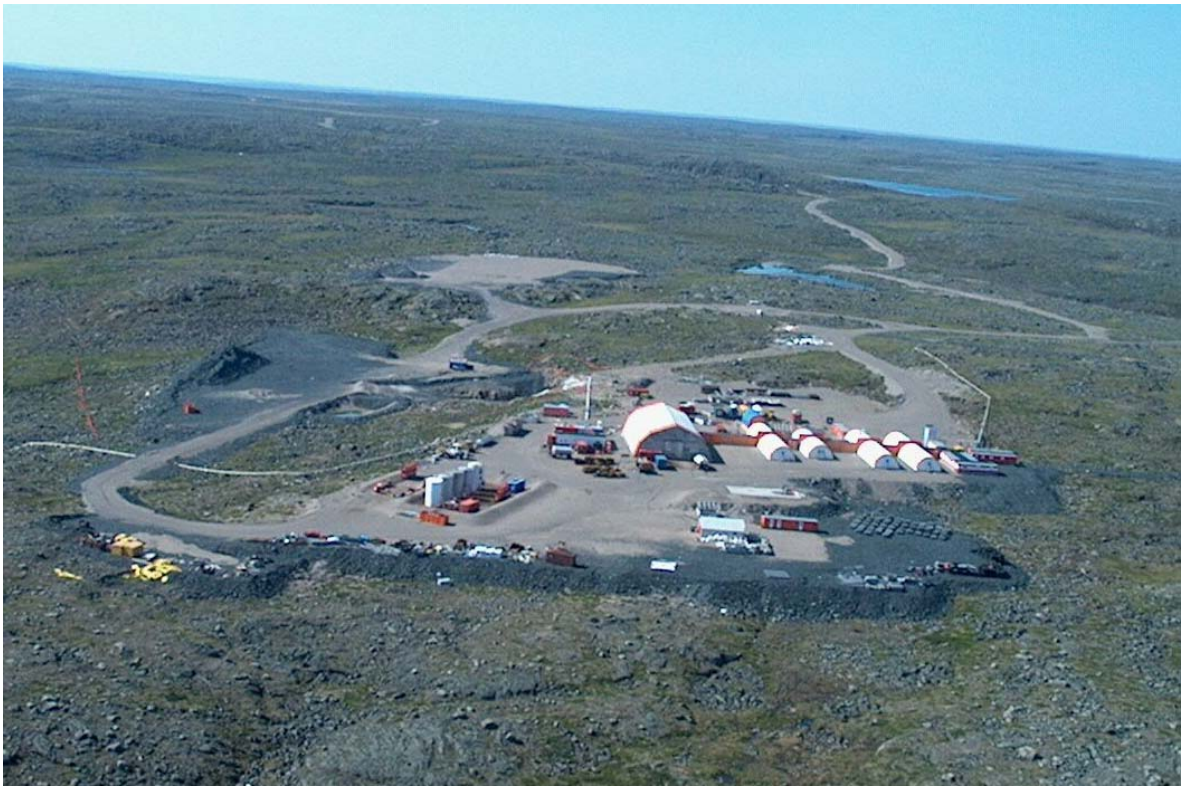
WOLFDEN RESOURCES INC.

2005 ANNUAL REPORT

ULU GOLD PROJECT, NUNAVUT

NTS 76L 14/15

WATER LICENSE NWB1ULU0008



EXECUTIVE SUMMARY

Wolfden Resources Inc. purchased a 100% interest in the Ulu gold project from Kinross Gold Corporation in December 2003 as part of its exploration strategy to acquire advanced stage properties in the vicinity of its recently discovered High Lake Cu-Zn deposit, and from which synergies may develop through the utilization of a common milling complex.

In 2004 Wolfden performed a 44 hole, 18,569 meter diamond drill program to further evaluate the economic potential of the Ulu gold deposit. Following the drill program Wolfden performed a resource calculation which confirmed the Ulu gold deposit hosts an inferred/indicated resource of 1,130,000 million tonnes grading 11.34 g/t gold, or the equivalent of 373,748 ounces of gold. Also in 2004 Wolfden extended the Ulu airstrip by 150m to 1300m and widened it by 5m to 30m. Gartner Lee Ltd., Wardrop Engineering and BGC Engineering, our environmental and engineering consultants, initiated several studies related to completion of an Environmental Impact Assessment for the High Lake/Ulu Project.

Wolfden re-opened the portal at Ulu in May 2005 and intended to carry out 395 meters of lateral development work to confirm the grade and continuity of the gold veins comprising the Ulu deposit. This work is required to confirm whether the deposit is economic to mine. Upon opening the portal it was immediately realized that 2-4 meters of ice had developed throughout the underground workings since Echo Bay suspended operations at Ulu in 1997. Wolfden proceeded to mine the ice until the end of June 2005 at which time the decision was made to postpone further underground work until 2006.

Also in 2005 Wolfden conducted a prospecting/mapping program on the Ulu and adjacent Ulu South property in an effort to evaluate the economic potential of known gold and copper-zinc occurrences on the properties. The Ulu South property was optioned from Strongbow Resources inc. in 2004. As a result of this work Wolfden drilled one hole on the Ulu property to test an interesting gold occurrence and two holes on the Ulu South property to further evaluate the copper-zinc potential of the Ralph Prospect. In December 2005 Wolfden terminated its option of the Ulu South property.

Diamond drilling in 2005 was performed by Major Drilling of Winnipeg, Manitoba. One Boyles-17 drill rig was used to conduct the drilling.

Drill moves were completed through the use of an Astar-BA and Bell 206 helicopter contracted from Kitikmeot Helicopters of Yellowknife, Northwest Territories.

Catering and first aid services were provided by Kitikmeot Caters of Cambridge Bay, Nunavut.

During 2005 a total of 8 local Inuit, more than half of the Ulu workforce, were hired by Wolfden to work as heavy equipment operators, survey technicians, core technicians, general labourers or as assistants to environmental/engineering consultants hired by Wolfden Resources Inc. Similar, or greater, levels of employment for local Inuit are expected in 2006.

In addition, Wolfden hired a minimum of 5 firms registered to conduct business in Nunavut to provide goods and services to the Ulu gold project during 2005. These firms accounted for greater than 34% of the monies spent at Ulu in 2005.

INTRODUCTION

This report is submitted to fulfill the requirements of Part B, Item 5 of the renewed Water License NWB1ULU0008 issued by the Nunavut Water Board on July 1, 2000.

This 2005 Annual Report contains information required for Part B, Items 5(a) through 5(q) of the Ulu water license.

Part B, Item 5(a)

Based on water meter readings Ulu consumed between 3.3 m^3 to 13.9 m^3 per day and averaged 6.9 m^3 per day of water from West Lake for domestic use in 2005. A total of 978.2 m^3 was consumed from West Lake between May 19, 2005 and October 6, 2005. Ulu's water license allows for up to 100m^3 per day of water to be drawn from West Lake (Table 1).

Also, prior to activating, and after we de-activated, the water line from West Lake we consumed 56.8 m^3 of water from a small, isolated kettle lake located within the esker near Camp 3 (Figure 1).

Water for the single drill hole put in by Wolfden on the Ulu property was obtained from a small isolated pond located immediately west of Ulu's ore pad (Figure 2). Approximately 25 m^3 of water was consumed per day to drill the hole over the 4 day period (100 m^3).

Part B, Item 5(b)

Between June 1, 2005 and June 30, 2005 less than 450 m^3 of water was pumped from the underground and placed in the mine sump located outside the portal (Figure 2). Approximately one half of the mine sump is currently filled with mine water. The sump measures approximately 30 meters in length by 20 meters in width and is 1.5-2.0 meters deep resulting in a total capacity of 900 m^3. The majority of this water was from rain and melt water from snow that had collected at the mouth of the portal and made its way down the ramp during spring storms. Water from this sump was sampled in June 2005. The results show that the sump water quality is within license criteria with the exception of total suspended solids (TSS) (Table 2). However, the increase TSS could be the result of elevated turbidity due to periodic pumping of mine water into the sump. Presently the water in the sump has not been discharged, and we recognize that the Board would need to approve discharge of the water. Compliance to all license limits would be confirmed prior to any proposed discharge.

Also during this period approximately 3000 m^3 (150m x 4.9m x 4.0m) of ice was removed from the underground workings and placed on the waste pad located in front of the portal area (Figure 1). The melt water from this ice flowed into East Lake, our greywater depository. The analysis of a June 2005 water sample of runoff from the existing waste rock pad demonstrated that runoff from the pad is well below discharge limits (maximum average concentration) (Table 3).

Part B, Item 5(c)

It is estimated that less than 4.57 m^3 of gravity thickened sludge was removed from the primary settlement chamber in the RBC unit in 2005. The primary settlement chamber within the RBC unit has a total capacity of 6.09 m^3. The RBC was emptied and cleaned in June 2005. At that time it was noted that approximately one half (3.05 m^3) of the RBC unit contained gravity thickened sludge. Upon closure of the Ulu mine site in October 2005 it was observed approximately one quarter (1.52 m^3) of the primary settlement chamber of the RBC unit was filled with sludge. All sludge was deposited in an above ground sump on the up-hill side of the ore pad and covered with waste rock/sand, a distance of 420m from East Lake (Figure 2). A sign was posted to warn of the potential hazard. The sump is a natural depression consisting of irregular, barren outcrop located adjacent to the 1.0-1.5m high ore pad and is interpreted by Wolfden as being a suitable impermeable barrier to the migration of fluids.

Part B, Item 5(d)

Please refer to Table 4 for a summary of the water sample results from the 2005 Surveillance Network Program performed at Ulu.

Part B, Item 5(e)

No construction, modification or major maintenance of the Waste Disposal Facility at Ulu was required in 2005.

