Indigenous and Northern Affairs Canada | Affaires autochtones et du Nord Canada

Water Resources
Nunavut Regional Office
P.O. Box 100
Iqaluit, NU, X0A 0H0

Your file - Votre référence
2BM-ULU1520
Our file - Notre référence
CIDM# 1149254

May 25, 2017

Karen Kharatyan
A/Manager of Licensing
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU, X0A 1J0

Re: 2BM-ULU1520 – Bonito Capital Corporation – Ulu Gold Project – Assignment Application

Thank you for your email on April 25, 2017 regarding the assignment application for the Ulu Gold Property.

Indigenous and Northern Affairs Canada's Water Resources Division reviewed the application and our comments are attached.

Comments have been provided pursuant to the Department's mandated responsibilities under the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Department of Indian Affairs and Northern Development Act*.

Please do not hesitate to contact me at 867-975-4282 or ian.parsons@aandc-aadnc.gc.ca for any additional information.

Regards,

Ian Parsons
A/Manager Water Resources

Canada

Review Memorandum

To: Karen Kharatyan, A/Manager of Licensing, NWB

From: Ian Parsons, A/Manager, Water Resources
Karen D. Costello, Director, Resource Management

Date: May 25, 2017

Re: Water Licence Assignment Application, #2BM-ULU1520

Licensee: Bonito Capital Corporation
Project: Ulu Project
Region: Kitikmeot

A. BACKGROUND

The Water Resources Division of Indigenous and Northern Affairs Canada (INAC) has undertaken a review of the Bonito Capital Corporation's (BCC) assignment application. The licensee is requesting the assignment of water licence 2BM-ULU1520 to Lupin Mines Incorporated (LMI). Both BCC and LMI are wholly owned subsidiaries of Elgin Mining Incorporated (Elgin), which in turn is owned by Mandalay Resources (Mandalay). The Minister of INAC currently holds $1,685,210, however the amount to be held as specified under Part B, Item 2 of licence 2BM-ULU1520 is $1,685,542, a difference of $332.00. The Ulu property is entirely on Inuit owned land.

B. RESULTS OF REVIEW

In reviewing the assignment application, INAC considered the following: security requirements of the licence and recent inspection results.

Security requirements of 2BM-ULU1520
In 2015, INAC retained ARCADIS Canada to undertake an in-person on site assessment of the Ulu property and produce a revised security estimate for the property using RECLAIM 7. This estimate is attached to this memo (Annex 1).

In line with its 2014 submissions, to the Nunavut Water Board (NWB), of August 22, 2014 and February 12, 2015 as part of the renewal process for 2BM-ULU0914, the updated security estimate presented in Annex 1 reflects the INAC's position that the security requirements of licence 2BM-ULU1520 are insufficient.

During the renewal of 2BM-ULU0914, the Department notes that the Kitikmeot Inuit Association (KIA) presented similar concerns to those of INAC on the adequacy of the licensee's reclamation cost estimate and overall quantum held for that purpose.

In their letter dated February 27, 2015, the KIA indicated their consultant "*concurred/agreed with several AANDC (now INAC) points regarding their assessment of the Bonito/Elgin estimate*" and that they were "*more inclined to accept the AANDC (now INAC) estimate than the Bonito/Elgin estimate for the Ulu site*".

Their submission also stated:

> *KIA will require that Bonito provide security for land related liabilities in an acceptable form before further land tenures will be offered to the company.*

At this time the Department is not aware if the licensee has provided security to the KIA.

Should a licensee fail to complete closure and reclamation activities, reclamation security funds will be accessed. The Department's reclamation cost estimate suggests that the $1,685,210 currently held is insufficient. This is not consistent with the requirements as outlined in the INAC's *Mine Site Reclamation Policy for Nunavut 2002* for provision of adequate security to ensure that the cost of reclamation, including shutdown, closure and post-closure, is born by the operator of the mine rather than the Crown (and ultimately the public).

During the renewal process for the Lupin water licence, 2AM-LU1520, evidence was provided by the licensee, LMI, that reclamation would be undertaken by Elgin Mining, with evidence of financial strength coming from its parent company, Mandalay.
Additionally, the Assignee (LMI) has just gone through an amendment process where reclamation security for licence 2AM-LUP1520 was increased by $9.15 Million. The department is currently awaiting the increased security amount.

It is also in the public domain that Elgin Mining is looking to sell the assets of LMI, which include the Lupin and Ulu sites covered by 2AM-LUP1520 and 2BM-ULU1520 respectively (see ftp://ftp.nwb-oen.ca/registry/2%20MINING%20MILLING/2A/2AM%20-%20Mining/2AM-LUP1520%20LMI/2%20ADMIN/0%20GENERAL/2014/ *"NWB January 19, 2015 2AM-LUP0914 WPC Resources to Acquire Lupin Gold Mine and the Ulu Gold Project"*). A more recent news release indicates a purchase agreement is in place between WPC Resources Inc. and Mandalay Resources (Annex 2).

The net effect of all this information is that it creates some uncertainty for the Department on the ability of the assignee to adequately cover the costs of closure and reclamation as we have estimated.

INAC is of the opinion that a review of security requirements under licence 2BM-ULU1520 is warranted by the Board.

Recent Inspection Results

A copy of the most recent Water Licence Inspection Report from the July 6-7, 2016 inspection is attached (Annex 3).

There are a number of major compliance issues with the property that have yet to be addressed by the licensee, many of these documented issues are described in inspection reports going back to 2013.

The department notes that the licensee has failed to produce and submit a work plan for the property for 2017 to the inspector for review and approval by January 31, 2017. Correspondence filed with the Nunavut Water Board indicates the Inspector made a follow-up request to the licensee for the 2017 work plan on February 9, 2017, with a revised due date to the Inspector of February 28, 2017. To date, this remains outstanding.

The licensee should be required to address the issues as outlined under Section 3 'Actions Required' of the 2016 inspection report to the satisfaction of the Inspector before any assignment of this licence is approved.

C. CONCLUSION

At this time INAC does not recommend the assignment of this licence to the assignee (LMI) until such time as the above items have been addressed.

ARCADIS
Infrastructure · Water · Environment · Buildings

Imagine the result

FINAL

Aboriginal Affairs and Northern Development Canada – Nunavut Region

RECLAIM Cost Model for the Ulu Mine, Nunavut

Ulu Gold Project Water Licence Renewal Application

October 22, 2015

Our Ref.:
702380-000

Charles Gravelle, M.Sc.E., P.Eng.
Canadian Resource Manager for Engineering, Design and Construction

FINAL

RECLAIM Cost Model for the Ulu Mine, Nunavut

Prepared for:
Aboriginal Affairs and Northern Development Canada
P.O. Box 100 Building 918
Iqaluit, NU
X0A 0H0
Attention: Ian Parsons

Prepared by:
ARCADIS Canada Inc.
121 Granton Drive
Suite 12
Richmond Hill
Ontario L4B 3N4
Tel 905 882 5984
Fax 905 882 8962

Our Ref.:
702380-000

Date:
October 22, 2015

Figures **IN APPENDIX B**

Appendices **AT REAR OF REPORT**

Executive Summary

The results of the site inspection work completed by ARCADIS Staff during a recent site visit, undertaken on 21 August 2015, have determined that in general the conditions, as outlined in the Bonito Capital Corporation (BCC) Ulu Exploration site Reclaim Estimate Basis of Costing document (dated 9 December 2014), remain unchanged. The assumptions used by BCC in their RECLAIM cost estimate are reflective of the site conditions save for the issues and concerns raised by ARCADIS in their memorandum of 30 January 2015 regarding the BCC RECLAIM cost estimate.

