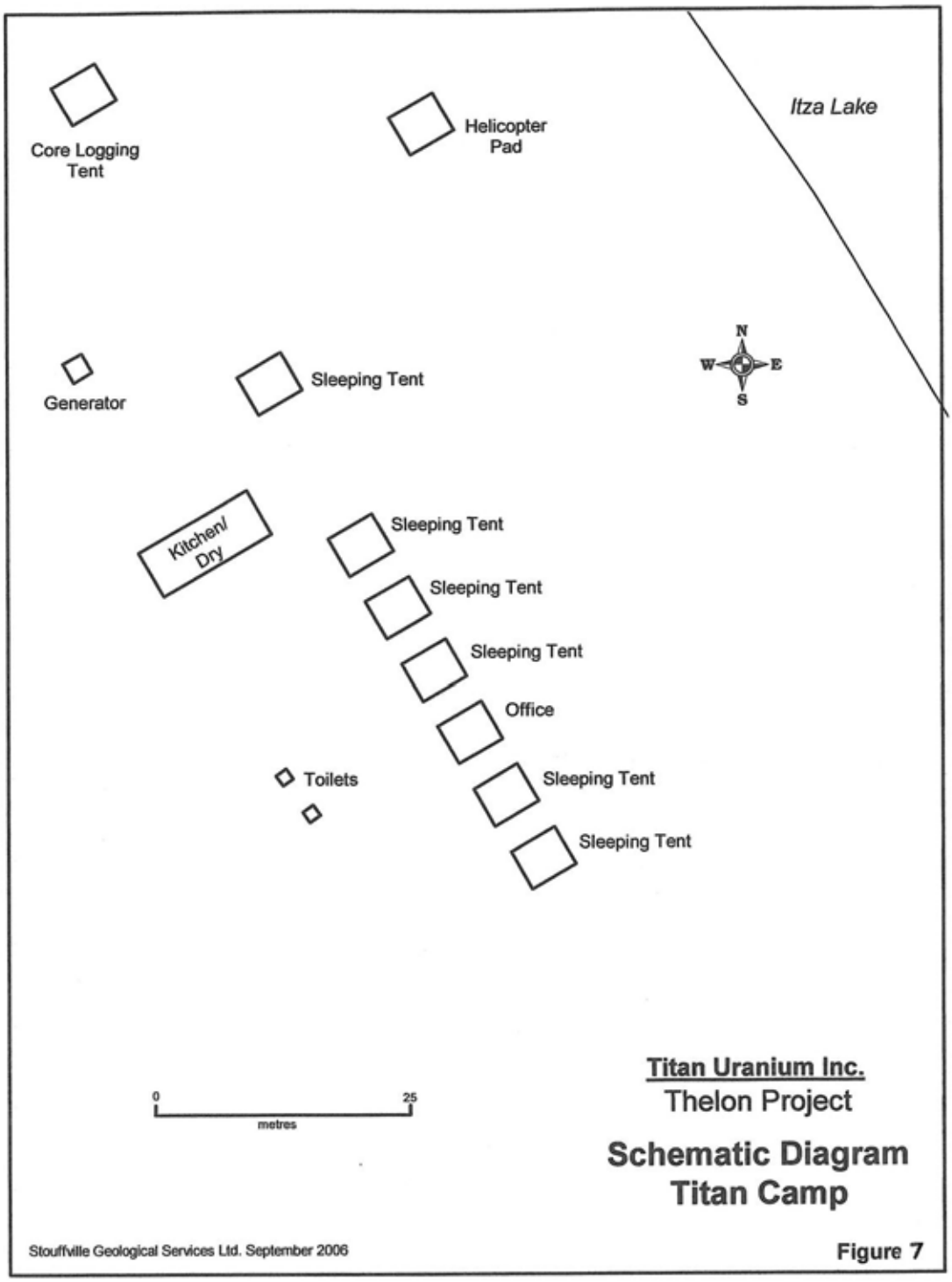
Titan Uranium Inc.

Thelon Project

N.T.S. Sheet 66H/5

Land Status

Figure 6


Core Logging Tent
Helicopter Pad
Itza Lake
N
W
E
S
Generator
Sleeping Tent
Kitchen/ Dry
Sleeping Tent
Sleeping Tent
Sleeping Tent
Office
Toilets
Sleeping Tent
Sleeping Tent
0
25
metres
Titan Uranium Inc.
Thelon Project
Schematic Diagram
Titan Camp
Stouffville Geological Services Ltd. September 2006
Figure 7

Appendix 2 – Spill Contingency Plan

Titan Uranium Inc.