Part B, Item 5(f)

In June and August 2005, ore storage pad seepage was monitored at Station WR1 as part of the broader baseline assessment for the High Lake project. The seepage station (WR1) is located southeast of the pad in an area where visible sedimentation from previous surface flow is present (Table 5). All parameters met the Water Licence effluent quality criteria with the exception of total dissolved solids (TSS) during the August sampling event. The chemistry of the drainage from the ore storage pad is typical of water that has been in contact with highly mineralized rock with significantly higher concentrations of sulphate compared to other surface waters in the Ulu area. All metals were above detection levels with the exception of chromium, mercury, selenium and silver. Iron, cadmium and copper exceeded CCME guidelines.

Water quality data for waste rock pad run-off is not available, as no observable flow was present during previous sampling events. As outlined in the Waste Rock and Ore Storage Plan (BGC Engineering Ltd. 2005) metal leaching is not anticipated to be a concern for the waste rock during the period of advanced exploration and therefore it is anticipated that the water quality in the waste rock pad run-off will be better than that from the ore storage pad. Attempts will be made to sample waste rock pad run-off, provided sufficient flow for sample collection is present.

Please refer to Ulu's Interim Water Management Plan, dated March 2006, for a summary on how Wolfden proposes to manage and monitor minewater and runoff at Ulu over the term of the Water License, or until production is initiated.

Part B, Item 5(g)

No unauthorized discharges occurred at Ulu in 2005.

Part B, Item 5(h)

Included with the 2004 Annual Report were copies of the following reports:

1) Spill Contingency Plan
2) Interim Abandonment and Restoration Plan
3) Waste Rock and Ore Storage Plan
4) Sewage Treatment and Solid Waste Disposal Facilities Operation and Maintenance Plan
5) Terms of Reference for Hydrological Assessment of West Lake
6) a revised SNP Quality Assurance/Quality Control Requirements for Surface Water Samples Plan

To date, the Terms of Reference for Hydrological Assessment of West Lake is the only report that has been approved by the NWB. The Board has conditionally approved the Spill Contingency Plan pending more information and minor changes. A revised copy of the Spill Contingency Plan is included with this 2005 Annual Report.

On November 7, 2005 the NWB requested more information for the Sewage Treatment and Solid Waste Disposal Facilities Operation and Maintenance Plan. This report has been revised and a copy sent to the NWB on January 31, 2006. The NWB acknowledged receipt of this document and placed it on their website for review by interested parties on February 17, 2006.

Wolfden has not received an approval, or a request for more information, for the Interim Abandonment and Restoration Plan, Waste Rock and Ore Storage Plan and revised SNP Quality Assurance/Quality Control Requirements for Surface Water Samples Plan. These plans were submitted to the NWB on March 24, 2005.

Part B, Item 5(i)

A revised copy of the Spill Contingency Plan is included with this 2005 Annual Report.

A revised copy of the Sewage Treatment and Solid Waste Disposal Facilities Operation and Maintenance Plan was sent to the NWB on January 31, 2006. The NWB acknowledged receipt of this document and placed it on the NWB website for review by interested parties on February 17, 2006.

To date, Wolfden has not received an approval, nor a request for more information, for the Interim Abandonment and Restoration Plan.

Part B, Item 5(j)

The Inuinaqtun translation of the Executive Summary for the 2005 Annual Report is indicated below.

ATANIUYUNUT NAINAQHIMAYUT

Wolfden Risuasis Nanminilgit niuviqtat tamna 100 pusuayumik piyumaniat tapkuat Ulu guulinut havangat tapkunangat Kinross Guulit Kuapurisan talvani Tisaipa 2003 ilagiplugu tapkununga havikhaqhiuqtut havakhainut pinahuaqniinut hivunmukhimaniqpaanut atuqtauliqniinik hannaviuyuq tahamani tatya nalvaqtauhimayumi High Tahiq Cu-Zn piqaqniani, tapkuatlu ilagikniiinut pilaqtut pivaliatitaunii tahapkununga atuqtauniinik ayyikkiktunik havikhaliuqvikmun igluqpakyuakhainut.

Talvani 2004-mi Wolfden-kut havakhimayut tapkuninga 44 putunik, 18, 569 miitanik qiplagiktunut ikuutaqniqnik havagutainik pinahuaqpaliqhutik naunaiyaqnii tapkuat maniliugutaunikhainut pilaqniinik taphuma Ulu guulinut piqaqnia. Kinguagut tapkuat ikuutaqniqmut havagutit Wolfden-kut havakhimayut piqaqniinik kititiniqmik tapkuat naunaigutauyut tamna Ulu guulinut piqaqnia pihimayuq ihumagiyaunia/naunaiqhimania piqaqnianik 1,130,000 milian tansinik nakuunia 11.34 guramsit/tansimi guulinik, tamnaluniit ayyikkutapyanik 373,748 aunsinik guulinik. Tamnaluttauq 2004-mi Wolfden-kut attaqtuhivaliqtat tamna Ulu mittaqvia 150 miitamik talvunga 1300 miitanguqhugu tamnalu hanimuktuhivaliqhugu 5 miitamik 30 miitanguqhugu. Gartner Lee Nanminilgit, Wardrop Qauyimayiuyut tapkuatlu BGC Qauyimayiuyut, avatiligiyivut tapkuatlu qauyimayiuyut ikayuqtivut, pigiaqtihimayat qaphit naunaiyaqniit tugangayut tapkuat iniqtiqniinik tapkuat Avatiliginiqmut Aktuaniinut Naunaiyaqnii taphumunga High Tahiq/Ulu Havanga.

Wolfden-kut angmatqiktat tamna nunap iluanuktaqvik talvani Ulumi Mai 2005-mi piniaqhimaplutik atuqniinik 395 miitat anmut pivaliatitnii havaknii naunaigahuaqhugit tapkuat nakuunii tapkuatlu piqaitnaqniiguulit atatyutai pihimanii talvani Ulumi piqaqniani. Una havaq piyalik naunaiyaqniinik piqaqnii maniliugutaulagiakhainik uyagakhiugiami. Tamna angmaqmat nunap iluanuktaqvik naunaiqtaunginaqtuq tapkuat 2-4 miitat hikunikhimayuq tahamuuna nunap iluani havaktauhimayuni taimangat Echo Bay nutqaqtitmatyuk aulataunia talvani Ulumi 1997-min. Wolfden-kut pigiaqtat uyagakhiuqnianik tamna hiku nunguttiqlugu Juni 2005 talvuuna tapkuat ihumaliuqniaqmata kinguvaqtitauniagiakhanik hulivalliq nunap iluani havaknikha tikittiqlugu 2006.

Talvanittauq 2005-mi Wolfden-kut havakhimayut nalvaqhiuqniqmik/nunauyaliuqniqmik havakniinik talvani Ulu tamnalu nalaniittuq Ulu Kangiani havakviani pinahuaqhugit naunaiyaqnii tapkuat maniliugutikhat pilaqnikhai tapkuat ilihimayauyut guulit tapkuatlu kaapat-zinc piqaqnii tapkunani nunani pitaqhimayauyuni. Tamna Ulu Kangiani nunatagauyuq pilaqhimayuq tapkunangat Stronbow Risuasis Nanminiliknit 2004-mi. Taimaittumik ukuat havakniinut Wolfden-kut ikuutaqtut atauhiqmik putumik talvani Ulu havakviani uuktugahuaqhugu tamna piyauyumania guulit piqaqnianik tamnalu malguknik putuknik talvani Ulu Kangiani havakvianik huli naunaiyagahuaqnianik tapkuat kaapat-zinc piqalaqnia taphuma Ralph Pilaqnia. Talvani Tisaipa 2005 Wolfden-kut nutqaqtitat tapkuat pilaqnii taphuma Ulu Kangiani havakvia.

Qiplagiktut ikuutaqniit talvani 2005-mi havaktauhimayut tapkunangat Major Drilling Winnipeg, Manitoba-mit. Atauhiq Boyles-17 ikuutagut atuqtauhimayuq piyauniinik tapkuat ikuutaqniit.

Ikuutaqniit nuktiqnii piyauvaktut atuqhugu tamna Astar-BA tamnalu Bell 206 halikapta kanturaktauhimayuq tapkunangat Kitikmeot Halikaptat Yalunai, Nunatsiaqmit.

Niqhiuqtit tapkuatlu aaniqtuqhiugutit kivgaqtit piqaqtitauyut tapkunangat Kitikmeot Caters Ikaluktutiak, Nunavutmit.

Atuqtitlugu 2005 tapkuat katitlugit tapkuat 8 nunalikni Inuinnait, amigaitqiyai nappaita tapkuat Ulu havaktii, havaktitauyut tapkunangat Wolfden-kunnit havaktukhat angiyunik akhaluutinik aquttukhat, naunaiyaiyit ilihimayit, ikuutaqnut amuyauyut uyaqat ilihimayit, quyagitnaq havaktiuyut tapkuatluniit ikayuqtit tapkununga avatiligiyit/qauyimayiuyut uqautyiuyut ilihimayit havaktitauyut tapkunangat Wolfden Risuasia Nanminilgit. Ayyikkutaguttauq, amigaitqiyanikluniit, amigaitnianik havaktiuyut tapkununga nunalikni Inuit nigiugiyauyut talvani 2006-mi.

Ilagiplugit, Wolfden-kut havaktitai ikitniqhamik tapkuat 5 nanminilgit titigaqhimayut huliniqmik nanminiliknut tahamani Nunavutmi piqaqtitiniqmik hunavaluknik kivgaqtugutiniklu taphumunga Ulu guulinut havanganik atuqtitlugu 2005. Tahapkuat nanminilgit pityutauhimayut angitqiyaanik 34 pusauyumik tahapkuninga maniknik atuqniinik talvani Ulumi talvani 2005-mi.

Part B, Item 5(k)

Please see attached Table 6, summarizing the estimated current 2006 mine restoration liability for Ulu.

Part B, Item 5(l)

The NWB has not approved nor requested any revisions to the Interim Abandonment and Restoration Plan. This plan was submitted to the NWB on March 24, 2005.