On the basis of the information collected during the recent site inspection, and the information included in our earlier reviews of the BCC RECLAIM cost estimate, we have recompiled the RECLAIM estimate for the Ulu mine site and have determined that a quantum of security on the order of $7.66 million would be required to address the site closure requirements as outlined in the BCC Interim Closure and Reclamation Plan document.

The majority of the reclamation cost is associated with mobilization/demobilization and supply of earthmoving equipment to complete the reclamation works on the assumption that the current mine operator will not complete any on-going reclamation works and the equipment on site is not operational. While it is understood that in the near term the equipment on site could be used, with relatively minor repairs, the Crown cannot make this assumption.

1. Introduction

The Ulu Exploration site (Ulu) is an advanced exploration property that has seen extensive exploration and development between 1989 to 2006, including 135,713 m of core drilling and 1.7 kilometers of underground development. However since 2006 the site has been remained dormant. Bonito Capital Corporation (BCC), a wholly owned subsidiary of Elgin mining, acquired the property in July 2011.

Ulu is located within the Kitikmeot region of Nunavut, approximately 530 km north of Yellowknife and 155 km north of the Lupin Gold Mine, the geographic center of the property is 66° 54' 27" N and 110° 58' 24" W. The site consists of one reneable 21-year Crown mining lease covering 947.40 ha. The lease predates the Nunavut Land Claims Agreement, so the terms of the lease are under the jurisdiction of the Canada Lands Act. The lease is surrounded by Inuit Owned Land surface and subsurface rights, which are owned by the Nunavut Tunngavik Incorporated; the surface rights are administered by the Kitikmeot Inuit Association (KIA). A Key Plan and general location plan are provided in Figures 1 & 2.

The Ulu site is in a remote landlocked location whereby all labour, equipment, supplies and materials must be mobilized to or from the site by air or winter road. There are three main operating areas (see Figure 3) on the site:

1. Ulu camp which houses the residential complex consisting of Weatherhaven accommodations, vehicle repair shop, vehicle parking, power house, emergency generators, office and changes rooms, fuel storage tank farm, freshwater system, sewage treatment plant and sewage line, incinerator, ore storage area, waste pad, mine portal, mine sump and access roads;

2. Camp 3 (Old Camp Area) which is comprised an abandoned fuel tank farm, explosives magazine, detonator magazine, quarry and borrow pit eskers; and

3. Airstrip.

<u>History</u>

BHP Minerals Ltd. discovered gold mineralization on the Ulu gold property in 1989, and from discovery to 1994, delineated the extent of mineralization through a campaign of mapping, drilling, geophysical, geochemical and environmental studies. Echo Bay Mines acquired Ulu in 1995. By 1997, an underground ramp and further development access was excavated, mineralized zones were cross cut by drifting and significant underground and surface drilling was conducted. The project was shut down in 1997 due to low gold prices.

Kinross Gold Corporation acquired Ulu through a corporate merger in 2002 and subsequently sold it to Wolfden Resources Inc. in February 2004. Woflden conducted a drilling campaign in 2004 and until 2006 attempted to gain access to the underground. In 2007 Woflden was acquired by Zinifex of Australia, which subsequently merged with Oxiana Ltd. To become Oz Minerals which was acquired by MMG Resources Ltd. in 2009. The site has been in a state of care and maintenance since 2006.

As part of the Nunavut Water Board (NWB) Water Licence approval process BCC prepared an Interim Closure and Reclamation Plan (ICRP) and submitted the ICRP report to the NWB in March 2013 as part of a water licence application.

2. Summary of Reclamation Plans

The reclamation plans for the site are outlined in detail within the BCC March 2013 ICRP and are only summarized herein. Observations and any concerns with the assumptions related to the reclamation works are outlined in Sections 3 and 4.

2.1 Buildings and Contents

All building, as located in the old and new camp areas, and their contents will be dismantled and removed from site.

2.2 Freshwater Intake System

This system will be dismantled and removed from site. This includes all electrical and mechanical components and associated tanks. Currently the system comprises:

- 7 HP submersible pump
- Floating dock
- Two 680 m long insulated pipelines
- Two storage tanks (27,000 L and 63,000 L respectively)
- Related buildings

Combustible components of the system would be burned on site using an approved incinerator.

2.3 Sewage Disposal Facilities

This system would be dismantled and removed from site. The decommissioning work would include the removal of the rotating biological contactor, breakdown of the two 550 m long effluent discharge lines and demolition of the associated buildings. Any residual sludge will be drummed and shipped from site for disposal.

2.4 Mine Sump

This geomembrane lined sump pit will be decommissioned as part the overall site closure plan. The liner material would be consolidated and shipped off site for disposal while the sump would be infilled with site derived waste rock.

2.5 Access Roads and Airstrip

There are approximately 14 km of access road and a 1.2 km long airstrip on site that would require re-grading and scarifying upon closure of the site. This work would also include the removal and disposal off-site of any culverts currently in place along the site access roads.

2.6 Fuel Storage

The existing fuel storage tank farms will be decommissioned with the tanks along with any residual fuels and sludges removed from site for disposal. The secondary containment systems will also be decommissioned with geomembrane liner removed from site and non-impacted containment berms used in the backfilling of the underground workings. Petroleum hydrocarbon impacted soils would be treated (landfarmed) on-site to meet the applicable regulatory requirements and then used in the reclamation of the portal area of the site.

Currently there are no tanks within the former tank farm at the Old Camp however the secondary containment system remains in place. The Camp 3 or New Camp area tank farm contains two 1.3ML tanks and six 53KL tanks and associated piping to the powerhouse.

2.7 Explosives Magazine

There are no explosives currently on site. The seacans used to store the explosives will be used to backhaul debris waste as part of the site decommissioning program.

2.8 Borrow Pits and Quarry

There are no plans to use borrow or quarry material as there is sufficient waste rock on site to complete the required reclamation work. It has been assumed that any borrow or quarry locations will be left in a condition acceptable to the regulatory authorities upon completion of any short term or long term shut downs or closures.

2.9 Underground Development

The existing portal and vent raise will be decommissioned in accordance with the regulatory requirements. An engineered cap will be designed and constructed at the vent raise and an engineered plug constructed at the portal entrance. The ICRP is inconsistent with respect to the use of borrow material (i.e. esker material) as outlined in Section 2.8 whereby the ICRP states that esker material will be used in the

construction of both the portal plug and vent raise cap. There is, however, sufficient waste rock on site that could be used in the preparation of the respective mine seals.

As part of the reclamation work it is understood that the ice plug present behind the existing portal waste rock plug would need to be removed prior to the placement of any debris, potential acid generating (PAG) waste rock or ore can be placed underground.

2.10 Waste Rock

The ICRP states that all PAG waste rock will be place underground prior to the sealing of the portal opening. The final volume of PAG has yet to be determined and will be subject of future analytical work to confirm the volume of PAG to be managed as part of the reclamation program.

Stockpiles or laydown areas of non-PAG waste rock would be used in the construction of mine seals and filling of sump. Surplus waste rock would be graded and contoured to match the surrounding topographic grades.

2.11 Ore Stockpile

The construction of the ore pad has not been completed and will not be used during any scheduled exploration works. Reclamation of the ore stockpile area would be completed as per the overall management of waste rock on site (see Section 2.10).

2.12 Re-vegetation

The ICRP is silent on re-vegetation works. It states what species are present in the area of the mine site and that the waste rock areas will be graded to match or blend into the surround contours however does not state that any planting or vegetative cover will be provided or used during any reclamation works.

2.13 Post-Closure Monitoring

The ICRP states that surface water monitoring within the water bodies surrounding the main site operations would be required however does not provide any details on the sample locations. It is understood that NWB would work with BCC to establish sampling locations likely consistent with those outlined in the Water Licence.

The monitoring of soil conditions would not be required as the treatment of any petroleum hydrocarbon impacted soils would need to be completed as part of the reclamation program.