Spill Contingency Plan

Thelon Project
Located Northwest of Baker Lake, Nunavut

Prepared by: **Paul R.J. Nicholls (P. Eng)**
Date: **November 17, 2005**

Revised by: **Mark McLaren**
Revised Date: **December 10, 2008**

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List of Appendices

1.0 Preamble

The Spill Contingency Plan will be effective from April 1, 2006 to April 1, 2010 and applies to the Thelon Project operated by Titan Uranium Incorporated. The Thelon Project is located approximately 150 kilometres northwest of the Hamlet of Baker Lake in N.T.S. Sheets 66B, 66G, and 66H and consists of eight mineral leases and one hundred twelve mineral claims that are subject to an agreement with Ronald McMillan. The agreement defines the boundary project boundary by the following points: Point A - 97º34'W, 65º33'N; Point B - 100º29'W, 64º57'N; Point C - 99º43'W, 64º36'N; Point D - 97º55'W, 65º02'N; and Point E - 97º13'W, 65º18'N.

Additional or revised copies of the Spill Contingency Plan can be obtained from Titan Uranium Inc., Suite 100 – 2100 Airport Drive, Saskatoon, Saskatchewan, S7L 6M6 (Phone: 306-651-2405; fax : 306-651-5105). Titan Uranium Inc. head office address is 2nd Floor - 157 Chadwick Ct., North Vancouver BC, V7M 3K2.

2.0 Introduction

2.1 Purpose of Plan

The purpose of this Spill Contingency Plan is to provide a plan of action for all spills of hazardous materials that could occur within the Thelon project area or at the camp located on the southwest shore of Itza Lake in N.T.S. Sheet 66 G/1 (Crown Land; 65°02'38"N and 98°22'30"W), approximately 150 kilometers northwest of Baker Lake in Nunavut. This Spill Contingency Plan defines the responsibilities of key personnel; outlines procedures to effectively and efficiently contain and recover spills of hazardous materials; lists steps that will be taken to limit the possibility of spills; and will be revised as required to reflect materials on site.

The exploration program will be supported by helicopter and will include the operation of a diamond drill. The principal hazardous materials on site will be Jet A1 and P-50 diesel. Lesser amounts of gasoline, propane, lubricants, and drill additives are also considered in the plan.

2.2 Titan Uranium Inc. Environmental Policy

It is the policy of Titan Uranium Inc. to fully comply with all applicable Acts and Regulations to ensure the protection of the environment of Nunavut. Titan Uranium Inc. shall cooperate with other groups committed to protecting the environment and shall ensure that our employees, regulatory authorities and the public are informed on the policies and procedures we have developed to help protect the environment of Nunavut.

3.0 Site Information

3.1 General

This spill contingency plan covers the principal fuel storage area, helicopter refueling area at the camp, and fuel handling at the widely separated drill sites within the project area. Refueling of the generator, camp heating, propane supply for cooking, and general camp operations are also considered under the plan.

3.2 Petroleum Storage and Transport

The fuel for the project will sledded over land from Baker Lake. The fuel cache will be located adjacent to the camp on a relatively flat, elevated area more than 70 meters from the high water mark of nearby ponds and lakes. The Jet-A1, P-50, and unleaded gasoline are contained in 205 litre drums. Each drum will be inspected immediately upon delivery to the cache site to ensure that there has been no damage during transport. The fuel haul for the 2008 program will include approximately 400 drums of Jet-A1 and 2 drums of unleaded gasoline. Fuel drums will be stored in instaberms setup in 2006 and 2007.

Fuel drums that are in use outside of the instaberm will have secondary containment. This includes fuel drums used for tent stoves as well as all other drums stored in camp. The camp manager will make daily inspections of the fuel in camp.

3.3 Greywater and Sewage

Greywater will be discharged into sumps located at the minimum required distance from all water bodies. Sewage will be incinerated. Sumps will be inspected regularly to ensure that there is no erosion or leaching.

3.4 Locations of Spill Response Equipment

Spill kits (with additional absorbent pads) will be located at the fuel cache near the helicopter refueling area and at the drill. A third kit will be located in the camp. Hand tools will also be located with each spill kit. Fire extinguishers will be located in each tent and at the generator.