Part B, Item 5(m)

There was no abandonment or restoration work undertaken at Ulu in 2005 and none is contemplated for 2006.

Part B, Item 5(n)

Please see attached Table 6, summarizing the estimated current 2006 mine restoration liability for Ulu.

There was no change to the camp plan in 2005 and none is anticipated in 2006.

Part B, Item 5(o)

Please see Tables 7 and 8 for a list of community representative contacted by Wolfden in 2005 in regard to the High Lake project.

Part B, Item 5(p)

Mr. Scott Stewart, INAC, conducted an inspection of the Ulu mine site on July 20, 2005. Mr. Stewart recommended our waste drums be stored on pallets, which we have complied with. He noted some minor fuel spills within the fuel containment facility at Camp 3 (Figure 1). These have subsequently been cleaned and the contaminated soils stored in 45 gallon drums, on pallets located near the equipment laydown yard (Figure 2). These minor spills occurred from improper fuel transfer protocol while filling or removing fuel from the tanks at Camp 3. This issue was discussed with the surface crew and a better effort will be made to assure the fuel lines used to transfer the fuel are empty of fuel upon completion of fuel transfer.

Part B, Item 5(q)

In a letter from Ms Phyllis Beaulieu, dated November 1, 2005, she indicated the Board had reviewed Wolfden's 2004 Annual Report and requested clarification and additional information in accordance with Part B, Item 5(q), as follows:

i. Under Part B, Item 5(a): a response indicated that the total amount of water used for industrial and camp purposes withdrawn from West Lake was between 5 m^3 and 20 m^3 per day. This is adequate for determining compliance with respect to the permitted amount of water under the License and measurement under Par C, Item 1 of the SNP, however, the Annual Report requires the month and annual quantities of water used to be reported. The NWB requests that the month and annual quantities, measured as per the License SNP be provided with the 2005 Annual Report.

Based on water meter readings Ulu consumed 5 m^3 and 20 m^3 of water per day from West Lake for domestic use in 2004. The water consumption record book for 2004 is currently in Ulu and not accessible, however, if we assume water consumption in 2004 was less than 10 m^3 per day (it averaged 6.9 m^3 per day in 2005) then monthly consumption would equate to less than 300 m^3 per month. In 2004 the camp was open from late February to late November (9 months). However, water from West Lake was not used until April 2004 due to start-up problems. Therefore, annual water consumption for domestic use during this period should have totaled less than 2,400 m^3. In comparison, less than 1000 m^3 of water was used from West Lake in 2005 over a period of approximately 5 months, with significantly less people in camp during 2005 than in 2004.

Up to three diamond drills were used to drill the forty-four hole, 18,569 meter drill program at Ulu in 2004. On average a single diamond drill consumes 25 m^3 per day. Based on Major Drilling's daily time reports there were a total of 381 drill days in 2004, therefore approximately 9,525 m^3 of water was consumed from West Lake and a small isolated pond located 300m south-east of West Lake (Figure 2).

ii. In addition to item (i) above, the water use reported in under Item 5(a) of the Report indicated that the water volume was for both industrial and camp use. The NWB requests a confirmation that the industrial water use included water

required to complete the 18,568 meter of drilling as indicated in the executive summary and that this water was also obtained from West Lake.

See (i) above. At the time, domestic and industrial usage was interpreted to be water consumed from the Ulu water storage tanks only, and not that consumed by each drill.

iii. Part B, Item 5 (c) of the Annual Report indicated that approximately 2 m^3 of gravity thickened sludge was removed from the RBC and deposited on the up-hill side of the ore pad and covered with waste rock. Part D, Item 17 requires that [sludge be disposed of in an above ground sump located at least thirty (30) meters from any water body or as otherwise approved by the Board], (above ground meaning not within the underground workings). Pending the approval of the O&M Plan (Item v submitted with the Annual Report) there currently is no Board approval on file for the alternative disposal method used at the Ulu Project. The NWB requires that sludge disposal, when required, be carried out as per Part D, Item 17 of the License.

According to Part A, Item 3 of the License the definition of "Sump Above-ground" means an excavation in impermeable soil for the purpose of catching or storing fluids. The location of the sump used by Wolfden in 2004, and 2005, to deposit its sludge from the primary settlement chamber of the RBC unit is located in a natural depression consisting of irregular outcrop on the up-hill side of the ore pad (Figure 2). All runoff from the ore pad flows towards East Lake.

Wolfden interprets a natural depression consisting of irregular outcrop, coupled with a frozen ore pad, as being a barrier impermeable to the migration of fluids. If this interpretation is incorrect Wolfden respectfully requests clarification to the "Sump Above-ground" definition. This sump is located at least 300m from any waterbody, well in excess of the 30 meters required in the License. Additionally, the 2005 SNP water sample results indicate all effluent quality requirements are being achieved confirming the water quality of East Lake is not being affected by the sludge in the sump.

iv. In reviewing the quality of effluent from the Sewage Treatment Facility (RBC), the elevated levels of Total Suspended Solids, Biochemical Oxygen Demand and Total Coliforms raises concerns and is acknowledged by letter of November 22, 2004 from WRI. The letter indicated that an effort would be made to comply with the License requirements. The July 2005 SNP report submitted indicated that considerable improvements have been achieved. The NWB requests that WRI include with the 2005 Annual Report, a summary of any operational changes that may have led to the improvements and any planned changes that may lead to full compliance with effluent quality requirements.

The operational changes that led to the improvement in the effluent quality requirements from 2004 to 2005 is related to a thorough cleaning of the RBC unit and its disk banks in June 2005. We also achieved an improvement in our cooking practices which resulted in a significant

reduction in the amount of kitchen grease entering the system. Grease clogs the disk banks in the RBC unit thereby reducing its operational effectiveness.

Table 1. Ulu Mine Site – 2005 Water Consumption Record

Total Days	Date	Meter Reading	Usage	Usage	Condition	Comments
		US Gallons	US Gallons	m3		
1	1-May-05	no reading	3000	11.36	OK	Filled water tank from pond at quarry
2	2-May-05	no reading			OK	
3	3-May-05	no reading			OK	
4	4-May-05	no reading			OK	
5	5-May-05	no reading			OK	
6	6-May-05	no reading	3000	11.36	OK	Filled water tank from pond at quarry
7	7-May-05	no reading			OK	
8	8-May-05	no reading			OK	
9	9-May-05	no reading			OK	
10	10-May-05	no reading			OK	
11	11-May-05	no reading			OK	
12	12-May-05	no reading	3000	11.36	OK	Filled water tank from pond at quarry
13	13-May-05	no reading			OK	
14	14-May-05	no reading			OK	
15	15-May-05	no reading			OK	
16	16-May-05	no reading			OK	
17	17-May-05	no reading			OK	
18	18-May-05	no reading	3000	11.36	OK	Filled water tank from pond at quarry
19	19-May-05	202861	1112	4.21	OK	Batteries in water meter are dead; ordered new ones
20	20-May-05	203973	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
21	21-May-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
22	22-May-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
23	23-May-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
24	24-May-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
25	25-May-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
26	26-May-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
27	27-May-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
28	28-May-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
29	29-May-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
30	30-May-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
31	31-May-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
32	1-Jun-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
33	2-Jun-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
34	3-Jun-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
35	4-Jun-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
36	5-Jun-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
37	6-Jun-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
38	7-Jun-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
39	8-Jun-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
40	9-Jun-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
41	10-Jun-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
42	11-Jun-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005

Total Days	Date	Meter Reading	Usage	Usage	Condition	Comments
		US Gallons	US Gallons	m3		
43	12-Jun-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
44	13-Jun-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
45	14-Jun-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
46	15-Jun-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
47	16-Jun-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
48	17-Jun-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
49	18-Jun-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
50	19-Jun-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
51	20-Jun-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
52	21-Jun-05	no reading	1838	6.96	OK	Waiting for batteries; amount calculated from June 22 to Oct 5 2005
53	22-Jun-05	0	2748	10.40	OK	Replaced batteries; zeroed meter
54	23-Jun-05	2748			OK	
55	24-Jun-05	no reading	6101	23.09	OK	
56	25-Jun-05	8849	2760	10.45	OK	
57	26-Jun-05	11609	2805	10.62	OK	
58	27-Jun-05	14414	1686	6.38	OK	
59	28-Jun-05	16100			OK	
60	29-Jun-05	no reading	3358	12.71	OK	
61	30-Jun-05	19458	1906	7.21	OK	
62	1-Jul-05	21364			OK	
63	2-Jul-05	no reading			OK	
64	3-Jul-05	no reading			OK	
65	4-Jul-05	no reading			OK	
66	5-Jul-05	no reading	12955	49.03	OK	
67	6-Jul-05	34319			OK	
68	7-Jul-05	no reading			OK	
69	8-Jul-05	no reading			OK	
70	9-Jul-05	no reading			OK	
71	10-Jul-05	no reading			OK	
72	11-Jul-05	no reading			OK	
73	12-Jul-05	no reading			OK	
74	13-Jul-05	no reading			OK	
75	14-Jul-05	no reading			OK	
76	15-Jul-05	no reading			OK	
77	16-Jul-05	no reading			OK	
78	17-Jul-05	no reading			OK	
79	18-Jul-05	no reading			OK	
80	19-Jul-05	no reading			OK	
81	20-Jul-05	no reading			OK	
82	21-Jul-05	no reading			OK	
83	22-Jul-05	no reading			OK	
84	23-Jul-05	no reading			OK	
85	24-Jul-05	no reading			OK	
86	25-Jul-05	no reading			OK	

