



Water Licence Inspection Report

☒ Original
☐ Follow-Up Report

Authorization	Representative
Blue Star Gold	Darren Lindsay
Authorization No. / Expiry	Representative's Title
2BM-ULU2030/May 12, 2030	
Inspection Date	Inspector
August 6, 2025	Isaiah James Bolt
Other Authorization/s	
2BE-HRP1932, N2022C0006	
Activities Inspected	
<input type="checkbox"/> Municipal <input checked="" type="checkbox"/> Camp, Commercial <input type="checkbox"/> Drilling <input type="checkbox"/> Mining <input type="checkbox"/> Construction <input type="checkbox"/> Reclamation <input checked="" type="checkbox"/> Fuel Storage <input type="checkbox"/> Roads/Hauling <input type="checkbox"/> Winter Hauling <input type="checkbox"/> Camp, Private <input type="checkbox"/> Other Click or tap here to enter text.	

Section 1 Comments

On August 6th, 2025, Resource Management Officer Isaiah James Bolt (Inspector) for Crown Indigenous Relations and Northern Affairs Canada (CIRNAC), conducted an inspection of 2BM-ULU2030 (License) issued to Blue Star Gold Corp (Proponent) to ensure compliance against their license.

Accompanying the Inspector was Darren Lindsay of Blue Star Gold, Tannis Bolt of Kitikmeot Inuit Association and Katrina Hatogina of KIA. Bolt and Hatogina were on site to complete site inspections for KIA.

On August 6th there were 38 people in camp excluding temporary visitors (2 KIA, 1 CIRNAC).

The application requested 60 m³ /day for domestic use and 239 m³ /day for industrial use. The maximum water use for the project is set at 299 m³ /day as described under Part C, Item 1 of the current Licence. The water log for August 2025 show that they are well within their water intake limits for the camp and drills. No effluent log is being kept at the camp as they assume everything they pump into camp for use gets discharged to the sump. All applicable licenses/permits are posted in the accommodations building near the kitchen.

1. Aerial photos were taken (Photo #1 and #2).
2. The water use log for August 1st to 13th, 2025 is provided on (Photo #3.)
3. Ulu-1 was observed at West Lake water intake (Photo #4). The intake pipe was placed in a bucket and was equipped with screen mesh on the pipe (Photo #5). Water is pumped through a hose which is equipped with a water flow meter. The meter showed 2,531.13m³ at the time of inspection.
4. The grey water discharge location was observed (Photo #7). The end of the discharge line is situated approximately 36m NW of the accommodations. The end of the hose is placed into a rocky outcrop that drains to the north and then east to Ulu Lake. No signage present at the discharge location. No sampling location identified downstream for effluent monitoring.
5. The ore stockpile was observed. On the NW pad they have began to remove the old pad material and stockpile the material close to the centre of the pad where it will be capped. (Photo #9 and #10) shows the material placed and the orange line on the ground where the new edge of the pad will be.
6. 2 thermistors were observed (Photo #11 and #12). They show no sign of damage and are in working condition. A string of thermometers record temperature as varying depths and save the information to the cloud automatically where the company can then see the data on a password protected site.
7. Seep-5 was observed (Photo #13 and #14). No samples were taken. The water and land showed no sign of stress or discoloration. "In 2024 all seeps were sampled every two weeks and after any rain

events. In 2025 was recommended to take observations weekly, and samples based on observations but at least once a month and after any significant rain events (see SRK Consulting, Ulu ML-ARD 2024 Monitoring Report_CAPR003217_20250319_FNL)" -Darren Lindsay.

8. Ulu-8 and Ulu-8a were observed. (Photo #15 and #16) They are basically in line with each other on the edge of the SE side of the ore pad. The water and land show no sign of stress or discolouration.
9. Ulu-4 and Ulu-4b were observed (Photo #17, #18 and #19). Some PAG material is still present on the west side of the portal pond. There are stockpiles still present on the east of the pond above the mine sump (Ulu-4B). The stockpile mineralized rock is being treated as PAG rock and therefor follows the plans for PAG rock at the site, with eventual removal and storage. (Photo #20) shows the inside of the mine sump. No water was present during the inspection.
10. Ulu-15 was observed and the sampling location is confirmed to now be up stream of the culvert. (Photo #21)
11. The Vent raise was observed and confirmed to have no signs of subsidence. (Photo #22 and #23)
12. The equipment storage areas were observed. There are 2 areas where old equipment and camp refuse is stored. (Photo #24 and #25) show the equipment stored near the land farm on top of the landfill and (Photo #26 and #27) show the equipment stored near the vent raise. No concerns with storage.
13. (Photo #28 and #29) show the landfill as seen from on top. No signs of erosion and no signs of metals/material showing. The placement and coverage of 250m³ of non-hazardous waste was confirmed by Darren Lindsay by photos in an email.
14. The land-farm was observed (Photo#30). No concerns were noted. The piles of contaminated soil were spread out to help aeration. The land-farm is lined and was noted during inspection.
15. All fuel observed in camp was in secondary containment. (Photo #31, #32, and #33) show examples of fuel storage.
16. The incinerator was observed (Photo #34 and #35). No concerns were noted. The facility has labelled sorting and signage in 3 languages.
17. Environmental Assessment seasonal ARD and subsurface drainage - the Loupe-EM survey (more current survey technique compared to EM-31) was competed in late July 2025, processing of the data is currently underway.
18. Dismantling and landfilling of the shop building was confirmed through pictures in an email from Darren Lindsay. The shop was dismantled and landfilled/backhauled in 2024.
19. Archeology surveying was completed June 26, 2025. Report pending. -Confirmed by Darren Lindsay.
20. In regards to pH dropping below threshold: 2" minus limestone is being brought to site and will from part of the cover at concentration of 1kg CaCO₃ per square meter. -Darren Lindsay.
21. "Annual geotechnical inspections scheduled for August 18, 2025" -Darren Lindsay
22. Monthly monitoring of ULU-8, ULU-9, ULU-11 and ULU-15 is on-going. Confirmed with their monthly monitoring reports sent to NWB.