4.0 Response Organization

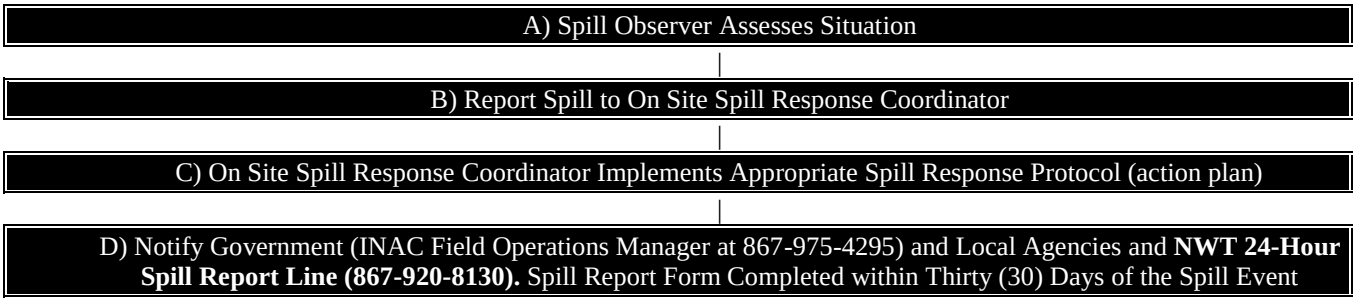
The Camp Manager or Field Supervisor will act as the On Site Spill Response Coordinator for Titan Uranium Incorporated in the event of a spill. On site personnel will vary from 3 to 15 people during the field season.

The responsibilities of the Spill Response Coordinator are as follows:

1. Assume complete authority over the spill scene and coordinate all personnel involved
2. Evaluate spill situation and develop overall plan of action
3. Activate the Spill Response Plan
4. Immediately report the spill to the NWT 24-Hour Spill Report Line **(867) 920- 8130**
5. Obtain additional spill response resources from the Hamlet of Baker Lake if not available on site for spill response:
6. Provide regulatory agencies with information regarding the status of the clean-up activities
7. Prepare and submit a report on the spill incident to regulatory agencies within 30 days of the event (Appendix 1).

5.0 Reporting Procedures

The following chart illustrates the procedures to be followed in the event of a hazardous material spill incident during the exploration program:



5.1 List of Contacts

Titan Uranium Inc.	Philip Olson, President	(306) 651-2405
	John Dixon, P. Geo (field contact)	(306) 651-2405
	John Dixon (24 hour)	(647) 668-4333
NWT 24-Hour Spill Report Line		**(867) 920-8130**
INAC	Spencer Dewar, Lands Administrator	(867) 975-4283
	Water Resources Manager	(867) 975-4550
	Field Operations Manager	(867) 975-4295
	Environment Manager	(867) 975-4549
	Water Resources Inspector	(867) 975-4298
	Resource Management Officer – Kivalliq (Henry Kablalik -Rankin Inlet)	(867) 645-2831 kablalikh@inac.gc
RCMP	Baker Lake	(867) 793-0123
Environment Canada	Iqualuit	(867) 975-4644
	emergency paging system	(867) 766-3737
DFO	Iqualuit	(867) 975-8007
Kivalliq Inuit Association	Rankin Inlet	867) 645-2800
Government of Nunavut	Department of Environment	(867) 975-7700
	Manager Pollution Control & Air Quality	(867) 975-7748
Nunavut Water Board		(867) 630-6338
Ookpik Aviation	Boris Kotelewetz	(867) 793-2234

6.0 Action Plans

6.1 Potential Sources and Sizes of Leaks

A review of the planned activities on the Thelon Project indicates that there are potentially several sources for spills as follows:

a) Leakage from Stored Drums
b) Refueling of helicopter
c) Refueling of Diamond Drill Equipment
d) Refueling of Camp Generator, Camp Stoves, Incinerator

Preventative measures to minimize the occurrence of spills are summarized in the table below

