

Executive Summary English

This Spill Contingency Plan (Plan) has been prepared by Bonito Capital Corporation (BCC), a wholly owned subsidiary of Elgin Mining Inc. (Elgin) for the Ulu Exploration Project (Project) in accordance with its Water Licence 2BM-ULU0914 (Licence). The Project site is located in the Kitikmeot region of Nunavut approximately 12 km north of Hood River and 150 km north of Lupin Mine and has been in a state of care and maintenance since 2006.

Fuel storage for the Ulu Project is through three individual tank farms including: (1) Camp 3 Tank Farm (not currently in use); (2) Ulu Site Tank Farm; and (3) Day Tank Farm adjacent to the Power House. All bulk storage for petroleum products at the Project Site have been provided with secondary containment in the form of constructed tank farm facilities incorporating an impermeable liner and berm and an off-loading apron. The fuel products stored at site include: diesel (P40 and P50), Jet fuel (A or B), W30 lube oil, Ralube, and gasoline.

Various measures will be undertaken to prevent a spill including: annual inspection of earthworks, geological, and hydrological regimes; inspection of the sewage line, freshwater pump and distribution line; and fuel storage and handling procedures.

In the event of an accidental spill the response procedures outlined in this Plan will be followed including initial spill reporting and actions. Immediately reportable spills will be conveyed to the Nunavut 24-Hour Spill Report Line. Spill response resources are provided on site including heavy equipment, appropriately sized spill response kits, and copies of this Plan.

Detailed containment, recovery and disposal response measures for any spills of petroleum waste on land, snow, ice or open water are outlined in this Plan, as well as other potential accidents related to oil soaked snow, fires, emergency scenarios at the fuel tank farm, and failure of the sewage system.