Section 2 Non-Compliance

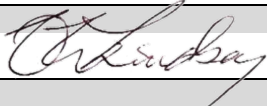

Part B item 2 of the issued water license states: The Licensee shall post signs in the appropriate areas to inform the on-site personnel and public of the location of the facilities related to Water use and Waste deposit, and the Monitoring Program Stations. All signs shall be in English, Inuktitut, and Inuinnaqtun.

Section 3 Action Required

-Post signage at designated Grey water discharge location. Please have all actions required completed by September 18 2025.

Section 4 Other



Licensee or Representative	Inspector's Name
Darren Lindsay, VP Exploration	Isaiah James Bolt
Signature	Signature
	
Date	Date
August 21, 2025	08/18/2025

Office Use Only:	Follow-up report to be issued by Inspector	<input type="checkbox"/> Yes <input type="checkbox"/> No
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PHOTO LOG

Date:	Authorization Number:	Camera/Model:	Inspector
August 6, 2025	2BM-ULU2030	Olympus Tough TG-6	Isaiah James Bolt

Photo #	1	Coordinates:	
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Description:
Ulu camp looking West.

Photo #	2	Coordinates:	
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Description:
Ulu Camp looking North.



Photo #	3	Coordinates:							
		A	B	C	D	E	F	G	H
1		Date	Site	Shift	Water m³	Water Source	Camp	Drill	Comments
2		2025-08-01	Ulu Camp	Day	0.00		Ulu Camp	Sanvick (A5)	
3		2025-08-01	Ulu Camp	Night	0.00		Ulu Camp	Sanvick (A5)	
4		2025-08-01	Ulu Camp	Whole Day	3.42	West Lake	Ulu Camp		
5		2025-08-02	Ulu Camp	Night	0.00		Ulu Camp	Sanvick (A5)	
6		2025-08-02	Ulu Camp	Day	0.00		Ulu Camp	Sanvick (A5)	
7		2025-08-02	Ulu Camp	Whole Day	4.70	West Lake	Ulu Camp		
8		2025-08-03	Ulu Camp	Night	0.00		Ulu Camp	Sanvick (A5)	
9		2025-08-03	Ulu Camp	Day	0.00		Ulu Camp	Sanvick (A5)	
10		2025-08-03	Ulu Camp	Whole Day	3.25	West Lake	Ulu Camp		
11		2025-08-04	Ulu Camp	Night	0.00	Ulu Lake	Ulu Camp	Sanvick (A5)	
12		2025-08-04	Ulu Camp	Day	0.00	Ulu Lake	Ulu Camp	Sanvick (A5)	
13		2025-08-04	Ulu Camp	Whole Day	3.43	West Lake	Ulu Camp		
14		2025-08-05	Ulu Camp	Night	0.00	Ulu Lake	Ulu Camp	Sanvick (A5)	
15		2025-08-05	Ulu Camp	Day	0.00	Ulu Lake	Ulu Camp	Sanvick (A5)	
16		2025-08-05	Ulu Camp	Whole Day	3.82	West Lake	Ulu Camp		
17		2025-08-06	Ulu Camp	Night	0.00	Ulu Lake	Ulu Camp	Sanvick (A5)	
18		2025-08-06	Ulu Camp	Day	0.00	Ulu Lake	Ulu Camp	Sanvick (A5)	
19		2025-08-06	Ulu Camp	Whole Day	3.09	West Lake	Ulu Camp		
20		2025-08-07	Ulu Camp	Whole Day	3.66	West Lake	Ulu Camp		
21		2025-08-07	Ulu Camp	Day	12.52	Ulu Lake	Ulu Camp	Sanvick (A5)	
22		2025-08-07	Ulu Camp	Night	15.33	Ulu Lake	Ulu Camp	Sanvick (A5)	
23		2025-08-08	Ulu Camp	Whole Day	3.76	West Lake	Ulu Camp		
24		2025-08-08	Ulu Camp	Day	15.63	Ulu Lake	Ulu Camp	Sanvick (A5)	
25		2025-08-08	Ulu Camp	Night	16.53	Ulu Lake	Ulu Camp	Sanvick (A5)	
26		2025-08-09	Ulu Camp	Whole Day	3.42	West Lake	Ulu Camp		
27		2025-08-09	Ulu Camp	Night	11.99	Ulu Lake	Ulu Camp	Sanvick (A5)	
28		2025-08-09	Ulu Camp	Day	16.46	Ulu Lake	Ulu Camp	Sanvick (A5)	
29		2025-08-10	Ulu Camp	Whole Day	4.39	West Lake	Ulu Camp		
30		2025-08-10	Ulu Camp	Day	11.47	Unnamed Lake 500510 7421950	Ulu Camp	Sanvick (A5)	
31		2025-08-10	Ulu Camp	Night	14.61	Unnamed Lake 500510 7421950	Ulu Camp	Sanvick (A5)	
32		2025-08-11	Ulu Camp	Whole Day	3.61	West Lake	Ulu Camp		
33		2025-08-12	Ulu Camp	Whole Day	3.46	West Lake	Ulu Camp		
34		2025-08-13	Ulu Camp	Whole Day	4.18	West Lake	Ulu Camp		
35									
36									