Activity	Cause of Spill	Size of Spill	Preventative Measures
Fuel Storage	Fuel may leak from impro sealed drums or damaged drums	maximum 205 litre	a) fuel drums routinely inspected b) report any problems. c) Fuel from any suspect drum is immediately pumped to an empty drum d) drums stored with bungs at the 3 and 9 o'clock to limit leak to 100 litres
Refueling of helicopter	During refueling a hose could break, spring a leak, fall out of the receptacle, or an overfilling of the tank could occur resulting in fuel being spilled at the refueling site.	Limited fuel spills possibly resulting in small puddles of fuel	a) refueling equipment routinely examined for integrity by air crew b) refueling completed by the air crew c) helicopters refueled at the fuel cache d) air crew will be made aware of the location of fuel spill kit and extra absorbent pads, spill kits, and spill trays
Refueling of Diamond Drill Equipment	During refueling a hose could break, spring a leak, fall out of the receptacle, or an overfilling of the tank could occur resulting in fuel being spilled at the drill site	Limited fuel spills possibly resulting in small puddles of fuel	a) refueling completed by the drill crew who will routinely examine equipment for integrity b) spill kit with additional absorbent pads will stored at the drill site
Refueling of Camp Gene Camp Stoves, Incinerator		Limited fuel spills possibly resulting in small puddles of fuel	a) refueling equipment will be routinely examined for integrity b) camp attendant will constantly monitor refueling process c) containment trays are kept under all open drums, or drums in use d) Taps for supply lines to diesel fired heating stoves are to be wrapped with **a** sorbent pad e) absorbent pads are kept beneath the generator
Use of chemicals, lubric and other additives	spillage during transfer from container	small	a) use drip pan to prevent leakage

Instaberms will be used as secondary containment for the stored fuels.

6.2 Initial Action

The instructions to be followed by the first person on the spill scene are as follows:

1. Always be alert and consider your safety first
2. If possible, estimate the volume of material that has been spilled
3. Assess the hazard to people in the vicinity of the spill:
4. If possible, and safety permits, attempt to stop the release of product to minimize the potential for environmental impacts
5. Immediately report the spill to the On Site Spill Response Coordinator
6. Resume any effective action to contain, mitigate, or terminate the flow of the spilled material.

6.3 Action: Fuel Spills

If possible, and safety permits, stop the flow of product which is occurring and eliminate all ignition sources. ***Smoking is prohibited during all spill response activities.***

6.3.1 Spill on Soil, Gravel, Rock, or Vegetation

Build a containment berm using soil material or snow and place a plastic tarp at the foot of the berm for easy capture of the spill after all vapors have dissipated. Remove the spill by using absorbent pads or excavating the soil, gravel or snow. Remove spill splashed on vegetation using particulate absorbent material. If soil, gravel, or vegetation is to be removed from the site, Titan Uranium Incorporated shall contact regulatory agencies for approval before commencing with the removal.

6.3.2 Spill on Ice and Snow

Build a containment berm around spill using snow. Remove spill using absorbent pads or particulate sorbent material. The contaminated ice and snow must be scraped and shoveled into plastic buckets with lids, 20 liter pails, and/or polypropylene bags.

6.3.3 Spill on Water

It is important to immediately limit the extent of spills. If the spill is small, deploy hydrophobic (water repellent) absorbent pads on the water. Hydrophobic pads readily absorb hydrocarbons. Alternatively, an ultra-dry absorbent designed for use on water-based spills may be deployed. If the spill is larger ready several empty drums to act as refuge containers for the spill. Deploy containment booms on the water surface to "fence in" the spill area gradually and to prevent it from spreading. Keep in mind such environmental factors as high winds and wave action can adversely affect attempts at spill cleanup. Absorbent booms can then be deployed to encircle and then absorb any hydrocarbon spillage that may have escaped the containment boom. Once a boom has been secured, a skimmer may be brought on-scene to aid in capture of the hydrocarbon; once captured, the product should be pumped to the empty fuel drums and held for disposal.

6.4 Action: Chemical Spills

Members of the emergency response team who might be susceptible in certain situations (such as asthmatics, where fumes or airborne particles are evident), should be replaced with alternates. Assemble the necessary safety equipment before response (e.g. latex or other protective gloves, goggles, or safety glasses,

masks or breathers, etc.). Apply absorbents to soak up liquids. Place plastic sheeting over solid chemicals, such as dusts and powders, to prevent their disbursement by wind or investigation by birds or other mammals. Neutralize acids or **caustics.** Place spilled material and contaminated cleanup supplies in an empty refuge drum and seal for disposal**.**

6.5 Storage and Disposal of Contaminants

All contaminated water, ice, snow, soil, and clean up supplies will be stored in closed, labeled containers, specific to the nature of the spill. All containers will be stored in a well ventilated area away from incompatible materials. Disposal of contaminated materials will be specific to each individual occurrence as there are likely many variables involved. Aspects such as type of spill, size of spill, concentration of contaminates, and materials to be disposed will determine the appropriate method of disposal. Contact with Federal and Nunavut regulatory agencies must be made prior to the disposal of any materials in order to ensure that the disposal/treatment methods occur in an approved and authorized method.

