

Bonito Capital Corp.
(a subsidiary of Elgin Mining Inc.)

11 September 2012

Ms. Phyllis Beaulieu
Manager of Licensing
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU
X0B 1J0

Dear Ms. Beaulieu

**RE: Completion of 2012 Exploration Program
Ulu Gold Project, Nunavut, License Number 2BM-ULU0914**

The intent of this letter is to advise you of the completion of the 2012 exploration program at the Ulu site. Drilling ended on August 29, 2012 and the demobilization of all drilling equipment and crews have been completed. A crew of approximately four persons are currently on site preparing the infrastructure for over-wintering and are scheduled for departure by mid-September 2012.

Prior to the shutdown of the sewage treatment plant (STP), the effluent held within the mine containment sump was directed through the STP where it received final treatment prior to release to the receiving environment.

Domestic waste has been shipped to a waste receiver in Yellowknife for final disposal. No food will be stored at site. All drums of hydrocarbons are stored in lined berms in a safe and secure manner.

We will advise you in advance of any planned exploration work for 2013.

If you have any questions regarding the above, please do not hesitate to contact me.

Sincerely,
Bonito Capital Corp.



Patrick Downey
President and CEO

Cc: James (Jim) Currie – Chief Operating Officer
Vivian Park – Manager, Exploration