Total Days	Date	Meter Reading	Usage	Usage	Condition	Comments
		US Gallons	US Gallons	m3		
87	26-Jul-05	no reading			OK	
88	27-Jul-05	no reading	22127	83.75	OK	
89	28-Jul-05	56446	1678	6.35	OK	
90	29-Jul-05	58124	2556	9.67	OK	
91	30-Jul-05	60680	1555	5.89	OK	
92	31-Jul-05	62235	1474	5.58	OK	
93	1-Aug-05	63709	2645	10.01	OK	
94	2-Aug-05	66354	1962	7.43	OK	
95	3-Aug-05	68316			OK	
96	4-Aug-05	no reading	2848	10.78	OK	
97	5-Aug-05	71164	1368	5.18	OK	
98	6-Aug-05	72532	1385	5.24	OK	
99	7-Aug-05	73917	1642	6.21	OK	
100	8-Aug-05	75559	1403	5.31	OK	
101	9-Aug-05	76962	874	3.31	OK	
102	10-Aug-05	77836	1369	5.18	OK	
103	11-Aug-05	79205	1750	6.62	OK	
104	12-Aug-05	80955	1142	4.32	OK	
105	13-Aug-05	82097	989	3.74	OK	
106	14-Aug-05	83086	880	3.33	OK	
107	15-Aug-05	83966	1197	4.53	OK	
108	16-Aug-05	85163	2019	7.64	OK	
109	17-Aug-05	87182			OK	
110	18-Aug-05	no reading			OK	
111	19-Aug-05	no reading			OK	
112	20-Aug-05	no reading			OK	
113	21-Aug-05	no reading			OK	
114	22-Aug-05	no reading			OK	
115	23-Aug-05	no reading			OK	
116	24-Aug-05	no reading			OK	
117	25-Aug-05	no reading			OK	
118	26-Aug-05	no reading			OK	
119	27-Aug-05	no reading			OK	
120	28-Aug-05	no reading			OK	
121	29-Aug-05	no reading			OK	
122	30-Aug-05	no reading			OK	
123	31-Aug-05	no reading			OK	
124	1-Sep-05	no reading			OK	
125	2-Sep-05	no reading			OK	
126	3-Sep-05	no reading			OK	
127	4-Sep-05	no reading			OK	
128	5-Sep-05	no reading			OK	
129	6-Sep-05	no reading			OK	
130	7-Sep-05	no reading	39475	149.41	OK	

Total Days	Date	Meter Reading	Usage	Usage	Condition	Comments
		US Gallons	US Gallons	m3		
131	8-Sep-05	126657	891	3.37	OK	
132	9-Sep-05	127548	1241	4.70	OK	
133	10-Sep-05	128789	2084	7.89	OK	
134	11-Sep-05	130873	3677	13.92	OK	
135	12-Sep-05	134550	3643	13.79	OK	
136	13-Sep-05	138193	2874	10.88	OK	
137	14-Sep-05	141067	3005	11.37	OK	
138	15-Sep-05	144072			OK	
139	16-Sep-05	no reading	8012	30.33	OK	
140	17-Sep-05	152084			OK	
141	18-Sep-05	no reading	6647	25.16	OK	
142	19-Sep-05	158731			OK	
143	20-Sep-05	no reading	6197	23.46	OK	
144	21-Sep-05	164928	2511	9.50	OK	
145	22-Sep-05	167439	2284	8.64	OK	
146	23-Sep-05	169723			OK	
147	24-Sep-05	no reading	9250	35.01	OK	
148	25-Sep-05	178973	4253	16.10	OK	
149	26-Sep-05	183226			OK	
150	27-Sep-05	no reading			OK	
151	28-Sep-05	no reading			OK	
152	29-Sep-05	no reading			OK	
153	30-Sep-05	no reading			OK	
154	1-Oct-05	no reading			OK	
155	2-Oct-05	no reading			OK	
156	3-Oct-05	no reading			OK	
157	4-Oct-05	no reading			OK	
158	5-Oct-05	no reading	11604	43.92	OK	
159	6-Oct-05	194830	1838	6.96	OK	
160	7-Oct-05	no reading			OK	Removed the pump from West Lake
161	8-Oct-05	no reading			OK	
162	9-Oct-05	no reading			OK	
163	10-Oct-05	no reading			OK	
164	11-Oct-05	no reading			OK	
165	12-Oct-05	no reading			OK	
166	13-Oct-05	no reading	3000	11.36	OK	Filled water tank from pond at quarry
167	14-Oct-05	no reading			OK	
168	15-Oct-05	no reading			OK	
169	16-Oct-05	no reading			OK	
170	17-Oct-05	no reading			OK	
171	18-Oct-05	no reading			OK	
172	19-Oct-05	no reading			OK	Camp was shut down; drained tanks
		Total Usage:	**273434**	**1034.95**		
		Ave. Daily Usage:	**1590**	**6.02**		

Figure 1. Esker Pond – Camp 3 Layout

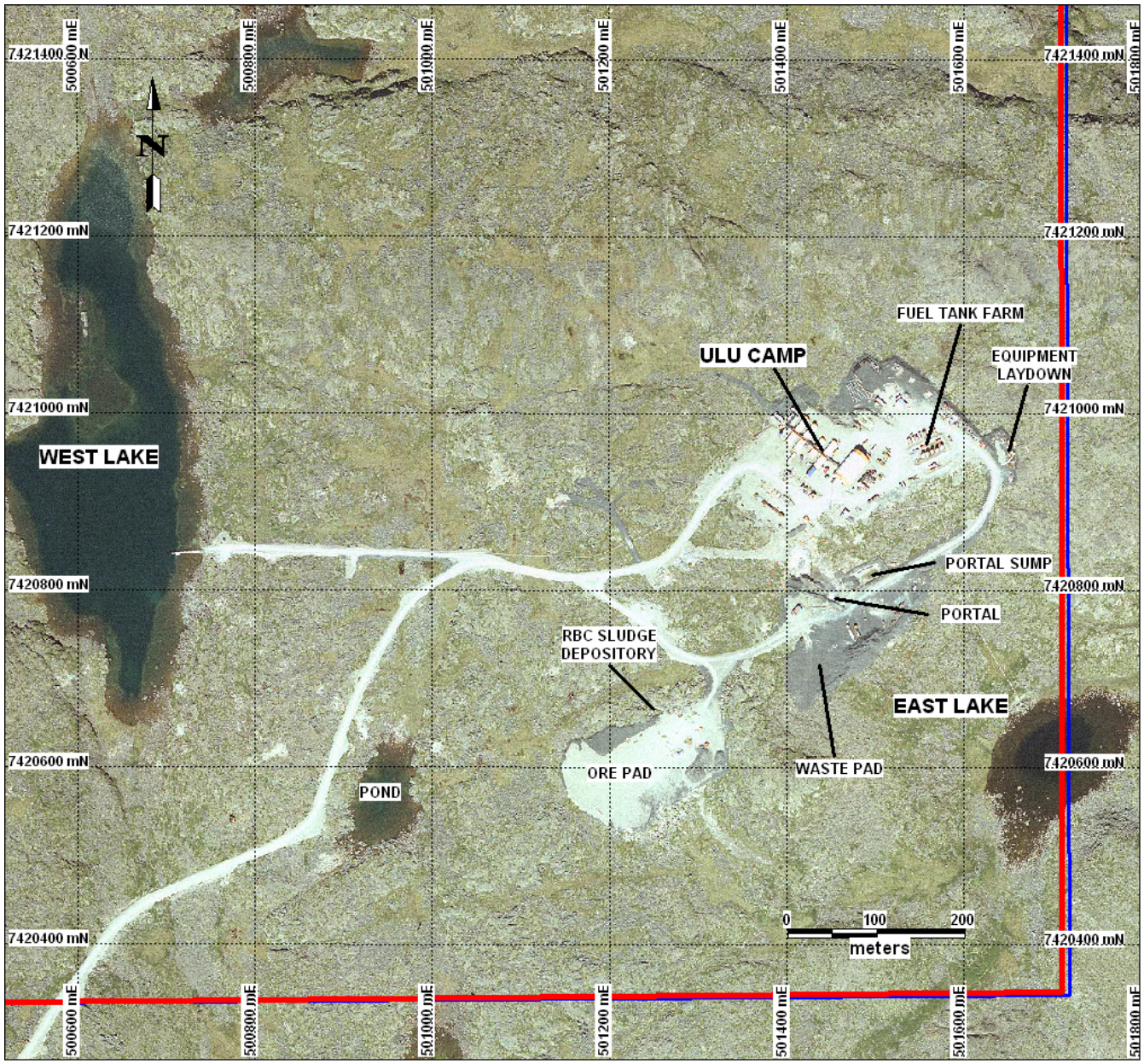


Figure 2. Ulu Mine Site Layout

Table 2. Results of Ulu Sump Water Quality Sample – June 2005

Parameter	Concentration (mg/L)	Discharge Limit (mg/L)	
		Maximum Average Concentration	Maximum Grab Sample Concentration
Total Arsenic	0.0102	0.50	1.00
Total Copper	0.0216	0.30	0.60
Total Lead	0.0046	0.20	0.40
Total Nickel	0.0073	0.50	1.00
Total Zinc	0.039	0.50	1.00
Total Suspended Solids	66	25	50
Oil and Grease	none	Visible Sheen	
pH	7.91	6.0-9.5	

Table 3. Results of Existing Runoff Water Quality – June 2005

Parameter	Concentration (mg/L)	Discharge Limit (mg/L)	
		Maximum Average Concentration	Maximum Grab Sample Concentration
Total Arsenic	0.0015	0.50	1.00
Total Copper	0.0016	0.30	0.60
Total Lead	0.0002	0.20	0.40
Total Nickel	0.00282	0.50	1.00
Total Zinc	0.008	0.50	1.00
Total Suspended Solids	12.0	25	50
pH	7.36	6.0-9.5	