Hydrocarbons are the main source of spill potential for the project. In, prior years, the Nunavut Department of Environment has advised that minor amounts of contaminated sand, gravel, soil, and spill cleaning materials may be incinerated to remove elevated levels of hydrocarbons. Incineration must be conducted with only minor amounts to ensure thorough combustion of all contaminates. The remaining sand, gravel, or soil may then be dispersed once the contamination levels are below the levels outlined in "Environmental Guideline for Site Remediation" by the Department of Sustainable Development Environmental Protection Service. For amounts of contaminated sand, gravel, soil, and spill cleaning materials that exceed the capacity for incineration on site, the materials shall be disposed of at Baker Lake. Prior authorization from the town of Baker Lake must be given before any materials are disposed of at the landfill.

7.0 Environmental Mapping

The camp and fuel storage area are located on relatively flat sandy area on the southwest shore of Itza Lake in N.T.S. Sheet 66 G/1 (Crown Land; 65°02'25"N and 98°22'26"W). The camp site and the fuel storage area are located more than 70 metres from the lake and smaller bodies of water (figures 1, 2, and 3).

8. 0 Resource Inventory

8.1 List of On-site Spill Containment Equipment

8.1.1 Spill Kits

A minimum of three spill kits will be maintained, one at the main fuel cache, a second at the diamond drill site, and a third kit for use at the camp. These drums will have a capacity of 205 litres and contain the following:

150 - 16"X 20"oil absorbent pads
8 - 3"X 4"oil absorbent socks
2 - 5"X 10'oil absorbent booms
4 - temporary disposal bags
1 - pair chemi-pro gloves
1 - pair disposable coveralls
1 - pair clear safety goggles
1 - 4 oz. Strong Steel Gapseal
1 - 205 litre containment drum

8.1.2 Absorbent Pads

Absorbent pads or rolls will be kept in good supply. These will be stored at the camp, fuel storage area, and at the drill.

8.1.3 Hand Tools

Hand tools will be stored at the camp, fuel storage area, and at the drill for the removal of contaminated material, or the construction of small containment berms.

8.1.4 Plastic Pails and Bags

A sufficient quantity of 20 litre plastic pails and 20 litre plastic sample bags will be stored for the disposal of contaminated material.

9.0 Training

9.1 Orientation

All field personnel upon arriving in the camp will be given a project orientation which will include:

- notification of the location of all fuels and applicable MSDS sheets:
- notification of the location, and use: of fuel spill kits and supplies;
- notification of the location of ancillary equipment - shovels, pails, plastic bags, etc.
- instruction in the use of all equipment and supplies
- instruction in the reporting of incidents
- instruction in the cleanup and proper storage/disposal of contaminated materials.

9.2 Inventories

Regular inventory updates will be provided in list form to all team members. Information will include a listing of all resources, number of items, their location, condition, date of last inspection and any special comments (such as expiry dates, under whose authority they may be accessed and special handling instructions).

9.3 Practice Drills

At least one practice drill will be held per season to give personnel a chance to practice emergency response skills. Each practice will be evaluated and a report prepared with the objective of learning where gaps and deficiencies (either in skills or physical resources) exist, and in what areas more practice is required.

10.0 Product Information

The following sections summarize some of the more important details that need to be considered when dealing with the fuels and chemicals that will be at the project. The MSDS sheets are given in Appendix 2 and a separate book containing the MSDS sheets will be kept in the office. A copy of this plan with the MSDS sheets will be kept with the Spill Kits at the camp, fuel storage area and at the drill. As contractors have not yet been selected for the project the list of materials may change and this plan will be updated to reflect any changes to the list of materials that will be present on site.