3. Summary of Site Conditions

The following general observations were made by ARCADIS staff during their recent site inspection work undertaken in August 2015:

1. The site conditions are effectively the same as described by BCC in their evaluation of the site and the contents of the various structures and equipment thereon.
2. There is potential for petroleum hydrocarbon impacts to be present within the overburden that had not been previously identified stemming from historic fuel storage practices as observed on site. For example heavy oil staining was observed in the area of the former tank farm and in the equipment laydown area of the Camp 3. Oil stains were also present near fuel drums at the Camp area. The underground piping between the tank farm and day tanks are also a potential source of concern in the Camp area.
3. Based on visual observations only, the equipment on site (a front end loader, two ore trucks, dozer with ripper, grader, fuel truck, light vehicles, drill jumbo and two scoop trams) appears to be in relatively good condition save for the tires which are generally flat and showing signs of wear. The equipment may be operational however this could not be determined at the time of inspection.
4. The waste rock and ore stockpile pads are in areas that are elevated and dry relative to the surrounding terrain and as such water management from these areas is not anticipated.
5. The quantity of fuel on site was not confirmed during the site inspection.
6. Leaking drums were observed on site in the Camp area.

Observations on specific items included in the Interim Closure and Reclamation Plan are provided below using the same section headers included in Section 2 of this document.

3.1 Buildings and Contents

The majority of the buildings on site are modular and can be easily collapsed and transported off-site for disposal. None of the structures appeared to be constructed of materials that would require special material management (i.e. asbestos or lead paint). The contents with the buildings will need to be managed appropriately as there are petroleum products and various chemicals in small quantities that will require appropriate management at the time of mine closure.

No concerns with the reclamation approach as outlined by BCC in the ICRP.

3.2 Freshwater Intake System

The freshwater intake system is also relative modular and would be easy to dismantle and ship off-site for disposal. Small tools can be used to decommission the majority of the equipment and hydraulic equipment would be used to remove pumps and other heavier electrical/mechanical components. The decommissioning of the corrugated steel pipe shaft within the intake structure will require some work however this work could be easily done using an excavator.

No concerns with the reclamation approach as outlined by BCC in the ICRP.

3.3 Sewage Disposal Facility

This system is also modular and can easily be decommissioned using small tools with some hydraulic equipment support. No concerns with the reclamation approach as outlined by BCC in the ICRP.

3.4 Mine Sump

The decommissioning of the mine sump can be easily achieved using an excavator and some labourers to containerize the geomembrane liner material used in its construction. No environmental concerns were identified at the mine sump location during the recent inspection work.

No concerns with the reclamation approach as outlined by BCC in the ICRP.

3.5 Access Roads and Airstrip

The current condition of the site access roads are such that minimal improvements would be required to allow equipment to freely move between Camp 3, the airstrip and the Main Camp. We concur with BCC that only six culverts require removal.

While the ICRP does state that the Airstrip is to be decommissioned consideration may be given to leaving the airstrip in place however identified as abandoned. For the purposes of this exercise it has been assumed that the reclamation work in this regard will match that outlined in the ICRP.

The re-grading and scarifying of the access road and removal of culverts can be easily achieved using a dozer with a ripper and either a loader or excavator.

3.6 Fuel Storage

The existing tank farms can be easily decommissioned whereby the contents of the tanks can be decanted into tanker trucks mobilized to site for the reclamation program. The six day tanks can be loaded onto flatbed trailers to be transferred off-site for disposal while the two larger 1.3ML tanks would need to be dismantled on site and the residual scrap metal shipped off-site along with any residual sludge.
The volume of residual fuel on site was not confirmed during the course of the site visit.

Inspection of the tank farm containment area and various equipment laydown areas did identify areas of heavy petroleum hydrocarbon staining that will need to be addressed as part of any future reclamation work. On the basis of surface impacts the volume assumed by BCC is consistent with estimates based on observations made by ARCADIS staff during the recent site visit. There is a risk however that given the nature of the liner material used for the secondary containment (a woven geotextile) that some leakage into the overburden underlying the tank farms has occurred which would increase the overall volume of impacted soil to be landfarmed. Given the time required to treat petroleum hydrocarbon (PHC) impacted soils in the North these represents a substantial risk to any future reclamation program. The true extent of the PHC concern will not be known until the time of reclamation. It would not be prudent to puncture the existing liner within the tank farm containment areas as part of any future environmental subsurface investigation program unless repairs were to be made to the containment liner. This concern applies to both the Camp 3 and Main Camp tank farms. The relatively minor staining noted in other parts of the site are not likely to result in a significant increase in the volume of impacted soil and as such are of less risk with respect to this component of the reclamation cost estimate. The volume of impacted soil is primary a function of what the impacts are within and beneath the existing and former tank farm containment structures.

3.7 Explosives Magazine

The existing magazines for both the explosives and blasting caps comprise seacans that are presently empty. No concerns with the BCC reclamation plan for these units.

3.8 Borrow Pits and Quarry

No concerns were identified by the geotechnical inspector during the recent site inspection. No concerns with the BCC reclamation plan for these areas of the site. There will be sufficient plant on site during any reclamation work to address any potential concerns that may arise in the future.

3.9 Underground Development

The underground was not accessed during the recent site visit. While the assumptions made by BCC with respect to removing the ice plug are feasible the unknown size of the ice plug is a risk to any future reclamation program at the site.
The construction of the mine opening seals, as prescribed by BCC in their ICRP, is consistent with industry practice and on the basis of the recent site visit there are no concerns with the proposed plan.

3.10 Waste Rock

The stability of the waste rock pad was reviewed as part of the recent geotechnical inspection of the site and no concerns were identified. The primary concern with respect to the waste rock pad, and waste rock in general, relates to the quantity of waste rock on site in Camp 3 and the Main Camp that may be acid generating. Limited information is available in this regard and as such the assumptions made in this estimate are conservative and consistent with the January 2015 estimate prepared by ARCADIS for this site. Additional testing is required to provide data that would reduce the uncertainty with respect to the volume of PAG rock on site that would require relocation into the underground workings.

No testing of the waste rock was undertaken during the recent site visit and as such in the absence of any new information in this regard the quantities of PAG rock have remained the same as previously assumed in earlier RECLAIM estimates.

3.11 Ore Stockpile

This area was also inspected and found to be stable by the geotechnical engineer. No concerns with the proposed reclamation plan for this portion of the site subject to the additional testing of the waste rock as prescribed in Section 3.10.

3.12 Re-vegetation

On the basis of site observations during the recent site visit it is confirmed that very little vegetation has established itself on the site access roads or other work areas on site since the site has gone into a care and maintenance phase (2007). It is unclear from the ICRP what has been proposed by BCC in this regard. There is a program risk to this work element should the regulators want re-vegetation of the primary work areas.

3.13 Post Closure Monitoring

The monitoring program for the site will be outlined in the water licence and it is understood that some component or all of the monitoring stations will require some form monitoring into the future. The recent site inspection did not identify any areas of particular concern that should be incorporated into the sampling stations prescribed in the water licence.

4. Basis of RECLAIM Cost Estimate

This version of the Ulu mine site RECLAIM cost estimate is based on information collected during the recent site inspection works in August 2015 by ARCADIS staff and information included in the documentation provided by AANDC:

- Brodie Consultants RECLAIM cost estimate (December 2011)
- BCC Interim Closure and Reclamation Plan (March 2013);
- BCC RECLAIM cost estimate (December 2014);
- ARCADIS RECLAIM cost estimate (January 2015);
- AANDC Letter on the Water Licence Renewal Application by BCC (August 2014);
- Water Licence to MMG Resources Inc. from Nunavut Water Board (October 2009);
- Mine Site Reclamation Policy for Nunavut (INAC, 2002); and
- Mine Site Reclamation Guidelines for the NWT (INAC, 2007).