Table 4. Ulu Mine Site – 2005 Surveillance Network Program Results

Sample Date: June 22, 2005	Mine Sump Water Sample (required prior to discharge)				
	Result	Units	mg/L Value	Max. Ave. Conc. Discharge Limit	Max. Conc per Grab Discharge Limit
Nutrients					
Nitrate +Nitrate as Nitrogen	5.88	mg/L	5.88		
Ammonia as N	2.97	mg/L	2.97		
Phosphorous, Total					
Phosphorous,Dissolved					
Biological Oxygen Demand					
Nitrogen, Total					
Major Ions Analysis					
Nitrite as Nitrogen					
Nitrate as Nitrogen					
Subcontracted Routine/Nutrients					
Kjeldahl Nitrogen, Total					
Microbiology					
Coliforms, Fecal					
Metas, Total		**ug/L**	**mg/L Value**	**mg/L**	**mg/L**
Aluminum	2820	ug/L	2.82		
Antimony	0.6	ug/L	0.0006		
Barium	37.3	ug/L	0.0373		
Beryllium	0.01	ug/L	0.00001		
Cadmium	0.1	ug/L	0.0001		
Cesium	0.4	ug/L	0.0004		
Chromium	6.6	ug/L	0.0066		
Cobalt	3.3	ug/L	0.0033		
Copper	21.6	ug/L	**0.0216**	0.3	0.6
Lead	4.6	ug/L	**0.0046**	0.2	0.4
Lithium	21.3	ug/L	0.0213		
Manganese	115	ug/L	0.115		
Molybdenum	4	ug/L	0.004		
Nickel	7.3	ug/L	**0.0073**	0.5	1
Rubidium	7.8	ug/L	0.0078		
Selenium	1	ug/L	0.001		
Silver	0.2	ug/L	0.0002		
Strontium	382	ug/L	0.382		
Thallium	0.1	ug/L	0.0001		
Titanium	124	ug/L	0.124		
Uranium	1	ug/L	0.001		
Vanadium	10.1	ug/L	0.0101		
Zinc	39	ug/L	**0.039**	0.5	1
Iron	4950	ug/L	4.95		
Arsenic	10.2	ug/L	**0.0102**	0.5	1
Mercury		ug/L	not analysed	not specified	not specified
Calcium		ug/L	not analysed	not specified	not specified
Chlorine		ug/L	not analysed	not specified	not specified
Sodium		ug/L	not analysed	not specified	not specified
Physical/Routine Analysis				**pH units**	**pH units**
pH	7.91	pH units	**7.91**	6.0-9.5	6.0-9.5
Conductivity					
				mg/L	**mg/L**
Solids, Total Suspended	66	mg/L	**66**	25	50
Organic Analysts					
Oil and Grease (Visible)	non-visual		**non-visual**	visible sheen	visible sheen

0.0073 meets Water License water quality requirements

0.0073 does not meet Water License water quality requirements

Zinc required analysis of the Water License

Sample Date: June 30, 2005	100-1 (West Lake - required annually)				
	Result	Units	mg/L Value	Max. Ave. Conc. Discharge Limit	Max. Conc per Grab Discharge Limit
Nutrients					
Nitrate +Nitrate as Nitrogen		mg/L			
Ammonia as N					
Phosphorous, Total		mg/L			
Phosphorous,Dissolved		mg/L			
Biological Oxygen Demand		mg/L		30.0 mg/L	
Nitrogen, Total		mg/L			
Major Ions Analysis					
Nitrite as Nitrogen		mg/L			
Nitrate as Nitrogen		mg/L			
Subcontracted Routine/Nutrients					
Kjeldahl Nitrogen, Total		mg/L			
Microbiology					
Coliforms, Fecal		1000 CFU/ml		1000 CFU/dl	
Metas, Total		**ug/L**	**mg/L Value**	**mg/L**	**mg/L**
Aluminum		ug/L	0		
Antimony		ug/L	0		
Barium		ug/L	0		
Beryllium		ug/L	0		
Cadmium	0.1	ug/L	**0.0001**	not specified	not specified
Cesium		ug/L	0		
Chromium		ug/L	0		
Cobalt		ug/L	0		
Copper	3.5	ug/L	**0.0035**	0.3	0.6
Lead	0.1	ug/L	**0.0001**	0.2	0.4
Lithium		ug/L	0		
Manganese		ug/L	0		
Molybdenum		ug/L	0		
Nickel	2	ug/L	**0.002**	0.5	1
Rubidium		ug/L	0		
Selenium		ug/L	0		
Silver		ug/L	0		
Strontium		ug/L	0		
Thallium		ug/L	0		
Titanium		ug/L	0		
Uranium		ug/L	**0**		
Vanadium		ug/L	0		
Zinc	10	ug/L	**0.01**	0.5	1
Iron		ug/L	0		
Arsenic	0.2	ug/L	**0.0002**	0.5	1
Mercury	0.02	ug/L	**0.00002**	not specified	not specified
Physical/Routine Analysis				**pH units**	**pH units**
pH	6.71	pH units	**6.71**	6.0-9.5	6.0-9.5
				mg/L	**mg/L**
Solids, Total Suspended	3	mg/L	**3**	25	50
Organic Analysts					
Oil and Grease (Visible)				visible sheen	visible sheen

0.0073 meets Water License water quality requirements

0.0073 does not meet Water License water quality requirements

Zinc required analysis of the Water License

Sample Date: June 30, 2005	200-1 (Sewage - required monthly)				
	Result	Units	mg/L Value	Max. Ave. Conc. Discharge Limit	Max. Conc per Grab Discharge Limit
Nutrients					
Nitrate +Nitrate as Nitrogen	0.03	mg/L	0.03		
Ammonia as N					
Phosphorous, Total	7.05	mg/L	7.05	not specified	not specified
Phosphorous,Dissolved	5.1	mg/L	5.1	not specified	not specified
Biological Oxygen Demand	58	mg/L	**58**	30.0 mg/L	not specified
Nitrogen, Total			not analysed	not specified	not specified
Major Ions Analysis					
Nitrite			not analysed	not specified	not specified
Nitrate			not analysed	not specified	not specified
Subcontracted Routine/Nutrients					
Kjeldahl Nitrogen, Total			not analysed	not specified	not specified
Microbiology					
Coliforms, Fecal	**600,000**	1000 CFU/ml	**600,000**	1000 CFU/dl	not specified
Metas, Total		**ug/L**	**mg/L Value**	**mg/L**	**mg/L**
Aluminum		ug/L	0		
Antimony		ug/L	0		
Barium		ug/L	0		
Beryllium		ug/L	0		
Cadmium	0.1	ug/L	0.0001		
Cesium		ug/L	0		
Chromium		ug/L	0		
Cobalt		ug/L	0		
Copper	3.5	ug/L	**0.0035**	0.3	0.6
Lead	0.1	ug/L	**0.0001**	0.2	0.4
Lithium		ug/L	0		
Manganese		ug/L	0		
Molybdenum		ug/L	0		
Nickel	2	ug/L	**0.002**	0.5	1
Rubidium		ug/L	0		
Selenium		ug/L	0		
Silver		ug/L	0		
Strontium		ug/L	0		
Thallium		ug/L	0		
Titanium		ug/L	0		
Uranium		ug/L	**0**		
Vanadium		ug/L	0		
Zinc	10	ug/L	**0.01**	0.5	1
Iron		ug/L	0		
Arsenic	0.2	ug/L	**0.0002**	0.5	1
Mercury	0.02	ug/L	0.00002		
Physical/Routine Analysis				**pH units**	**pH units**
pH	7.17	pH units	**7.17**	6.0-9.5	6.0-9.5
				mg/L	**mg/L**
Solids, Total Suspended	40	mg/L	**40**	35	not specified
Solids, Total Dissolved		mg/L			
Organic Analysts					
Oil and Grease (Visible)			not tested	visible sheen	visible sheen

0.0073 meets Water License water quality requirements

0.0073 does not meet Water License water quality requirements

Zinc required analysis of the Water License

Sample Date: August 24, 2005 **200-1 (Sewage - required monthly)**

	Result	Units	mg/L Value	Max. Ave. Conc. Discharge Limit	Max. Conc per Grab Discharge Limit
Nutrients					
Nitrate +Nitrate as Nitrogen	0.01	mg/L	0.01		
Ammonia as N					
Phosphorous, Total		mg/L	not analysed	not specified	not specified
Phosphorous,Dissolved	3.57	mg/L	3.57	not specified	not specified
Biological Oxygen Demand	35	mg/L	**35**	30.0 mg/L	not specified
Nitrogen, Total		mg/L	not analysed	not specified	not specified
Major Ions Analysis					
Nitrite		mg/L	not analysed	not specified	not specified
Nitrate		mg/L	not analysed	not specified	not specified
Subcontracted Routine/Nutrients					
Kjeldahl Nitrogen, Total		mg/L	not analysed	not specified	not specified
Microbiology					
Coliforms, Fecal	**450,000**	1000 CFU/ml	**450,000**	1000 CFU/dl	not specified
Metas, Total		**ug/L**	**mg/L Value**	**mg/L**	**mg/L**
Aluminum		ug/L	0		
Antimony		ug/L	0		
Barium		ug/L	0		
Beryllium		ug/L	0		
Cadmium		ug/L	0		
Cesium		ug/L	0		
Chromium		ug/L	0		
Cobalt		ug/L	0		
Copper		ug/L	0	0.3	0.6
Lead		ug/L	0	0.2	0.4
Lithium		ug/L	0		
Manganese		ug/L	0		
Molybdenum		ug/L	0		
Nickel		ug/L	0	0.5	1
Rubidium		ug/L	0		
Selenium		ug/L	0		
Silver		ug/L	0		
Strontium		ug/L	0		
Thallium		ug/L	0		
Titanium		ug/L	0		
Uranium		ug/L	0		
Vanadium		ug/L	0		
Zinc		ug/L	0	0.5	1
Iron		ug/L	0		
Arsenic		ug/L	0	0.5	1
Mercury		ug/L	0		
Physical/Routine Analysis				**pH units**	**pH units**
pH	7.36	pH units	**7.36**	6.0-9.5	6.0-9.5
				mg/L	**mg/L**
Solids, Total Suspended	16	mg/L	**16**	35	not specified
Solids, Total Dissolved	418	mg/L			
Organic Analysts					
Oil and Grease (Visible)			not tested	visible sheen	visible sheen