10.1 Diesel, Jet-A1 and Gasoline

- Diesel, Jet-A1 and Gasoline are highly flammable and easily ignited by heat, sparks or flames
- ***Do not smoke***
- Gasoline and Jet-A are more volatile than diesel
- Explosion hazard indoors, in confined spaces and outdoors
- Vapours may form explosive mixtures with air
- Vapours may travel to source of ignition and flash back
- Most vapours are heavier than air. They will spread along ground and collect in low or confined areas.
- Keep pump or electrical equipment far away, be very careful with metallic tools that could sparks on rocks, wait for vapours to dissipate
- Inhalation may cause central nervous effects
- Eye and skin irritation
- Prolonged exposure has caused cancers in laboratory animals

10.2 Propane

- Extremely Flammable, easily ignited by heat, sparks or flames
- ***Do not smoke***
- Cylinders may explode when heated
- Cylinders may rocket if ruptured
- Explosion hazard indoors, in confined spaces and outdoors
- Vapours may form explosive mixtures with air
- Vapours may travel to source of ignition and flash back
- Vapours from liquefied gas are initially heavier than air and spread along ground.
- Contact with gas or liquefied gas may cause burns, severe injuries and / or frostbite
- Keep pump or electrical equipment far away, be very careful with metallic tools that could sparks on rocks, wait for vapours to dissipate
- Liquid may cause frostbite and blisters
- Blurred vision if goes in the eyes
- Narcotic asphyxiant
- Dizziness, disorientation, excitation, headache, vomiting, unconsciousness if inhaled

10.3 Motor Oil, Hydraulic Oil, Transmission Fluid

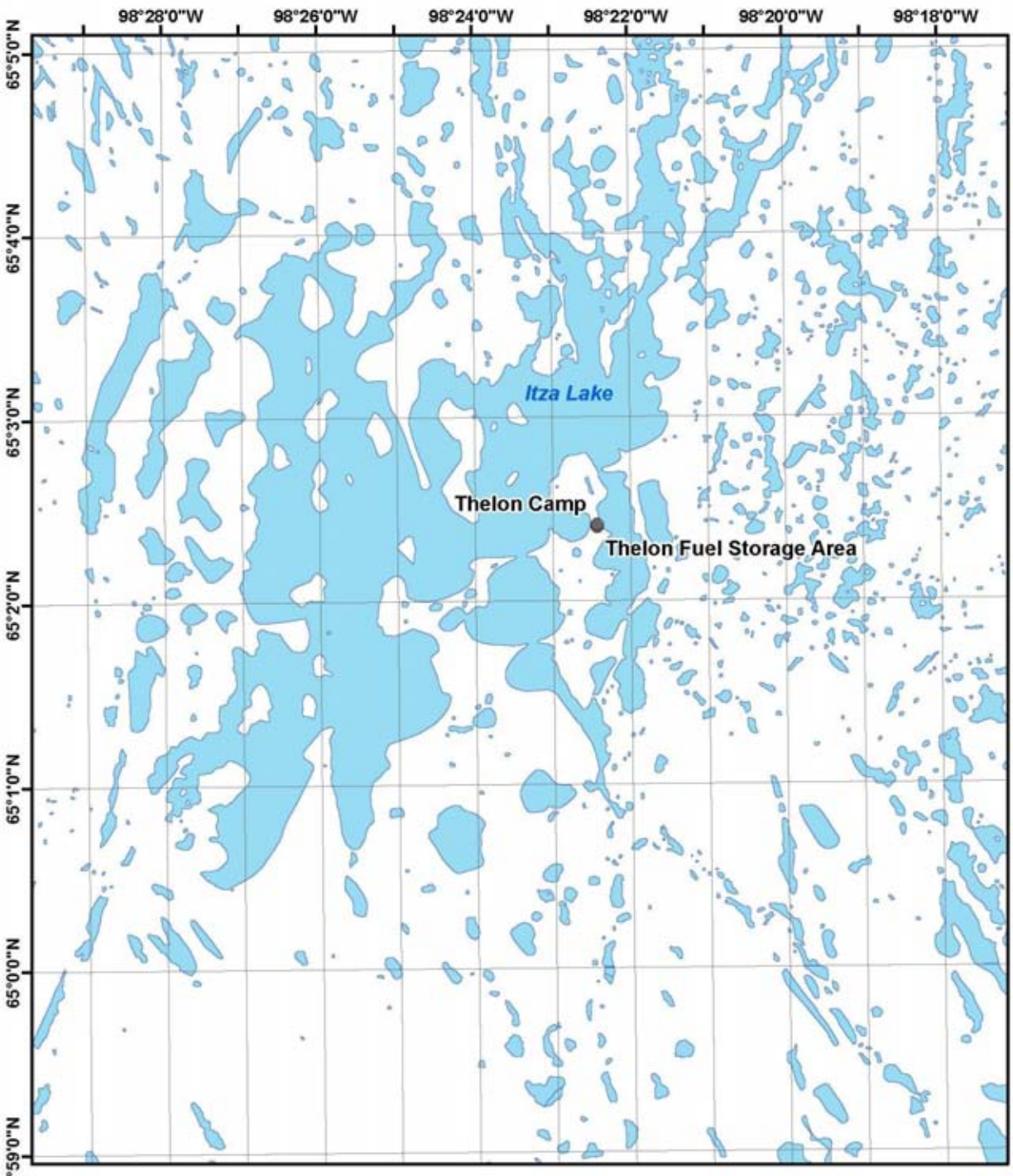
- Avoid breathing mists, may cause lung irritation
- On skin may cause mild irritation