For ease of review we have included the same section headings used in the RECLAIM model. For the purposes of this evaluation the RECLAIM Version 7.0 model was used. As previously stated in our evaluation of the BCC RECLAIM cost estimate, we have used some of their quoted unit rates in lieu of the RECLAIM rates as they are in line with our experience on similar reclamation programs in the North.

4.1 Open Pit

This module of the RECLAIM model was not used as it is not applicable for the Ulu site.

4.2 Underground Mine

The BCC ICRP assumes the 400 m^3 of waste rock installed at the portal entrance as part of previous care and maintenance work and the existing ice plug within the underground workings would be removed at the outset of the reclamation works so as to facilitate the placement of waste rock and debris into the underground prior to the portal being sealed in accordance with existing mine reclamation regulations. This module of work includes the following tasks:

- Remove waste rock from entrance
- Remove ice plug
- Backfill Portal
- Cap Vent Raise including the upgrading of the vent raise collar

- Engineering Design of the mine seals and inspection

For the purposes of this evaluation and in the absence of any new information we have kept with the costing assumptions used in the January 2015 estimate namely:

- Portal preparation (waste rock and ice plug removal) is a lump sum cost of $200,000 for the ice work and $5,000 for the removal of the portal waste rock seal.
- The backfilling of the portal can be completed with 800 m^3 of waste rock using the SC1L cost code. The volume of waste rock is based on sealing an opening approximately 15 m^2 and 30 m long and the balance to shape the entrance of the portal to the surrounding grades.
- The vent raise cap would require an upgrade to the collar (at a lump sum of $50,000), and approximately 11 m^3 of material to complete the mine seal using a unit rate of $2,350 per cubic metre. The volume of concrete is based on a 22 m^2 cap (5.5 m x 4 m) 0.5 m thick.
- Engineering design for the mine seals and inspection of the works is a lump sum cost of $25,000.

The liabilities associated with this module would be assigned 100% to land as the works would have no impact to the local water sources. Details are provided in the worksheet (see Appendix A).

4.3 Tailings Impoundment

This module of the RECLAIM model was not used as it is not applicable for the Ulu site.

4.4 Rock Pile

The work under this module will include the following:

- Grading of the ore pad slopes (constructed of waste rock ~ 800 m^3). The quantity is based on a perimeter of 500 m grading an average cross section of 1.6 m^2.
- Grading of the camp pad slopes (constructed of waste rock ~ 400 m^3). The quantity is based on a perimeter of 400 m grading an average cross section of 1 m^2.
- Relocation of 21,000 m^3 potential acid generating (PAG) rock into the underground workings. In the absence of new analytical data the quantity of

PAG rock is based on the volume provided by Brodie in the 2011 estimate and is subject to confirmation by supplemental testing of the waste rock.

- Waste rock testing allowance of $75,000
- Grading of non-PAG waste rock as remaining within the waste rock pad area is based on a quantity of 21,000 m^3 which is half the total volume of waste rock (15,000 m^2 by an average depth of 2.8 m)
- Relocate of 1,222 m^3 of ore into the underground workings. Quantity is based on an approximate area of 4,000 m^2 with an average thickness of 0.3 m
- Inspection services (20 days) during reclamation work (i.e. placement of material into the underground workings) his quantity is based on moving 1,000 to 1,500 m^3 of material into the underground a working day.
- Waste rock testing to confirm quantity of material that would be deemed PAG rock is based on recent experience with completing waste rock assessment programs.
- Vegetation cover over 5 ha within the footprint of the camp, waste rock and ore pads.

For the purposes of this estimate the quantities of material remain unchanged. In the absence of any new data with respect to the potential for PAG rock to be present the assumptions made in the January 2015 estimate prepared by ARCADIS remain unchanged. The unit rates used in the worksheet as presented in Appendix A are a mix of those rates provided by BCC in their evaluation and update rates as provided in the most recent version of RECLAIM.

4.5 Building and Equipment

From the observations made during the recent ARCADIS site visit we can concur with BCC assessment that the weatherhavens on site, as well as most other structures on site, are generally in good condition. The mine equipment on site also appears to be in relatively good condition however no attempts were made to start the equipment and as such the functionality of the equipment remains unknown. The limit of the boneyard and material within the boneyard was minimal and as such the 25% contingency originally included in the ARCADIS January 2015 has been removed in this version of the estimate. All other site assumptions as outlined in the January 2015 version of the RECLAIM estimate remain unchanged.

The work under this task will include the following:

- Transfer of site trailers, camp structures and miscellaneous equipment off-site for disposal.

- Transfer and disposal of mine/earthmoving equipment off-site. The cost is based on relocating twenty pieces of equipment on fifteen floats at an average cost of $10,000 per float (tariffs costed separately).
- Deconstruction of buildings and tank farms (including the secondary containment structures). The costs to complete the building removal are based on a typical crew and equipment cost of $7,500 per day. The removal of the tank farms is based on the total footprint of the tank farms 1500 m^2.
- Consolidation and management of 450 barrels. The barrel count is an approximate number based on visual observations.
- Consolidation and disposal of boneyard debris. The cost is based on a provision amount of $10,000 per day for sixteen working days.
- Grading and contouring of the camp areas, portal pad and ore pad. The quantities are based on take-offs from the mapping provided in the ICRP.
- Removal and disposal of existing culverts (six identified during site visit)
- Scarifying of 14 km of road and the 1.2 km airstrip (assumes four passes of 1.2 km each or ~5 km). The areas are based on the length of surface times an average with (including embankment) of 10 m.

Note that it was the ICRP that stated the airstrip was to be scarified. ARCADIS is not opposed to leaving the airstrip as it currently exists.

For the purposes of this estimate the material quantities remain unchanged. The unit rates used in the worksheet as presented in Appendix A are mix of those provide by BCC, rates from the 2011 Brodie estimate and the latest rates as provided in Version 7.0 of the RECLAIM model. The majority of the work under this module will be done to address concerns related to land liabilities however a portion of the work will ensure water quality liabilities are address. The evaluation of land and water liabilities is provided on the work sheet in Appendix A.

4.6 Chemicals, Hazardous Materials and Contaminated Soils

The quantities of materials as outlined in the January 2015 version of the RECLAIM estimate are consistent with the observations made by ARCADIS staff during the course of the recent site visit. The work involved under this module includes:

- Completion of a Phase I/II ESA to characterize the environmental liabilities on site. The cost assigned for this work is typical for a site of this size.
- Containerization and disposal of 100 litres of waste oil. This quantity was taken from the Brodie 2011 estimate. The quantity is a provisional amount that would need to be confirmed during a detailed site assessment program.

- Containerization and disposal of 483,268 litres of fuel. This quantity is based on the volume used in the Brodie 2011 estimate. In the absence of any new information this volume has been used in the preparation of this estimate.
- Consolidation and disposal of 2000 kg of hazardous material. This is a provisional amount to deal with the amount of hazardous material observed on site during the recent site visit.
- An allowance for supervision of hazardous materials abatement work. The cost for this work is based on an allowance of $5,000 per day for the twenty days that would be required to complete the hazardous material consolidation works.
- Management of 1074 m^3 of petroleum hydrocarbon impacted soil. This volume has been confirmed on the basis of visual observations during the recent site visit. The volume is derived on the basis of stained areas observed around the tank farms, equipment and drum laydown areas and around building structures.

The unit rates for the above referenced work come from a mix of rates provided in earlier estimates and updated RECLAIM rates as provided in Version 7 of the model. In general the work under this module relates to land based liabilities however a portion of the liability has been assign to water.

4.7 Water Management and Short Term Water Treatment

The work under this module relates to the decommissioning and disposal of the water collection system, the sewage treatment plant and a mine sump. This will include the removal of 1.15 km of water line between the water source and treatment facility in the camp as observed during the recent site visit.