0.0073 meets Water License water quality requirements

0.0073 does not meet Water License water quality requirements

Zinc required analysis of the Water License

Sample Date: July 13, 2005 **200-4 (Outflow East Lake - required monthly)**

	Result	Units	mg/L Value	Max. Ave. Conc. Discharge Limit	Max. Conc per Grab Discharge Limit
Nutrients					
Nitrate +Nitrate as Nitrogen		mg/L			
Ammonia as N					
Phosphorous, Total		mg/L			
Phosphorous,Dissolved		mg/L			
Biological Oxygen Demand		mg/L		30.0 mg/L	
Nitrogen, Total					
Major Ions Analysis					
Nitrite as Nitrogen					
Nitrate as Nitrogen					
Subcontracted Routine/Nutrients					
Kjeldahl Nitrogen, Total					
Microbiology					
Coliforms, Fecal	1	1000 CFU/ml	**1**	1000 CFU/dl	
Metas, Total		**ug/L**	**mg/L Value**	**mg/L**	**mg/L**
Aluminum		ug/L	0		
Antimony		ug/L	0		
Barium		ug/L	0		
Beryllium		ug/L	0		
Cadmium	0.1	ug/L	**0.0001**	not specified	not specified
Cesium		ug/L	0		
Chromium		ug/L	0		
Cobalt		ug/L	0		
Copper	3.4	ug/L	**0.0034**	0.3	0.6
Lead	0.1	ug/L	**0.0001**	0.2	0.4
Lithium		ug/L	0		
Manganese		ug/L	0		
Molybdenum		ug/L	0		
Nickel	2.5	ug/L	**0.0025**	0.5	1
Rubidium		ug/L	0		
Selenium		ug/L	0		
Silver		ug/L	0		
Strontium		ug/L	0		
Thallium		ug/L	0		
Titanium		ug/L	0		
Uranium		ug/L	**0**		
Vanadium		ug/L	0		
Zinc	11	ug/L	**0.011**	0.5	1
Iron		ug/L	0		
Arsenic	0.6	ug/L	**0.0006**	0.5	1
Mercury	0.03	ug/L	**0.00003**	not specified	not specified
Physical/Routine Analysis				**pH units**	**pH units**
pH	6.65	pH units	**6.65**	6.0-9.5	6.0-9.5
				mg/L	**mg/L**
Solids, Total Suspended	3	mg/L	**3**	25	50
Organic Analysts					
Oil and Grease (Visible)				visible sheen	visible sheen

0.0073 meets Water License water quality requirements

0.0073 does not meet Water License water quality requirements

Zinc required analysis of the Water License

Sample Date: August 17, 2005 **200-4 (Outflow East Lake - required monthly)**

	Result	Units	mg/L Value	Max. Ave. Conc. Discharge Limit	Max. Conc per Grab Discharge Limit
Nutrients					
Nitrate +Nitrate as Nitrogen		mg/L			
Ammonia as N					
Phosphorous, Total		mg/L			
Phosphorous,Dissolved		mg/L			
Biological Oxygen Demand		mg/L		30.0 mg/L	
Nitrogen, Total		mg/L			
Major Ions Analysis					
Nitrite as Nitrogen		mg/L			
Nitrate as Nitrogen		mg/L			
Subcontracted Routine/Nutrients					
Kjeldahl Nitrogen, Total		mg/L			
Microbiology					
Coliforms, Fecal	1	1000 CFU/ml	**1**	1000 CFU/dl	
Metas, Total		**ug/L**	**mg/L Value**	**mg/L**	**mg/L**
Aluminum		ug/L	0		
Antimony		ug/L	0		
Barium		ug/L	0		
Beryllium		ug/L	0		
Cadmium	0.05	ug/L	**0.00005**	not specified	not specified
Cesium		ug/L	0		
Chromium		ug/L	0		
Cobalt		ug/L	0		
Copper	3.7	ug/L	**0.0037**	0.3	0.6
Lead	0.1	ug/L	**0.0001**	0.2	0.4
Lithium		ug/L	0		
Manganese		ug/L	0		
Molybdenum		ug/L	0		
Nickel	1.7	ug/L	**0.0017**	0.5	1
Rubidium		ug/L	0		
Selenium		ug/L	0		
Silver		ug/L	0		
Strontium		ug/L	0		
Thallium		ug/L	0		
Titanium		ug/L	0		
Uranium		ug/L	0		
Vanadium		ug/L	0		
Zinc	5.9	ug/L	**0.0059**	0.5	1
Iron		ug/L	0		
Arsenic	0.5	ug/L	**0.0005**	0.5	1
Mercury	0.02	ug/L	**0.00002**	not specified	not specified
Physical/Routine Analysis				**pH units**	**pH units**
pH	6.8	pH units	**6.8**	6.0-9.5	6.0-9.5
				mg/L	**mg/L**
Solids, Total Suspended	3	mg/L	**3**	25	50
Organic Analysts					
Oil and Grease (Visible)				visible sheen	visible sheen

0.0073 meets Water License water quality requirements

0.0073 does not meet Water License water quality requirements

Zinc required analysis of the Water License

Sample Date: July 13, 2005	200-5A (Inflow Ulu Lake from East Lake - required monthly)				
	Result	Units	mg/L Value	Max. Ave. Conc. Discharge Limit	Max. Conc per Grab Discharge Limit
Nutrients					
Nitrate +Nitrate as Nitrogen		mg/L			
Ammonia as N					
Phosphorous, Total	0.01	mg/L	**0.01**	not specified	not specified
Phosphorous,Dissolved	0.01	mg/L	**0.01**	not specified	not specified
Biological Oxygen Demand	2	mg/L	**2**	30.0 mg/L	not specified
Nitrogen, Total	0.59	mg/L	**0.59**	not specified	not specified
Major Ions Analysis					
Nitrite as Nitrogen	0.01	mg/L	**0.01**	not specified	not specified
Nitrate as Nitrogen	0.45	mg/L	**0.45**	not specified	not specified
Subcontracted Routine/Nutrients					
Kjeldahl Nitrogen, Total	0.05	mg/L	**0.05**	not specified	not specified
Microbiology					
Coliforms, Fecal	1	1000 CFU/ml	**1**	1000 CFU/dl	not specified
Metas, Total		**ug/L**	**mg/L Value**	**mg/L**	**mg/L**
Aluminum		ug/L	0		
Antimony		ug/L	0		
Barium		ug/L	0		
Beryllium		ug/L	0		
Cadmium		ug/L	0		
Cesium		ug/L	0		
Chromium		ug/L	0		
Cobalt		ug/L	0		
Copper		ug/L	0	0.3	0.6
Lead		ug/L	0	0.2	0.4
Lithium		ug/L	0		
Manganese		ug/L	0		
Molybdenum		ug/L	0		
Nickel		ug/L	0	0.5	1
Rubidium		ug/L	0		
Selenium		ug/L	0		
Silver		ug/L	0		
Strontium		ug/L	0		
Thallium		ug/L	0		
Titanium		ug/L	0		
Uranium		ug/L	0		
Vanadium		ug/L	0		
Zinc		ug/L	0	0.5	1
Iron		ug/L	0		
Arsenic		ug/L	0	0.5	1
Mercury		ug/L	0		
Physical/Routine Analysis				**pH units**	**pH units**
pH	6.11	pH units	**6.11**	6.0-9.5	6.0-9.5
				mg/L	**mg/L**
Solids, Total Suspended	3	mg/L	**3**	25	50
Organic Analysts					
Oil and Grease (Visible)				visible sheen	visible sheen

0.0073 meets Water License water quality requirements

0.0073 does not meet Water License water quality requirements

Zinc required analysis of the Water License

Sample Date: August 17, 2005	200-5A (Inflow Ulu Lake from East Lake - required monthly)				
	Result	Units	mg/L Value	Max. Ave. Conc. Discharge Limit	Max. Conc per Grab Discharge Limit
Nutrients					
Nitrate +Nitrate as Nitrogen	0.65	mg/L	0.65		
Ammonia as N					
Phosphorous, Total	0.01	mg/L	**0.01**	not specified	not specified
Phosphorous,Dissolved	0.01	mg/L	**0.01**	not specified	not specified
Biological Oxygen Demand	2	mg/L	**2**	30.0 mg/L	not specified
Nitrogen, Total		mg/L	not analysed	not specified	not specified
Major Ions Analysis					
Nitrite as Nitrogen		mg/L	not analysed	not specified	not specified
Nitrate as Nitrogen		mg/L	not analysed	not specified	not specified
Subcontracted Routine/Nutrients					
Kjeldahl Nitrogen, Total		mg/L	not analysed	not specified	not specified
Microbiology					
Coliforms, Fecal	1	1000 CFU/ml	**1**	1000 CFU/dl	not specified
Metas, Total		**ug/L**	**mg/L Value**	**mg/L**	**mg/L**
Aluminum		ug/L	0		
Antimony		ug/L	0		
Barium		ug/L	0		
Beryllium		ug/L	0		
Cadmium		ug/L	0		
Cesium		ug/L	0		
Chromium		ug/L	0		
Cobalt		ug/L	0		
Copper		ug/L	0	0.3	0.6
Lead		ug/L	0	0.2	0.4
Lithium		ug/L	0		
Manganese		ug/L	0		
Molybdenum		ug/L	0		
Nickel		ug/L	0	0.5	1
Rubidium		ug/L	0		
Selenium		ug/L	0		
Silver		ug/L	0		
Strontium		ug/L	0		
Thallium		ug/L	0		
Titanium		ug/L	0		
Uranium		ug/L	0		
Vanadium		ug/L	0		
Zinc		ug/L	0	0.5	1
Iron		ug/L	0		
Arsenic		ug/L	0	0.5	1
Mercury		ug/L	0		
Physical/Routine Analysis				**pH units**	**pH units**
pH	6.23	pH units	**6.23**	6.0-9.5	6.0-9.5
				mg/L	**mg/L**
Solids, Total Suspended	3	mg/L	**3**	25	50
Organic Analysts					
Oil and Grease (Visible)				visible sheen	visible sheen