10.4 Antifreeze

- Respiratory irritation with prolonged exposure.
- Kidney, liver and bladder problems reported in animals.

10.5 Battery Acid

- Fire and explosion hazard
- Can be extinguished with dry chemical fire extinguisher.
- Ventilate area
- Remove combustible materials
- Mist inhalation hazard when being charged or spilled
- Acid burns to skin and eyes irritation



Titan Uranium Inc.

Thelon Project

General Location of Camp and Fuel Storage Area

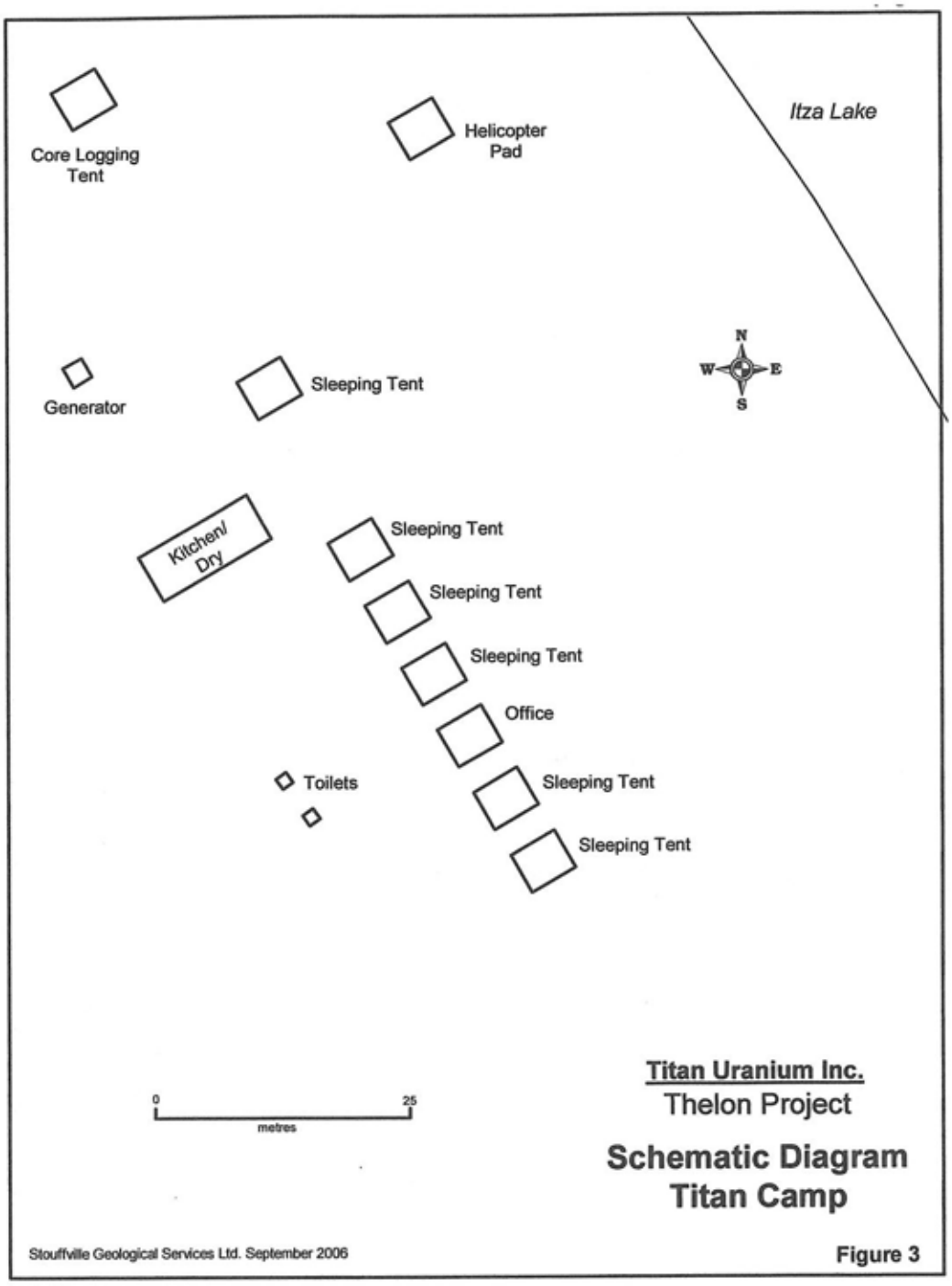
Figure 1

Titan Uranium Inc.

Thelon Project

Location of Camp and Fuel Storage Area

Figure 2



(Note: The schematic will remain the model for the new camp site located adjacent to the fuel berm)

Appendix 1

Spill Report Form

Northwest Territories | Nunavut | Canada

NT-NU SPILL REPORT

OIL, GASOLINE, CHEMICALS AND OTHER HAZARDOUS MATERIALS

NT-NU 24-HOUR SPILL REPORT LINE
TEL: (867) 920-8130
FAX: (867) 873-6924
EMAIL: spills@gov.nt.ca

REPORT LINE USE ONLY

A	REPORT DATE: MONTH – DAY – YEAR	REPORT TIME	☐ ORIGINAL SPILL REPORT, OR	REPORT NUMBER
B	OCCURRENCE DATE: MONTH – DAY – YEAR	OCCURRENCE TIME	☐ UPDATE # _____ TO THE ORIGINAL SPILL REPORT	____-____

C	LAND USE PERMIT NUMBER (IF APPLICABLE)	WATER LICENCE NUMBER (IF APPLICABLE)
D	GEOGRAPHIC PLACE NAME OR DISTANCE AND DIRECTION FROM NAMED LOCATION	REGION ☐ NWT ☐ NUNAVUT ☐ ADJACENT JURISDICTION OR OCEAN