The unit rates for the above referenced work have been taken from the BCC estimate and the updated RECLAIM model rates as provided in Version 7. In general all the work within this module relates to liabilities associated with water as outlined in the work sheet provided in Appendix A.

4.8 Post-Closure Water Treatment

This module of the RECLAIM model was not used as it is not applicable for the Ulu site.

4.9 Interim Care and Maintenance

This module of the RECLAIM model was not used as it is not applicable for the Ulu site.

4.10 Post-Closure Monitoring and Maintenance

The post-closure monitoring and maintenance for this site will be relatively minimal given the sites current configuration. The work to be undertaken under this module would include:

- Preparation of final Closure and Permit Plans as well as a final site Audit
- Geotechnical inspections of the site would continue annually for five years post closure and then once every second year until year 10 and then once every five years thereafter until a target date of 25 years post closure.
- Minimal water sampling and reporting for eleven events has also been included.

The costs included for this work are consistent with those previously included in the January 2015 RECLAIM estimate.

4.11 Mobilization and Demobilization

The BCC RECLAIM estimate assumed that the reclamation of the entire Ulu site could be accomplished in one season. On the basis of the recent site visit we concur that subject to the results of additional subsurface investigation work related to PAG rock and potential petroleum hydrocarbon contamination not already accounted for in this estimate the reclamation work could be done in a single season.

The current condition of the equipment on site suggests that the existing fleet could be used to do a large portion of the work however for the purposes of this estimate we have to assume the equipment is not available and equipment will need to be mobilized to site over an ice road in and an ice road out the following winter road season. As previously noted in earlier RECLAIM estimates the NWB want the winter road construction to be independent of any potential combined operations with the Lupin mine which is located along the winter road between the Ekati diamond mine winter road turn off and the Ulu mine site.

The following work would be undertaken within this module:

- Mobilization of an equipment fleet (excavator 1, dump truck 1, dozer 2, front end loader 1, scoop tram 2, barrel crusher 1, and light duty truck 1)

- Mobilization of workers during the reclamation work
- Mobilization of fuel, supplies, tools and consumables
- Temporary camp
- Construction of two 345 km long winter roads (includes for winter road tariffs)

The material quantities used to derive this module cost are provided in the work sheet located in Appendix A. For the purposes of this estimate the unit rates are based on a mix of rates provided by BCC and updated RECLAIM Version 7 rates. The liability costs have been split as a function of the direct cost ratio between land and water liabilities as compared to the overall direct costs.

4.12 Other Considerations

The following assumptions have been made with respect to Indirect Costs:

- Project Management costs would be 5% of Direct Costs
- Engineering Costs would be 10% of Direct Costs
- Health and Safety would be 1% of Direct Costs
- Bonding and Insurance would be 1% of Direct Costs
- Contingency Factor would remain at 25% given the uncertainty with respect to the total volume of PAG rock and possible petroleum hydrocarbon impacts as may exist beneath the tank farm liners which may result in an additional season of on-site soil treatment.
- Market Price Factor Adjustment has been set to 0%.

The percentage split of Indirect Costs associated with Land vs Water liabilities has been set by the ratio of Direct Costs for these liabilities at a ratio of 73% to 27%.

5. Summary of Costs

The final breakdown of costs by module is provided below. Detailed work sheets for each module are presented in Appendix A.

CAPITAL COSTS	COMPONENT NAME	COST	LAND LIABILITY	WATER LIABILITY
OPEN PIT		$0	$0	$0
UNDERGROUND MINE		$267,210	$267,210	$0
TAILINGS FACILITY		$0	$0	$0
ROCK PILE		$359,115	$320,390	$38,725
BUILDINGS AND EQUIPMENT		$925,720	$716,840	$208,880
CHEMICALS AND CONTAMINATED SOIL MANAGEMENT		$819,193	$449,871	$369,321
SURFACE AND GROUNDWATER MANAGEMENT		$29,600	-	$29,600
INTERIM CARE AND MAINTENANCE		$0	-	$0
SUBTOTAL: Capital Costs		**$2,400,837**	**$1,754,311**	**$646,526**
PERCENT OF SUBTOTAL			**73%**	**27%**
INDIRECT COSTS		**COST**	**LAND LIABILITY**	**WATER LIABILITY**
MOBILIZATION/DEMOBILIZATION		$3,929,400	$2,871,244	$1,058,156
POST-CLOSURE MONITORING AND MAINTENANCE		$322,500	$235,653	$86,847
ENGINEERING	10%	$240,084	$175,431	$64,653
PROJECT MANAGEMENT	5%	$120,042	$87,716	$32,326
HEALTH AND SAFETY PLANS/MONITORING & QA/QC	1%	$24,008	$17,543	$6,465
BONDING/INSURANCE	1%	$24,008	$17,543	$6,465
CONTINGENCY	25%	$600,209	$438,578	$161,632
MARKET PRICE FACTOR ADJUSTMENT	0%	$0	$0	$0
SUBTOTAL: Indirect Costs		**$5,260,252**	**$3,843,708**	**$1,416,544**
TOTAL COSTS		**$7,661,089**	**$5,598,019**	**$2,063,070**

Appendix A

RECLAIM Version 7 Model Worksheet Tables

Appendix B

Figures

NR 2017-3

WPC RESOURCES ANNOUNCES AMENDMENT TO LUPIN MINES INC. ACQUISITION

Vancouver, British Columbia, March 3, 2017 – WPC Resources Inc. (the "Company" or "WPC") (TSX.V: **WPQ)** is pleased to report an amendment to the Purchase Agreement dated October 31, 2016 with Mandalay Resources Corporation ("Mandalay") to acquire Mandalay's 100%-owned subsidiary, Lupin Mines Incorporated. Under the amended terms the transaction will now close on March 31, 2017, or such later date as agreed upon in writing by WPC and Mandalay. All other terms of the Purchase Agreement remain the same.

For additional information regarding the Purchase Agreement and Lupin Mines Incorporated please see the WPC's news release dated November 1, 2016 and the Company website www.wpcresources.ca.

PDAC 2017

The Company will be attending the annual Prospectors & Developers Association of Canada International Convention, Trade Show & Investors Exchange from Sunday March 5 to Wednesday March 8, 2017 at the Metro Toronto Convention Centre. Please visit us at booth #2949 of the Investors Exchange for information on our 2017 plans and a chance to meet our team.

About WPC Resources Inc.

WPC is a Vancouver, Canada, based gold exploration company focused on mineral exploration and development. The Company has signed a definitive agreement to acquire a 100% interest in the past producing Lupin Gold Mine and the advanced Ulu Gold Project from Mandalay Resources Corporation. In addition, the Company has entered into an agreement to acquire Inukshuk Exploration Inc., the owner of a 100% interest in the 8,000 ha Hood River property located contiguous to the Ulu Gold Project. The Company is listed on the TSX-V with the trading symbol: WPQ.

For additional information, please contact:

Stephen Wilkinson, President; OR
Wayne Moorhouse, CFO & Secretary

Telephone: (778) 379-1433
E-mail: info@wpcresources.ca

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS AND INFORMATION

This news release contains certain “forward-looking information” within the meaning of Canadian securities laws. Actual results may differ materially from those indicated by such forward-looking information. All information included herein, other than statements of historical fact are forward-looking statements and involve various risks and uncertainties. There can be no assurance that the forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information.

