

NUNAVUT WATER BOARD  
GUIDE 7 — LICENSEE REQUIREMENTS FOLLOWING THE ISSUANCE OF A WATER LICENCE  
APRIL 2010

**UNDERTAKING OF PROPOSED ASSIGNEE**

(section 44 of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*)

**WHEREAS**

The Nunavut Water Board ("NWB") issued Licence No. 2BM-ULU0914 dated October 8, 2009 ("the Licence") to MMG Resources Inc. (the "**Assignor**"), for a term of five years starting on October 8, 2009 and expiring on August 31, 2014, subject to the terms and conditions set out in the Licence.

**AND WHEREAS** (the Proposed "**Assignee**")

(a) \_\_\_\_\_ (individual)

**OR**

(b) Bonito Capital Corp.  
(a corporate entity incorporated pursuant to the laws of Alberta.)

requests that the NWB approve the Assignment of the Licence from the Assignor to the Proposed Assignee pursuant to section 44 of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* ("Act").

**AND WHEREAS**

The Proposed Assignee is a party to a purchase agreement dated May 6, 2011 (the "Purchase Agreement") with MMG Resources Inc. and Elgin Mining Inc. pursuant to the parties have agreed that the Assignee will acquire all of MMG's interest in (i) the Ulu mining property located in Nunavut; and (ii) the shares of Lupin Mines Incorporated which holds interests in the Lupin mining property located in Nunavut.

**NOW THEREFORE**

Effective on the later of:

- 1) the date of the closing of the transactions contemplated by the Purchase Agreement; and
- 2) the date that the NWB approves the assignment of the Licence,  
(the "Obligation Date")

the Proposed Assignee agrees to undertake and accept responsibility for the performance of all of the terms and conditions of the Licence including the performance of all liabilities arising pursuant to any Licence term or condition, whether arising before or after the Obligation Date **AND** undertakes to pay any security required of the Assignor when the Licence was granted.

**IN WITNESS WHEREOF** the Proposed Assignee executed this Undertaking on

June \_\_, 2011.

SIGNED, SEALED & DELIVERED  
In the presence of:

\_\_\_\_\_  
Signature of Witness

\_\_\_\_\_  
Print name of Witness

\_\_\_\_\_  
(Signature of Individual)

\_\_\_\_\_  
(Print name of Individual)

On behalf of

Bonito Capital Corp

\_\_\_\_\_  
(Corporation Name)

Per: \_\_\_\_\_  
Position

(corporate seal)