Description:
August 01 to 13 Water log for Ulu camp.



Description:
Ulu-1 at West Lake water intake location.



Photo # 5

Coordinates:



Description:

Water intake hose with screen mesh and bucket.

Photo # 6

Coordinates:



Description:

Water meter that is attached to the water intake line.



Photo # 7

Coordinates:



Description:

The grey water discharge line as seen from the end of the line looking back to camp.

Photo # 8

Coordinates:



Description:

The end of discharge line shown discharging into the rocks. No signage was present at the end of the line.



Photo #	9	Coordinates:	
			
Description: NW side of the ore pad. Orange marked rocks show where the new edge of the pad will be.			
Photo #	10	Coordinates:	
			
Description: PAG rock that has been vacuumed up and placed for storage. This material will be covered and frozen.			



Photo #	11	Coordinates:	
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Description:
A thermistor shown on the ore pad.

Photo #	12	Coordinates:	
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Description:
An up close image of the thermistor showing no damage and is connected and operational.



Photo #	13	Coordinates:	
			
Description:			
Seep-05 looking up stream to downstream.			

Photo #	14	Coordinates:	
			
Description:			
Seep-05 looking down stream to upstream, NW of the ore pad seen in the background.			





Photo #	15	Coordinates:	
			
Description:			
Ulu-8 and Ulu-8a shown in the image. Looking from the SE ore pad to downstream. Discoloured rock shown on the ore pad.			
Photo #	16	Coordinates:	
			
Description:			
Ulu-8 sampling location. No signs of discolouration			



Photo # 17

Coordinates:



Description:

Ulu-4 looking west. Showing piles and discoloured rock beside the portal.

Photo # 18

Coordinates:



Description:

The mine portal pond. Sea can shown blocking entrance.



Photo # 19

Coordinates:



Description:

Ulu-4B, showing the portal in the back ground.

Photo # 20

Coordinates:



Description:

Ulu-4B, no water present.



Photo # 21

Coordinates:



Description:

Ulu-15. The sampling location is now upstream of the culvert. No water present.

Photo # 22

Coordinates:



Description:

The vent raise looking SW. No sign of subsidence or slumping.

Equipment storage area near the Landfarm.



Photo # 25

Coordinates:



Description:

Another view of the equipment storage area near the landfarm.

Photo # 26

Coordinates:



Description:

Equipment storage area near vent raise.



Photo # 27

Coordinates:



Description:

Another view of the equipment storage near the vent raise.

Photo # 28

Coordinates:



Description:

View of the landfill looking SW.



Photo # 29

Coordinates:



Description:

View of the landfill looking south.

Photo # 30

Coordinates:



Description:

The land-farm above the landfill. All piles of contaminated soil were flattened.



Photo # 31

Coordinates:



Description:

Fuel storage are Ulu-14c

Photo # 32

Coordinates:



Description:

Runway fuel storage. Full containers in the berm, empty drums are stacked on their sides.



Photo # 33

Coordinates:



Description:

Fuel storage in camp behind the carpenters shop.

Photo # 34

Coordinates:



Description:

The incinerator, image showing proper fuel storage and sorting requirements. Signage is posted at the facility.



Photo #

35

Coordinates:



Description:

Another view of the incinerator. Showing signage and ash barrel.