WATER LICENCE INSPECTION FORM

☒ **Original**
☐ **Follow-Up Report**

Licensee	**Licensee Representative**
Bonito Capital Corp. / Mandalay Resources	Karyn Lewis
Licence No. / Expiry	**Representative's Title**
2BM-ULU1520	
Land / Other Authorizations	**Land / Other Authorizations**
IOL	
Date of Inspection	**Inspector**
July 06-07, 2016	Eva Paul

Activities Inspected

☒ Camp ☐ Drilling ☐ Mining ☐ Construction ☐ Reclamation ☒ Fuel Storage
☒ Roads/Hauling ☒ Other: Care + Maintenance ☐ Other:

Conditions: **A - Acceptable** **C - Concern** **U - Unacceptable** **NA – Not Applicable** **NI – Not Inspected**

Water Use	Condition	Comment	**Site Conditions**	Condition	Comment	**Haz/Mat Management**	Condition	Comment
Intake/Screen	NA		Water Management Structures	U	1,3	Storage	U	9
Flow Measure. Device	NA		Culverts / Bridges	U	4	Spills	U	9
Source: West Lake	NA		Drainage	C	4	Spill Plan	U	9
Water Use:	NA		Erosion / Sediment	U	4			
Recirculation (y /n)	NA		Mitigation Measures	U	5	**Administrative**		
			Reclamation Activities	U	6	Records	A	
			Materials Storage	U	7	Reports	U	10
Waste Disposal			Signage	U	2	Plans	NI	
Waste Water	U	1				Notifications	NA	
Solid Waste	U	2	**Monitoring**			**Other**		
Hazardous Waste	U	2	Sample Collection / Analysis	U	8			

**The number in the comments field will correspond with specific comments provided below.*

Samples taken by Inspector:	Location(s): Portal water, hydrocarbon-contaminated soil as described in (9).
☒ Yes ☐ No	

SECTION 1 ☒ **Comments** (s.1) ☒ **Non-Compliance with Act or Licence** (s.2) ☒ **Action Required** (s.3)

I was present on site at Ulu Gold Project both July 6 and 7, 2016 for the purposes of inspection and water sampling under the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and BCC's water licence 2BM-ULU1520. Also in attendance was Dovreshin MacRae of Environment and Climate Change Canada. No representatives of BCC were present at the time, and no water was being used. General condition of the site is deteriorating, as work or maintenance at site has been minimal for the last several years. It is my understanding that no work or maintenance was conducted at Ulu in 2015, only the mandatory geotechnical inspections.

As such, the work identified in the 2015 inspection (attached) was not undertaken at the time of the 2016 inspection. Further, the 2015 report references work outstanding from the 2013 and 2014 inspection reports, that also remains outstanding. The physical conditions at site and the compliance status of this licence are unsatisfactory.

1. The water in the portal entrance was very high at the time of the inspection. Discharge lines were set up from the portal, assumedly to conduct a discharge, however, no samples or notification of discharge had been provided to me at that time (or was subsequently provided). The liner of the retention pond has slipped at one end. If the licensee intends to use this pond, which seems likely by the pump and hoses leading into it, the liner should be repaired.
2. As per the 2015 report: "Waste and waste storage areas remain unidentified and waste (particularly potentially-hazardous waste) is not being stored according to the Waste Management Plan. Unmarked barrels of unidentifiable waste (with staining underneath) remain to the east of the helipad… and at the mine storage pad… there remain several barrels of [potentially] hazardous waste and contaminated soil at the mine storage pad…" Conditions remain unchanged in 2016.
3. The dock at the West Lake water intake facility is in disrepair, and at risk of becoming debris in the lake. It should be removed before the situation worsens.
4. Road wash-outs as described in the 2015 report have not been addressed. Culverts may require maintenance to restore flow of streams. No sediment control measures have been implemented since 2015 inspection.
5. No mitigation measures have been put in place to address impacts of this site on the receiving environment: monitoring activities, implementation of the spill contingency plan, sediment control measures etc.
6. As per the 2015 report: "Drill holes have not been restored to pre-disturbance conditions. Numerous drill collars are visible in the vicinity of the site. This was identified in the 2013 inspection and has not yet been addressed."
7. As a result of lack of maintenance, site conditions are deteriorating. The large Quonset has torn open, exposing the materials and equipment stored therein.
8. No results were submitted for monitoring of ULU-8, which should be sampled twice annually during open water period.
9. As per inspection reports from 2013-2015, the hydrocarbon contamination spreading from the fuel storage pad/apron has not been addressed. Nor has it yet been reported. A GPS track of the *visible* perimeter of the stain was taken, and calculated the visible affected area as 2288.2 ft^2 (212.5m^2). The affected area below the sand surface is unknown at this point, but is likely the depth of the active layer. Shallow samples of the stained sand were taken at 25 m and 32 m

downslope of the fuel storage pad, and confirm F3 (C16-C34) concentrations of 3740 and 9690 mg/kg respectively (2.2x and 5.7x the CCME Tier 1 levels for coarse-grained soils (commercial/industrial)). F4 (C34-C50) concentration of the second sample also surpasses CCME Tier 1 level for residential/parkland at 2970 mg/kg, 32 m downslope of the fuel storage pad. These F3 levels are HIGHER than the samples taken in 2015 which were taken at 13 m downslope of the fuel storage pad. Staining within the storage pad is also more pronounced than in 2015.

10. A list of drill holes was submitted to the Inspector in November 2015. In the accompanying report, the Licensee states "As far as we are aware all holes have been reclaimed.", despite photographs and reports that I have submitted from 2013-2015 that demonstrate otherwise. Additionally, the Licensee acknowledged and agreed to remedy the hydrocarbon leaking from the fuel storage pad, but has reported no unauthorized discharges in the last four annual reports. The Licensee is reminded that false or misleading statements given to an inspector constitute an offence under the *Act*.

SECTION 2 ☐ **Comments** ☒ **Non-Compliance with Act or Licence** ☐ **Action Required**

2BM-ULU1520:

C.6 and 7- The Licensee shall provide erosion and sediment control measures.
E.3- All sumps and fuel caches shall be located at a distance of at least thirty-one (31) metres from the Ordinary High Water Mark of any adjacent water body and **inspected on a regular basis**.
E.4-The Licensee shall provide secondary containment for hazardous materials and fuel storage areas.
E.7- The Licensee shall employ the Spill Contingency Plan, report spills, contain and clean up spills.
I.13-The Licensee shall restore all drill holes and disturbed areas to natural conditions immediately upon completion of the drilling or trenching. The restoration of drill holes must include the removal of any drill casing materials.
1.15- All disturbed areas shall be contoured and stabilized upon completion of work and restored to a pre-disturbed state.
J.1- Failure to conduct monitoring as described in Schedule J.
J.10- Failure to submit monthly monitoring summary reports.
J.11- Failure to submit required monitoring data in 2015 annual report.

SECTION 3 ☐ **Comments** ☐ **Non-Compliance with Act or Licence** ☒ **Action Required**

A. Provide confirmation in writing by November 15, 2017, of those activities carried out in 2016 (a list of priorities was sent to BCC on September 9, 2016).
B. Review the 2013-2015 inspection reports, and create a work plan for 2017 that will address all of the outstanding work, and including the items identified below. This work plan is to be submitted to the Inspector for review and approval by **January 31, 2017**. Failure to address these deficiencies according to the approved plan will result in enforcement action.
C. Conduct a visual assessment of all culverts on site, and provide a report including: GPS coordinates of each, culvert condition, whether flow is possible or obstructed in any way. This report shall be submitted to the inspector by **September 30, 2017**.
D. Conduct a visual inventory of all the known drill holes, as per the list provided to the inspector in 2015 (approximately 365 holes). Each drill hole shall be inspected for compliance with Part I items 13 and 15, and any other relevant conditions of the licence. The Licensee shall reclaim each hole that does not satisfy these conditions to a pre-disturbed state, including contouring, cutting of drill casings or collars flush with the ground, and any other remediation required (spills, debris etc). The Licensee shall complete this work over the next **one** (1) to **three** (3) years, with a minimum of one third to be completed each year, beginning in 2017. A table shall be submitted to the inspector by **June 01** of each year, beginning in 2017, that lists the drill holes to be inspected in that year by hole number and location, and the dates the work will be undertaken. The Licensee shall submit by **September 30**, of each year, beginning in 2017, a table that describes each drill hole completed by number; location; whether it satisfied the licence conditions; and where no, confirmation that the hole was reclaimed. Photographs before and after are encouraged. Work is to be conducted in the snow-free season.