0.0073 meets Water License water quality requirements

0.0073 does not meet Water License water quality requirements

Zinc required analysis of the Water License

Sample Date: July 13, 2005	200-5 (Outflow Ulu Lake - required monthly)				
	Result	Units	mg/L Value	Max. Ave. Conc. Discharge Limit	Max. Conc per Grab Discharge Limit
Nutrients					
Nitrate +Nitrate as Nitrogen		mg/L			
Ammonia as N					
Phosphorous, Total	0.01	mg/L	0.01	not specified	not specified
Phosphorous,Dissolved	0.01	mg/L	0.01	not specified	not specified
Biological Oxygen Demand	2	mg/L	2	30.0 mg/L	not specified
Nitrogen, Total	0.59	mg/L	0.59	not specified	not specified
Major Ions Analysis					
Nitrite as Nitrogen	0.01	mg/L	0.01	not specified	not specified
Nitrate as Nitrogen	0.45	mg/L	0.45	not specified	not specified
Subcontracted Routine/Nutrients					
Kjeldahl Nitrogen, Total	0.05	mg/L	0.05	not specified	not specified
Microbiology					
Coliforms, Fecal	1	1000 CFU/ml	**1**	1000 CFU/dl	not specified
Metas, Total		**ug/L**	**mg/L Value**	**mg/L**	**mg/L**
Aluminum		ug/L	0		
Antimony		ug/L	0		
Barium		ug/L	0		
Beryllium		ug/L	0		
Cadmium	0.1	ug/L	0.0001	not specified	not specified
Cesium		ug/L	0		
Chromium		ug/L	0		
Cobalt		ug/L	0		
Copper	3.3	ug/L	**0.0033**	0.3	0.6
Lead	0.1	ug/L	**0.0001**	0.2	0.4
Lithium		ug/L	0		
Manganese		ug/L	0		
Molybdenum		ug/L	0		
Nickel	1.9	ug/L	**0.0019**	0.5	1
Rubidium		ug/L	0		
Selenium		ug/L	0		
Silver		ug/L	0		
Strontium		ug/L	0		
Thallium		ug/L	0		
Titanium		ug/L	0		
Uranium		ug/L	**0**		
Vanadium		ug/L	0		
Zinc	10	ug/L	**0.01**	0.5	1
Iron		ug/L	0		
Arsenic	0.2	ug/L	**0.0002**	0.5	1
Mercury	0.02	ug/L	0.00002	not specified	not specified
Physical/Routine Analysis				**pH units**	**pH units**
pH	6.63	pH units	**6.63**	6.0-9.5	6.0-9.5
				mg/L	**mg/L**
Solids, Total Suspended	3	mg/L	**3**	25	50
Organic Analysts					
Oil and Grease (Visible)				visible sheen	visible sheen

0.0073 meets Water License water quality requirements

0.0073 does not meet Water License water quality requirements

Zinc required analysis of the Water License

Sample Date: August 17, 2005 **200-5 (Outflow Ulu Lake - required monthly)**

	Result	Units	mg/L Value	Max. Ave. Conc. Discharge Limit	Max. Conc per Grab Discharge Limit
Nutrients					
Nitrate +Nitrate as Nitrogen		mg/L			
Ammonia as N					
Phosphorous, Total		mg/L			
Phosphorous,Dissolved		mg/L			
Biological Oxygen Demand		mg/L		30.0 mg/L	
Nitrogen, Total		mg/L			
Major Ions Analysis					
Nitrite as Nitrogen		mg/L			
Nitrate as Nitrogen		mg/L			
Subcontracted Routine/Nutrients					
Kjeldahl Nitrogen, Total		mg/L			
Microbiology					
Coliforms, Fecal	1	1000 CFU/ml	**1**	1000 CFU/dl	not specified
Metas, Total		**ug/L**	**mg/L Value**	**mg/L**	**mg/L**
Aluminum		ug/L	0		
Antimony		ug/L	0		
Barium		ug/L	0		
Beryllium		ug/L	0		
Cadmium	0.05	ug/L	0.00005	not specified	not specified
Cesium		ug/L	0		
Chromium		ug/L	0		
Cobalt		ug/L	0		
Copper	2	ug/L	**0.002**	0.3	0.6
Lead	0.1	ug/L	**0.0001**	0.2	0.4
Lithium		ug/L	0		
Manganese		ug/L	0		
Molybdenum		ug/L	0		
Nickel	1.4	ug/L	**0.0014**	0.5	1
Rubidium		ug/L	0		
Selenium		ug/L	0		
Silver		ug/L	0		
Strontium		ug/L	0		
Thallium		ug/L	0		
Titanium		ug/L	0		
Uranium		ug/L	0		
Vanadium		ug/L	0		
Zinc	6.5	ug/L	**0.0065**	0.5	1
Iron		ug/L	0		
Arsenic	0.2	ug/L	**0.0002**	0.5	1
Mercury	0.02	ug/L	0.00002	not specified	not specified
Physical/Routine Analysis				**pH units**	**pH units**
pH	6.74	pH units	**6.74**	6.0-9.5	6.0-9.5
				mg/L	**mg/L**
Solids, Total Suspended	3	mg/L	**3**	25	50
Organic Analysts					
Oil and Grease (Visible)				visible sheen	visible sheen

0.0073 meets Water License water quality requirements

0.0073 does not meet Water License water quality requirements

Zinc required analysis of the Water License

Table 5. Summary of Ore Storage Pad Run-off Water Quality (2005)

	Maximum Grab Licence Discharge Limits (mg/L)	Parameter Concentration (mg/L)
Routine Parameters		
pH	6.0 – 9.5	7.36 – 7.68
Nitrate + Nitrate (as N)		0.193 – 2.42
Ammonia (as N)		0.046
Total Suspended Solids	50	12 - 134
Metals (Total)		
Total Aluminum		0.035 – 0.041
Total Arsenic	1.00	0.00145 – 0.00177
Total Cadmium		0.000065 – 0.00018
Total Chromium		<0.0005 - <0.001
Total Copper	0.60	0.00159 – 0.00214
Total Lead	0.40	0.00012 – 0.00021
Total Nickel	1.00	0.00282 – 0.0046
Total Zinc	1.00	0.0077 – 0.0165

Table 6. Ulu Mine Site – 2006 Mine Restoration Liability Estimate

RECLAMATION COSTS ESTIMATE FOR ULU MINESITE (present condition)					up dated February 2006							2006 Ulu Reclamation Costs.xls		
Activity	**Quantity**	**Unit**	**No. men**	**Total hrs**	**Rate/ hr**	**Cost men**	**Equip.**	**hrs**	**Rate/ hr**	**Cost eqpt**	**Supplies**	**Cost**	**Total Cost**	**Cost/ activity**
Cap vent raise	11.5	m^3	3	44	$36.80	$4,858	Zoom Boom	22	$28.96	$637	concrete	$12,850	$18,345	$18,345
Dismantle 350,000 gal fuel tanks	2	ea	5	154		$100,000	Badger Crane	154	$225.00	$34,650			$134,650	
			2	154	$36.80	$11,334	Zoom Boom	154	$28.96	$4,460			$15,794	$150,444
Dismantle Weatherhaven camp			2	165	$54.55	$18,000	Badger Crane	11	$225.00	$2,475	Trav expens.	$2,000	$22,475	
			10	165	$30.00	$49,500	Flat deck	165	$17.45	$2,879			$52,379	$74,854
Dismantle Ulu trailers, etc.			12	330	$30.00	$118,800							$118,800	
Remove fence - powder mags			2	10	$30.00	$600	CAT966	10	$39.00	$390			$990	
Labor crew			10	165	$30.00	$49,500							$49,500	
Catering			3	660	$37/m/d	$111,000	incl food						$111,000	
Re-supply flights							Dornier	5 trips		$29,000			$29,000	
Crew change flights							Dornier	3 trips		$17,400			$17,400	$326,690
Fuel														
Fuel purchase cost (Jet-A)	30,000	liters					For Buffalo aircraft		$0.85/liter	$25,500			$25,500	
Transportation cost to Ulu (Jet-A)	30,000	litres					Herules aircraft		$1.31	$39,300			$39,300	
Fuel Handling - Ulu			2	8	$30.00	$480	Fuel truck	8	$25.00	$200			$680	$65,480
Mob/Demob to/from Ulu							Buffalo aircraft	1 trip	$13,800/trip	$13,800			$13,800	$13,800

