

Ulu Gold Project

Introduction

Blue Star Gold Corp. (Blue Star), has recently taken over the Ulu Gold Project (Ulu) in the Kitikmeot Region of Nunavut. Ulu is approximately 220 km southeast of Kugluktuk and very near Blue Star's exploration site at Hood River where they did work in 2019. Ulu was built in the 1990's to be a gold mine, but has not produced gold, has been closed for several years and is in the process of being cleaned up. Blue Star plan to continue to clean up the land at Ulu and start to do some exploration again.

Purpose

In order to continue the clean-up work and restart exploration, Blue Star needs to renew and update the water licence. Blue Star wants to make some changes at Ulu that will allow for a safer clean-up of the site such as putting the clean waste into a new landfill and cleaning some dirty soil on site.

Blue Star also wants to close the old camp because it is damaged, and build a new exploration camp in a better location. They will also need to find new lakes to take water from for the camp and for exploration drills. Blue Star also want to try to use a different type of fuel made from plants that may be better for the air than diesel.

Work

To clean up the site, explore for gold, and study the surrounding environment, the following may occur over the life of the project:

- Build a landfill for clean waste, and cover it with rock or gravel;
- Find suitable rock and gravel nearby to cover the landfill;
- Build an area to put dirty soil and then treat it on site;
- Build and use a new temporary tent camp in spring, summer and fall;
- Prospect and drill on the surface and underground to find more gold;
- Use airplanes to get to site, and helicopters, trucks, snowmobiles, a bus, a boat and ATVs to get around site and access work areas;
- Use a winter trail to move fuel and supplies to site;
- Store fuel at the camp, in the clean-up work area, and near the drills;
- Use heavy equipment to move rock and supplies around site;
- Fly people and supplies from nearby communities to camp, landing on the existing airstrip near Ulu in a plane or at the camp in a helicopter;
- Repair the airstrip and make it longer so bigger planes can land safely;
- Use hotels and business in nearby communities when travelling to site;
- Use local business and people to work on the project;
- Study archaeology, land, water, air and wildlife in the area.

As is typical in the early days of a project, it is expected that the Project will start small and get bigger in the future as we look for more gold. In 2020, we may use the old camp to start with, and build a new

camp after that. We may have approximately 30 people on site to run heavy equipment, to help with the clean-up and start exploration. Once the site is cleaned up, and if we find more gold, we could have more people and more drills in a bigger camp in the future, and may also do some work in the winter.

The Ulu camp and airstrip may also be used to support other work in the area such as work on the Grays Bay Road and Port Project and the Hood River Gold Project.

People

So far, Blue Star has talked to: the Kugluktuk Angoniatit Association, Burnside and Omingmaktok Hunters' & Trappers' Organizations; people living in Kugluktuk and Cambridge Bay; Nunavut Tunngavik Inc.; the Kitikmeot Inuit Association; the Nunavut Planning Commission; the Nunavut Impact Review Board; the Nunavut Water Board; the Hamlet of Kugluktuk; the Government of Nunavut; the Government of Canada; other people working in the region; local business owners. Public meetings were held in 2019 and more are planned for this spring.

At Hood River in 2019, Blue Star hired a number of workers from Kugluktuk and used a number of local and Inuit owned businesses. Blue Star plans to hire these workers and businesses again to help at Ulu.

Environment

Any activity on the land has the potential to do damage or be disruptive. To avoid this, Blue Star plans work in advance, works with people who know the land, and works responsibly to ensure our work and the land is safe and clean while we are working. When we are finished working, we will dispose of waste safely and properly, and take our equipment and materials with us once we are finished.