Licensee or Representative	**Inspector's Name**
	Eva Paul
Signature	**Signature**
	Sent electronically
Date	**Date**
	October 20, 2016

Office Use Only: Follow-up report to be issued by Inspector ☐ Yes ☒ No

CC: Licensing Department, NWB
Erik Allain, Manager of Field Operations, INAC
Wynter Kuliktana, Kitikmeot Inuit Association

Att: 2BM-ULU1520 REPORT OF JULY 15 2015 INSPECTION
9/7/16 E-mail: Priorities for Ulu

PHOTO LOG

Date	Camera	Inspector	Authorization
July 6 2016	SONY DSC-HX50V	Eva Paul	2BM-ULU1520

Photo Log # 1	Location (NAD 83 DD MM SS.SS)	
Photo DSC05610	N66 54 26	W110 58 04

Description: Ulu portal with appreciably more water than in recent years. Also note the large Quonset (upper right) is torn open.

Photo Log # 2	Location (NAD 83 DD MM SS.SS)	
Photo DSC05632	N66 54 26	W110 58 04

Description: Ulu portal, with piping and hoses visible, assumedly set up for a discharge.

Photo Log # 3	Location (NAD 83 DD MM SS.SS)	
Photo DSC05631	N66 54 27	W110 58 02

Description: Retention pond next to the portal. Liner is exposed and has not been repaired.

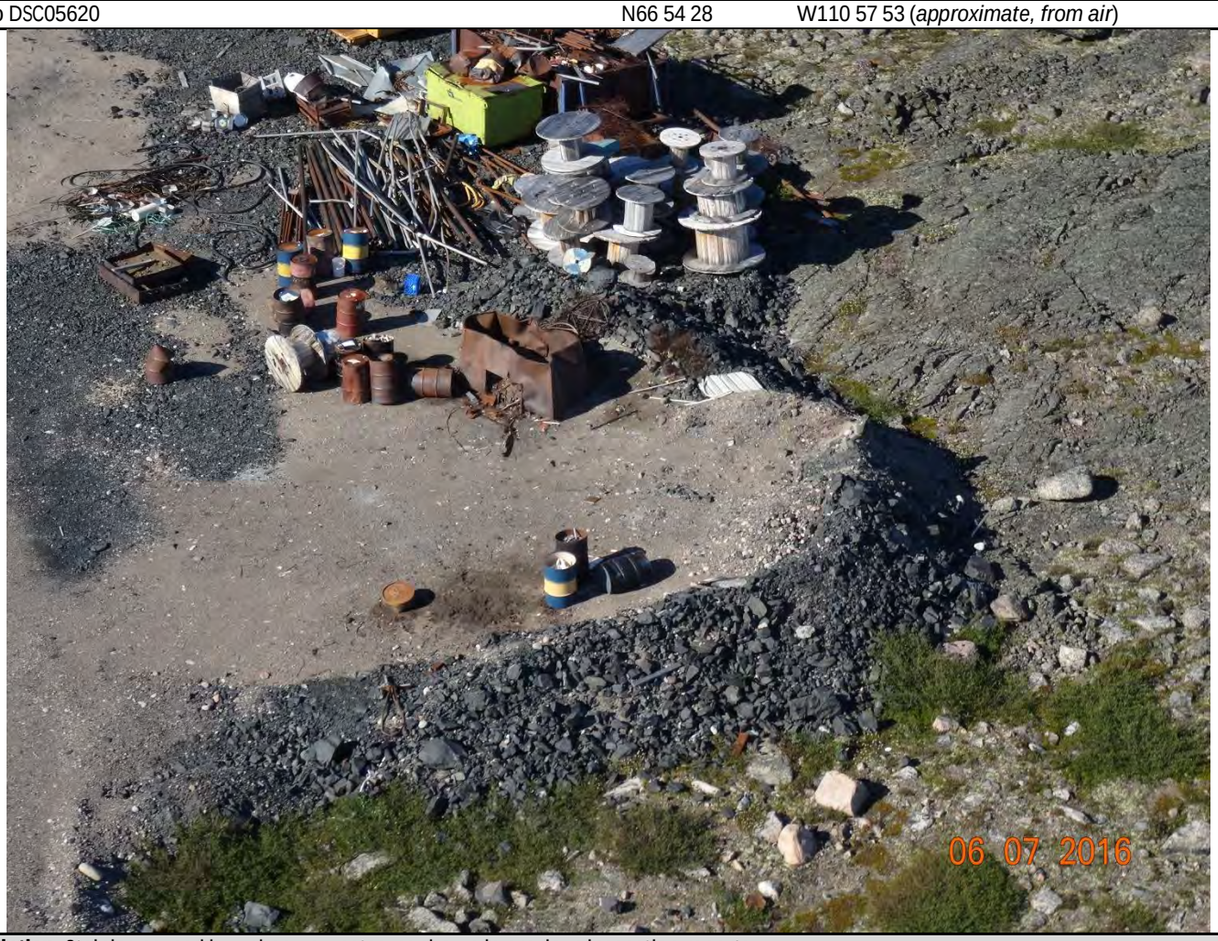
Photo Log # 4	Location (NAD 83 DD MM SS.SS)	
Photo DSC05609	N66 54 18	W110 58 13 (*approximate, from air*)

Description: Barrels of assorted and potentially hazardous waste remain on the mine storage pad. Other waste (not shown here) remains elsewhere on site, including the waste rock storage pad, and near the helipad.

Photo Log # 5	Location (NAD 83 DD MM SS.SS)	
Photo DSC05613	N66 54 30	W110 57 41 (*approximate, from air*)

Description: Assorted waste on the site's periphery.

Photo Log # 6	Location (NAD 83 DD MM SS.SS)	
Photo DSC05620	N66 54 28	W110 57 53 (*approximate, from air*)



Description: Staining caused by unknown wastes, as shown in previous inspection reports.

