

From: [Andrew Mitchell](#)
To: [Phyllis Beaulieu](#)
Subject: RE: Lupin Mine
Date: Thursday, May 12, 2011 4:02:47 PM

Phyllis:

I am not up on all the specific details, but Lupin and Ulu have been sold to Bonito Capital, who immediately sold it to Elgin Mining. I believe the agreements have been signed by us and them, but I do not know if the sale has officially closed. I believe that there are some financial regulatory items to be cleared up and the reclamation security bond has to change hands before the transaction is considered fully executed, which is why I have not contacted you yet. I will make sure that Board is informed once the deal has officially closed. An assignment will be required, maybe twice given the way the purchaser has worked things, but I do believe that Elgin is a party to the agreement, so in all likelihood the assignment will go directly from Lupin Mines Inc. to Elgin, skipping Bonito.

I believe that the purchaser generally requests the assignment. Is that the case?

For your information, I will be leaving MMG at the end of next week. I am going to work for Cliffs Natural Resources Inc. in Thunder Bay, Ontario so I won't be the person handling these affairs going forward. I will make sure that the appropriate people have all of your contact details so that they can follow up. The person taking over my responsibilities will most likely be Sahba Safavi, who is based in Vancouver. His details are: Sahba Safavi, Project Manager-Canada, MMG Resources Inc., 555-999 Canada Place, Vancouver, BC, V6C 3E1, Direct Line 778-373-5607, General Office Line: 778-373 5600, Fax 778-373-5598, Mobile: 778.417.5589. It has been a pleasure dealing with you, Dionne and Dave over the years and I wish everyone the best for the future. I will miss the arctic, and who knows, Cliffs may acquire a project in Nunavut and we'll be back at it.

Regards:

Andrew

From: Phyllis Beaulieu [mailto:licensing@nunavutwaterboard.org]
Sent: Thursday, May 12, 2011 8:59 AM
To: Andrew Mitchell
Subject: Lupin Mine

Good morning Andrew – In reading one of our local newspapers I've come across an article regarding the Lupin Gold Mine being purchased by Elgin Mining Inc. from Bonito Capital Corp. The current water licence is issued in the name of Lupin Mines Incorporated. Perhaps you can update me on the relationship between Lupin Mines Inc. and Bonito Capital Corp. and the possibility that an assignment or assignments are required as per section 44 (1) of the Act which states "A sale or other disposition by a licensee of any right, title or interest in an appurtenant undertaking constitutes, subject to the authorization of the Board, an assignment of the licence to the person to whom the sale or other disposition is made."

Regards,

Phyllis Beaulieu
Manager of Licensing
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU X0B 1J0
Phone: (867) 360-6338, Ext. 26
Fax: (867) 360-6369
Email: licensing@nunavutwaterboard.org