

2012 Annual Report

Completion of 2012 Mineral Exploration Program,
Abandonment and Reclamation details

Mega Uranium Ltd.

Kivalliq Region, Nunavut

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1.0 Introduction

The following 2012 Annual Report for work completed by Mega Uranium Ltd. (Mega) is in compliance with Type B Water License 2BE-THE0813.

In 2012, Mega completed a mineral exploration program from April to December in the Kivalliq region, Nunavut. This program consisted of two parts. An airborne survey was planned to begin in the third week of April. Due to weather and plane availability, the survey start was delayed and was conducted when planes were available between October and December 2012. The survey covered 7493 km. The plane was based out of Baker Lake and returned daily.

A prospecting and geology survey was conducted from July 15th to August 24th. This involved 1 geologist and 4 prospectors traveling by foot collecting rock and soil samples. The prospectors and geologist arrived on site via helicopter out of Baker Lake and made return trips daily. The prospecting and geology survey area included IOL block BL-41.

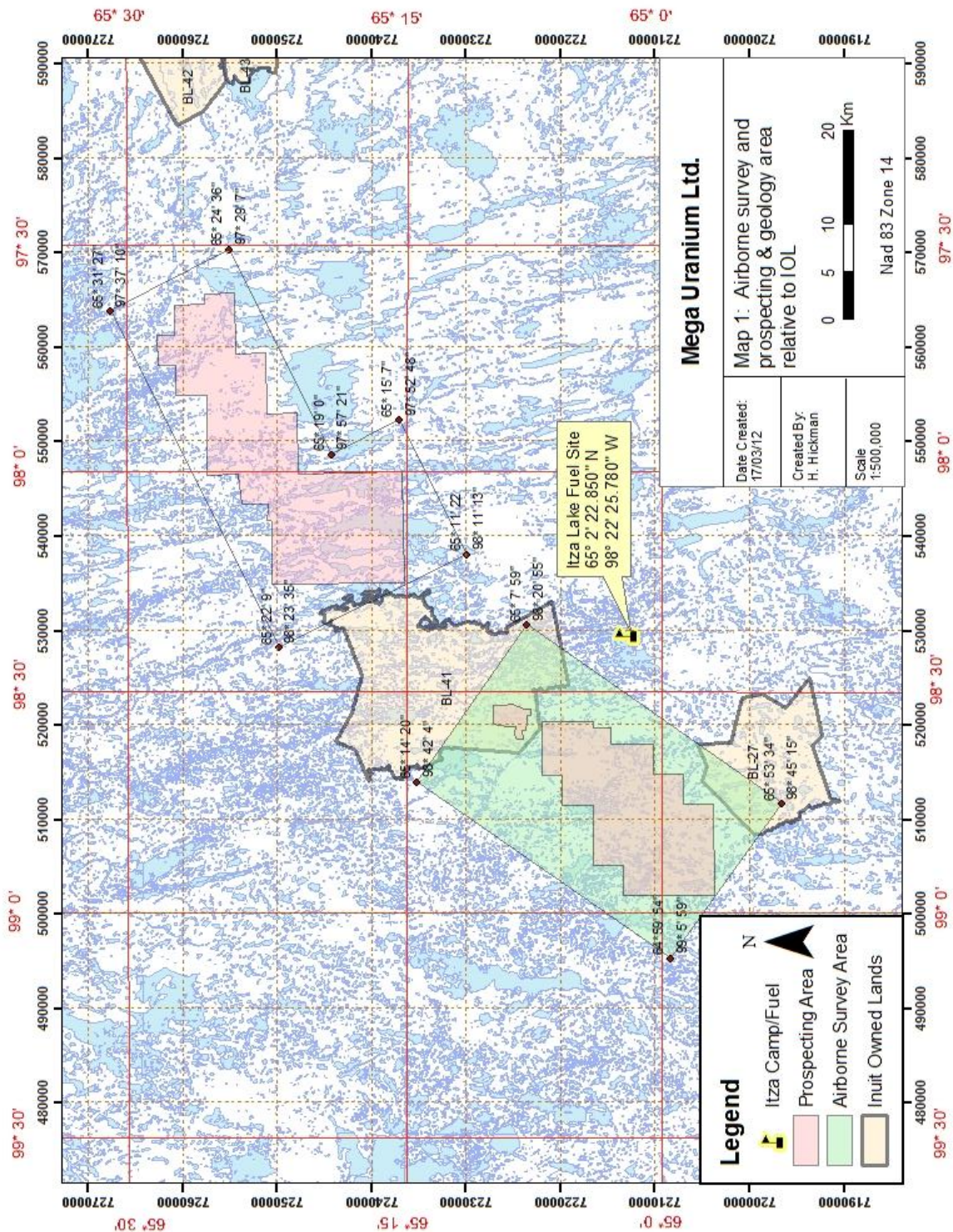
No structures were constructed. No water sources were used. No water features were modified. No waste / hazardous waste management sites were created. Helicopter Fuel (8-10 drums) was stored on crown land at the former Titan Uranium Itza Lake diesel fuel cache.

2.0 Site location

In general the project site is located 150 km northwest of Baker Lake on the former Titan Uranium Thelon Property in Nunavut. The planned work is within the Kivalliq region on NTS sheets 66B, 66G, 66H. The project partially overlaps IOL block-41.

Figure 1 illustrates the work area. The airborne survey, prospecting, and geology survey covers the lower work area, mid-point 513740E 7214541N Nad 83 zone 14. Prospecting and geology survey on the upper work area (mid-point 549887E 7253581N Nad 83 zone 14) was complete through approval of the original application and an amendment.

Eight to ten fuel drums of Jet were stored by Mega at the former Titan Uranium camp at Itza Lake. In addition, Titan Uranium had previously cached ~200 drums of diesel fuel in berms at this location. The camp location is 528741E 7212011N Nad 83 zone 14.



Map 1 – Location of airborne survey, prospecting and geology survey, and temporary fuel cache location utilized in 2012 Mega exploration program in the Kivalliq region, Nunavut.

3.0 Data generated under the monitoring program

No water sources were required. No monitoring program was implemented.

4.0 Quantities of water used

No water sources were required.

5.0 Quantities of waste discharged and disposed

The Mega 2012 program was low impact and did not generate any waste. No quantities of waste discharged or disposed.

6.0 Summary of any modifications and/ or maintenance work carried out

Fuel Berm filter drainage system was upgraded and maintained.

7.0 List of unauthorized discharges and follow-up actions

No unauthorized discharges occurred during the exploration program.

8.0 Summary of any abandonment and restoration work completed;

No water sources were used/modified, no waste produced, and no ground disturbance occurred during the program. No abandonment and restoration work completed.

9.0 Any updates or revisions to management plans and/or manuals

An amendment for the airborne survey was submitted on October 4th, 2012 to the Lands Administrator with Kivalliq Inuit Association. This amendment was to request an extension of time to complete the approved airborne survey. A fall 2012 amendment was made requesting a continuation of the prospecting and geology survey. No amendments were made to the manuals. No amendments were requested for the water licence.

10.0 Summary of any studies or reports requested by the Board and a description of any future studies planned

No studies or reports were requested by the Board.

11.0 Any other details requested by the Board that relate to water use and/or waste disposal

No details were requested.

12.0 Future plans

As of December 2012, the airborne survey, prospecting, and airborne survey have been completed. In 2013, Mega plans to continue with the airborne survey and prospecting. Mega also plans to decommission and rehabilitate the Itza Lake camp site. Plans for the removal of camp material and fuel will be sent to the NIRB and NWB for approval.