Fly Ulu Fuel Inventory to High Lake	250,000						Buffalo aircraft	29 trips	$6,200/trip	$179,800			$179,800	$179,800
Mob/Demob to/from Ulu							Buffalo aircraft	2 trips	$13,800/trip	$27,600			$27,600	$27,600
Freight Haul - Ulu to High Lake														
(assume 1.0 million lbs)														
Ulu freight transfer crew			4	330	$30.00	$39,600	Forklift	56	$30.00	$1,680			$41,280	
High Lake freight receiving crew			4	330	$30.00	$39,600	Forklift	56	$30.00	$1,680			$41,280	$82,560
Freight flights - Ulu to High Lake							Buffalo aircraft	56 trips	$6,200/trip	$321,700			$321,700	$321,700
Uncover portal														
dig	400	m^3	1	11	$36.80	$405	CAT966	11	$39.00	$429			$834	
blast			1	11	$40.00	$440					explosives	$1,000	$1,440	$2,274
Block portal with waste (final)	800	m^3	1	22	$36.80	$810	CAT966	22	$39.00	$858			$1,668	$1,668
Remove ore from pad to portal	1222	m^3	1	18	$36.80	$662	CAT966	18	$39.00	$702			$1,364	
	1222	m^3	1	18	$36.80	$662	CAT769	18	$48.50	$873			$1,535	$2,900
Grade sides of ore pad to 30deg	800	m^3	1	11	$36.80	$405	D8N	11	$56.00	$616			$1,021	$1,021
Grade sides of camp pad to 30deg	400	m^3	1	6	$36.80	$221	D8N	6	$56.00	$336			$557	$557
Grade road edges to 30deg slope	12500	m^3	1	22	$36.80	$810	D8N	22	$56.00	$1,232			$2,042	$2,042
Grade airstrip edges to 30deg slope	400	m^3	1	4	$36.80	$147	D8N	4	$56.00	$224			$371	$371
Grade sides of portal pad to 30deg	400	m^3	1	4	$36.80	$147	D8N	4	$56.00	$224			$371	$371
Tram ore underground	1222	m^3	1	22	$40.00	$880	ST-7.5	22	$70.23	$1,545			$2,425	$2,425
Dig out Camp 3 tank	617	m^3	1	22	$36.80	$810	CAT966	22	$39.00	$858			$1,668	

farm														
Haul to portal			1	22	$36.80	$810	CAT769	22	$48.50	$1,067			$1,877	
Haul u/g			2	14	$40.00	$1,120	ST-7.5	14	$70.23	$983			$2,103	$5,647
Dig out Ulu tank farm	457	m^3	1	5	$36.80	$184	CAT966	5	$39.00	$195			$379	
Haul to portal			1	5	$36.80	$184	CAT769	5	$48.50	$243			$427	
Haul u/g			2	10	$40.00	$800	ST-7.5	10	$70.23	$702			$1,502	$2,308
Scarify														
Ulu Camp	26000	m^2	1	13	$36.80	$478	D8N	13	$56.00	$728			$1,206	
Portal pad	8000	m^2	1	4	$36.80	$147	D8N	4	$56.00	$224			$371	
Ore pad	19000	m^2	1	10	$36.80	$368	D8N	10	$56.00	$560			$928	
Roads	140000	m^2	1	70	$36.80	$2,576	D8N	70	$56.00	$3,920			$6,496	
Airstrip	23000	m^2	1	12	$36.80	$442	D8N	12	$56.00	$672			$1,114	$10,115
Remove road culverts	6	ea	1	22	$36.80	$810	backhoe	22	$15.81	$348			$1,157	
			1	22	$36.80	$810	D8N	22	$56.00	$1,232			$2,042	$3,199
Subtotal													$1,296,171	$1,296,171
Contingency (15%)													$194,426	$194,426
TOTALS				**2895**		**$558,398**				**$721,922**		**$15,850**	**$1,490,596**	**$1,490,596**

Table 7. Parties met with during Kitikmeot Community Consultation – Spring 2005

Community	Organization and Contact	Date	Means	Telephone
Cambridge Bay	*Hamlet of Cambridge Bay* - Chris King (Economic Development Officer) and Sandi Gillis (Finance) *Nunavut Tunngavik Incorporated* – George Hakongak (Sr. Advisor, Environment) & Jeannie Ehaloak (Environmental Coordinator) *Hunters and Trappers Organization (HTO) invited, but did not attend: George Kavanna (Chair) and Jacques Larabie (Staff)*	May 30, 2005	Meeting	Hamlet: (867)-983-2337 NTI: (876)-983-5600
Cambridge Bay	*Kitnuna Corporation:* Wilf Wilcox Kitikmeot Supplies: Keith Lear Kitikmeot Foods: Calvin Shindel Inukshuk Enterprises: Pierre Lafrance *Kalvik Enterprises:* Peter Lobe – *invited but did not attend.*	May 30, 2005	Meeting with local businesses	KC: (867)-983-7505 KS: (867)-983-2227 KF: (867)-983-2881 IE: (867)-983-2806
Cambridge Bay	*Community open house* - 4 people attended	May 30, 2005	Meeting	
Kugluktuk	*JMS Supplies:* Joanne Klengenburg and Willis Joudrey, *Mulco Ltd:* Eugene Coady *Kikiak Contracto*rs: Grant Newman	May 31, 2005	Meeting with local businesses	JMS: (867)-982-3333 ML: (867)-982-3194 KC: (867)-982-4713)
Kugluktuk	*Hamlet of Kugluktuk:* Derrick Power (Mayor) and Paul Waye (Sr. Administrative Officer)	May 31, 2005	Meeting	(867)-982-4471
Kugluktuk	*Hunters and Trappers Organization*: Jack Himiak (Chair) and Peter Taptuna (Manager) *Regional Hunters and Trappers Association:* Philip Kadlun (President) and Agnes Egotak (Staff)	May 31, 2005	*Invited, but did not attend the meeting*	HTO: (867)-982-4908 HTA: (867)-982-4207
Kugluktuk	*Community Open House:* 31 people attended	May 31, 2005	Meeting	
Kugluktuk	*Kitikmeot Inuit Association:* Geoff Clark (Environmental Screener) and Stanley Anablak (Lands Officer)	June 1, 2005	Meeting	(867)-982-3310
Gjoa Haven	*KAP Enterprises/ Central Arctic Services Ltd:* Charlie Cahill	June 1, 2005	Meeting	(867)-360-6272

Community	Organization and Contact	Date	Means	Telephone
Gjoa Haven	*Hamlet of Gjoa Haven:* Raymond Kamookak (SAO), Sterling Firlotte (Assistant SAO), Roy Shields (EDO) *Kitikmeot Inuit Association:* Walter Porter	June 1, 2005	Meeting	Hamlet: (867)-360-7141 KIA: (867)-360-6106
Gjoa Haven	*Community Open House:* 30 people attended	June 1, 2005	Meeting/Open-house	
Taloyoak	*Hamlet of Taloyoak:* Scottie Edgerton (SAO) *Kitikmeot Inuit Association:* Jayko Neeveacheak, *Hunters and Trappers Organization*: Michael Tucktoo (Staff)	June 2, 2005	Meeting	Hamlet: (867)-561-6341 KIA: (867)-561-5206 HTO: (867)-561-5066
Taloyoak	*Community Open House:* 25 people attended	June 2, 2005	Meeting	

Table 8. Kitikmeot Parties met with for Socio-Economic program in 2005

Community	Organization and Contact	Date	Means	Telephone
Cambridge Bay	*GN, Dept of Education:* Sandra Eyegetok	February 21, 2005	Meeting	(867)-983-4028
Cambridge Bay	*HTO:* Jacques Larabie, *NTI:* George Hakongak and Jeannie Ehaloak, *Kitikmeot Economic Development Commission:* George Bolander	February 21, 2005	Meeting	Various
Cambridge Bay	*Hamlet*: Marc Calliou (SAO), Chris King (EDO), Colin Dickie (Finance), Alice Isnor (Wellness Centre) *GN, Dept of Finance:* Sandra Peterson, *Dept of Economic Devpt & and Transportation:* Freddie Peterson	February 22, 2005	Meeting	Various
Cambridge Bay	*Nunavut Arctic College:* Fiona Buchan-Corey	February 22, 2005	Meeting	(867)-983-4107
Cambridge Bay	*GN, Dept of Community & Govt Services:* Anna Kaotalok	February 23, 2005	Meeting	(867)-983-4138
Cambridge Bay	*GN, Dept of Health and Social Services*: Rhonda Reid	February 24, 2005	Meeting	(867)-983-4086
Cambridge Bay	*Kitnuna Corporation:* Wilf Wilcox	February 24, 2005	Meeting	(867)-983-7500
Kugluktuk	*Hamlet of Kugluktuk:* Ernie Bernhardt (Mayor) *GN, Dept of Economic Devpt & Transportation:* Beatrice Bernhardt, *Dept of Community & Govt Services*: Wayne Winter, High School: Lee Olsen	February 24, 2005	Meeting	Various
Taloyoak	*Hamlet of Taloyoak:* Scottie Edgerton (SAO) *HTO:* Peter Qayutinuaq (Chair), Mike Tucktoo (Staff) *Nunavut Arctic College:* Wade Morrison *Student:* Johnna Jayko KIA: Jayko Neeveacheak – invited, but *did not attend* *NPC: Bobby Lyall – invited but did not attend*	April 26, 2005	Meeting	Various
Taloyoak	Netsilik School: Gina Pizzo (Principal)	April 27, 2005	Meeting	(867)-561-5181
Gjoa Haven	*Hamlet:* Uriash Puqiqnaq (Mayor), Raymond Kamookak (SAO), Sterling Firlotte (Ass. SAO), Gideon Qitsualik	April 28, 2005	Meeting	Hamlet: (867)-360-7141

Community	Organization and Contact	Date	Means	Telephone
	(Councillor), Mary Kamookak (Councillor) *HTO*: Teddy Carter (Manager/ Hamlet Councillor)			HTO: (867)-360-6028
Gjoa Haven	*Hamlet*: Roy Shields (EDO), Teddy Carter (Councillor)	August 4, 2005	Meeting	EDO: (867)-360-6186, HTO: (867)-360-6028
Gjoa Haven	Central Arctic Services: Charlie Cahill	August 4, 2005	Meeting	(867)-360-6272
Gjoa Haven	*Qikirtaq High School:* Jonathan Bird (Principal)	August 4, 2005	Meeting	(867)-360-7414
Kugaaruk	*Hamlet of Kugaaruk:* Canute Krejunark (Mayor), Nick Sikkuark Sr. (Councillor), Gino Akkak (Councillor), Otto Apsaktaun (Councillor), Lucy Akoak (Economic Development Officer)	August 3, 2005	Meeting	(867)-769-6281
Kugaaruk	*GN, Dept of Health and Social Services:* Noel Laporte (Head Nurse) and Barb Stevens (Social Worker)	August 3, 2005	Meeting	(867)-769-6441/ 7999
Kugaaruk	*Kugaardjuq School:* Sydney Rodnunsky (Principle)	August 3, 2005	Meeting	(867)-769-6211
Kugaaruk	*RCMP:* Constable Dan Erb	August 3, 2005	Meeting	(867)-769-0123