E	LATITUDE DEGREES MINUTES SECONDS	LONGITUDE DEGREES MINUTES SECONDS
F	RESPONSIBLE PARTY OR VESSEL NAME	RESPONSIBLE PARTY ADDRESS OR OFFICE LOCATION
G	ANY CONTRACTOR INVOLVED	CONTRACTOR ADDRESS OR OFFICE LOCATION

H	PRODUCT SPILLED	QUANTITY IN LITRES, KILOGRAMS OR CUBIC METRES	U.N. NUMBER
	SECOND PRODUCT SPILLED (IF APPLICABLE)	QUANTITY IN LITRES, KILOGRAMS OR CUBIC METRES	U.N. NUMBER
I	SPILL SOURCE	SPILL CAUSE	AREA OF CONTAMINATION IN SQUARE METRES
J	FACTORS AFFECTING SPILL OR RECOVERY	DESCRIBE ANY ASSISTANCE REQUIRED	HAZARDS TO PERSONS, PROPERTY OR ENVIRONMENT

K — ADDITIONAL INFORMATION, COMMENTS, ACTIONS PROPOSED OR TAKEN TO CONTAIN, RECOVER OR DISPOSE OF SPILLED PRODUCT AND CONTAMINATED MATERIALS

L	REPORTED TO SPILL LINE BY	POSITION	EMPLOYER	LOCATION CALLING FROM	TELEPHONE
M	ANY ALTERNATE CONTACT	POSITION	EMPLOYER	ALTERNATE CONTACT LOCATION	ALTERNATE TELEPHONE

REPORT LINE USE ONLY

N	RECEIVED AT SPILL LINE BY	POSITION STATION OPERATOR	EMPLOYER	LOCATION CALLED YELLOWKNIFE, NT	REPORT LINE NUMBER (867) 920-8130

LEAD AGENCY ☐ EC ☐ CCG ☐ GNWT ☐ GN ☐ ILA ☐ INAC ☐ NEB ☐ TC | SIGNIFICANCE ☐ MINOR ☐ MAJOR ☐ UNKNOWN | FILE STATUS ☐ OPEN ☐ CLOSED

AGENCY	CONTACT NAME	CONTACT TIME	REMARKS
LEAD AGENCY			
FIRST SUPPORT AGENCY			
SECOND SUPPORT AGENCY			
THIRD SUPPORT AGENCY			