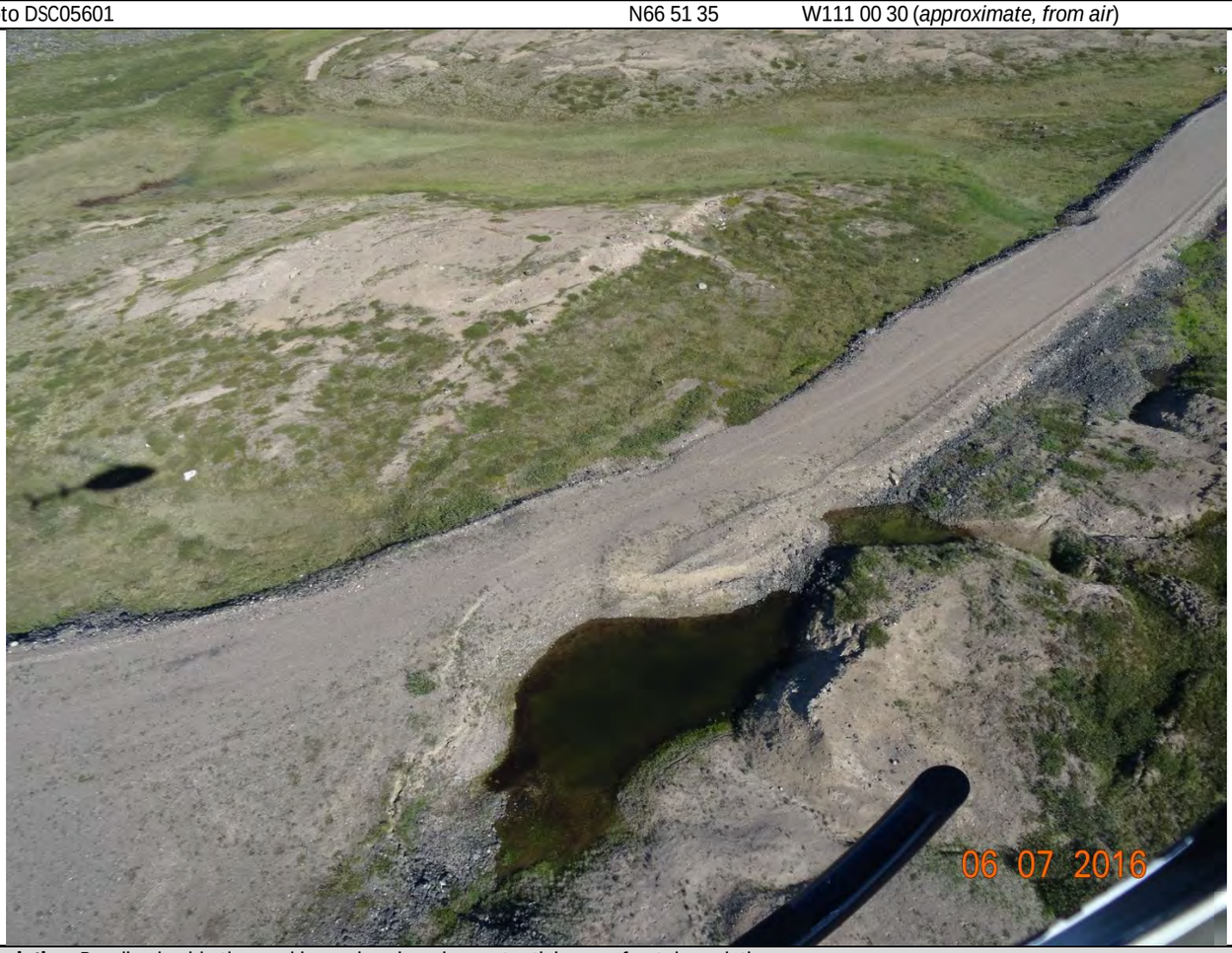
Photo Log # 7	Location (NAD 83 DD MM SS.SS)	
Photo DSC05621	N66 54 31	W110 57 58

Description: Vehicle batteries left beside the truck, exposed to the elements.

Photo Log # 8	Location (NAD 83 DD MM SS.SS)	
Photo DSC05606	N66 54 19	W110 59 03 (*approximate, from air*)

Description: The dock does not appear to be fixed in place.

Photo Log # 9	Location (NAD 83 DD MM SS.SS)	
Photo DSC05601	N66 51 35	W111 00 30 (*approximate, from air*)

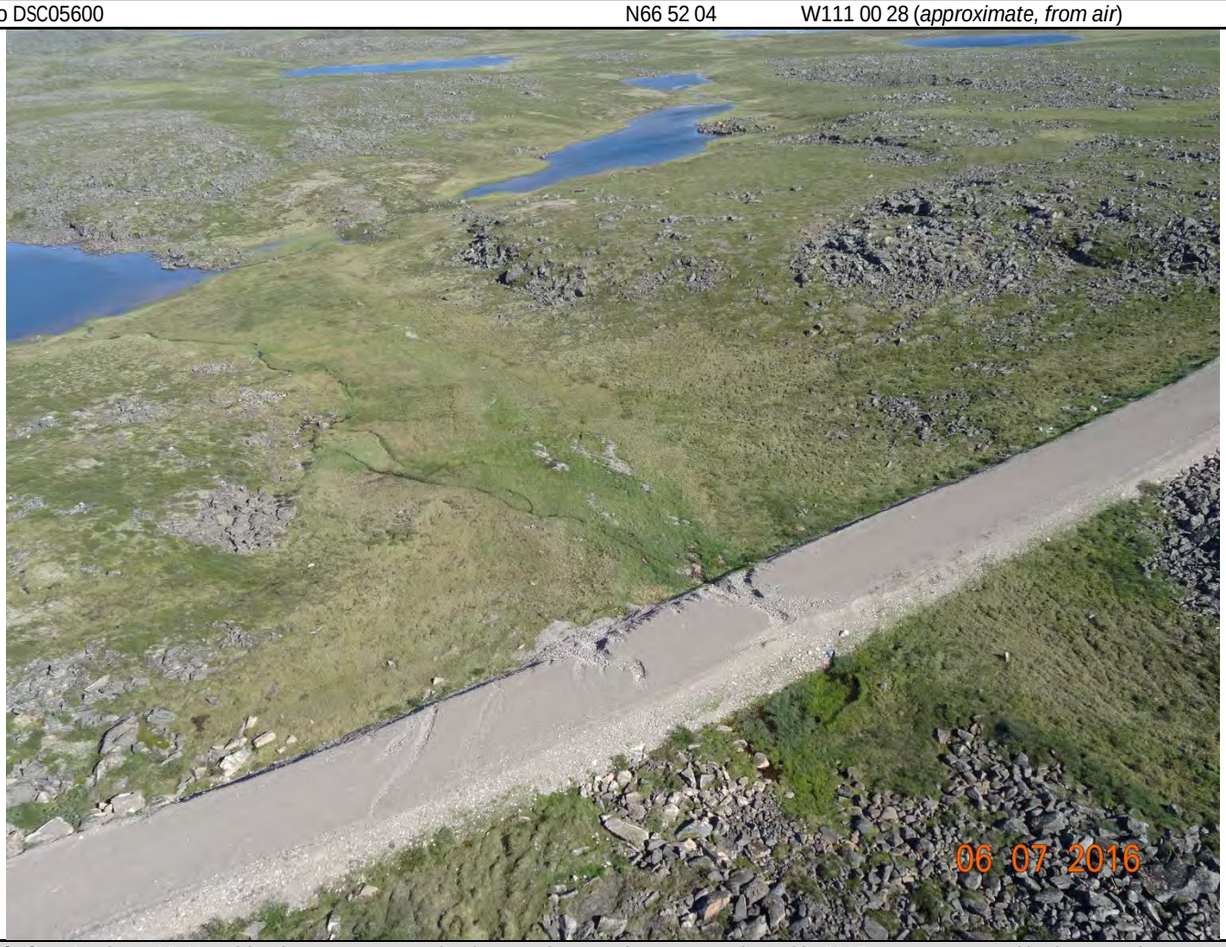


Description: Ponding beside the road is causing slumping; potential permafrost degradation.

Photo Log # 10	Location (NAD 83 DD MM SS.SS)	
Photo DSC05598	N66 54 17	W111 00 30 (*approximate, from air*)

Description: Washed out sections of road as discussed in 2015. No silt fencing or mitigation has been put in place.

Photo Log # 11	Location (NAD 83 DD MM SS.SS)	
Photo DSC05600	N66 52 04	W111 00 28 (*approximate, from air*)



Description: As photo 10. No mitigation measures are in place, and no repairs were conducted in 2015 as was proposed in the annual report.

Photo Log # 12	Location (NAD 83 DD MM SS.SS)	
Photo DSC05619	N66 54 30	W110 58 01 (*approximate, from air*)

Description: "Closeup" view of fuel trail spreading from the fuel storage pad.

Photo Log # 13	Location (NAD 83 DD MM SS.SS)	
Photo DSC05618	N66 54 30	W110 58 01 (*approximate, from air*)

Description: Comparative photo of the staining within the fuel storage pad (compare to next photo, taken in 2015).

Photo Log # 14	Location (NAD 83 DD MM SS.SS)	
Photo DSC03376 (July 15 2015)	N66 54 35	W110 57 44 (*approximate, from air)*

Description: 2015 aerial view of the fuel storage pad; staining within the pad is less extensive than this year.