Bonito Capital Corp.

A wholly owned subsidiary of Elgin Mining Inc.

Ulu Gold Project

Nunavut, Canada

Spill Contingency Plan

March 2013

Bonito Capital Corp.
Elgin Mining Inc.
#201 - 750 West Pender Street
Vancouver, BC, V6C 2T7

Executive Summary

This Spill Contingency Plan (Plan) has been prepared by Bonito Capital Corporation (BCC), a wholly owned subsidiary of Elgin Mining Inc. (Elgin) for the Ulu Exploration Project (Project) in accordance with its Water Licence 2BM-ULU0914 (Licence). The Project site is located in the Kitikmeot region of Nunavut approximately 12 km north of Hood River and 150 km north of Lupin Mine and has been in a state of care and maintenance since 2006.

Fuel storage for the Ulu Project is through three individual tank farms including: (1) Camp 3 Tank Farm (not currently in use); (2) Ulu Site Tank Farm; and (3) Day Tank Farm adjacent to the Power House. All bulk storage for petroleum products at the Project Site have been provided with secondary containment in the form of constructed tank farm facilities incorporating an impermeable liner and berm and an off-loading apron. The fuel products stored at site include: diesel (P40 and P50), Jet fuel (A or B), W30 lube oil, Ralube, and gasoline.

Various measures will be undertaken to prevent a spill including: annual inspection of earthworks, geological, and hydrological regimes; inspection of the sewage line, freshwater pump and distribution line; and fuel storage and handling procedures.

In the event of an accidental spill the response procedures outlined in this Plan will be followed including initial spill reporting and actions. Immediately reportable spills will be conveyed to the Nunavut 24-Hour Spill Report Line. Spill response resources are provided on site including heavy equipment, appropriately sized spill response kits, and copies of this Plan.

Detailed containment, recovery and disposal response measures for any spills of petroleum waste on land, snow, ice or open water are outlined in this Plan, as well as other potential accidents related to oil soaked snow, fires, emergency scenarios at the fuel tank farm, and failure of the sewage system.

ᑐᓴᒐᒃᓴᑦ ᓇᐃᓈᖅᓯᒪᔪᑦ

ᐅᓇ ᐱᔅ ᔪᑎᓕᒃ ᓇᓪ ᓕᐅᒃ ᑯᒫᒥᒃ ᐃᒻ ᒪᖃᕐ ᑕᐅᖅ ᒪᐅᖓᐃᓐᓇᖅ ᑯᕕᔪᖄᑦ ᓚᓂᖅᐸᑦ ᓴᓗᒻ ᒪᖅᓴᐃᒍᑎᒃ ᓴᓂᒃ ᓯᕗᕐ ᙳᑦ ᐋᕿᒃ ᓯᒪᔭᓅᖅᑕᖏ Bonito Capital Corporation−ᑯᑦ ᐃᒫᒃ ᐊᑎᖏ ᓇᐃᓈᖅᑕᐅᓪ ᓗᑎᒃ ᑕᐃᔭᐅᓃᑦ (BCC−ᑯᑦ), ᓇᖕᒥᓂᖃᖅᑕᐅᔪᑦ ᐅᑯᐊ Elgin Mining Inc.−ᑯᑦ (Elgin−ᑯᑦ) ᐅᓗᒃ ᑯᑦ Ulu Exploration ᐱᓕᕆᐊᒃ ᓴᖏ ᐊᑑᑕᐅᒥᐊᓕᖕ ᓂᒃ ᐅᑯᓂᖕᒐ ᒪᓕᒃ ᑐᑦ ᐃᒥᓕᕆᔅ ᔪᑎᑦ ᓚᐃᓴᖏ 2BM-ULU0914. ᓄᓇ ᐱᓕᕆᕝᕕᒃ ᓴᖅ ᒫᓃᑦ ᑐᖅ ᕿᑎᕐ ᒥᐅᓂ ᓄᓇᕗᑦ ᒥ ᐃᒫᑎᒋ ᓯᕕᑐᓂᓕᒃ ᒥᒃ ᓴᐅᓴᒃ ᑐᒥᒃ 12 km ᑲᓛᒥᑕᐃᑦ ᑲᓇᖕ ᓇᙵ ᒪᑐᒪ Hood River−ᐅᑉ ᐊᒻ ᒪᓗ ᐃᒫᒃ 150 km ᑲᓛᒥᑕᐃᑦ ᑲᓇᖕ ᓇᙵ ᓘᐸᓐ Lupin ᐅᔭᕆᒃ ᓴᖅᓯ ᐅᖅᕕᐊᓂᐊᒻ ᒪᓗᑕᐃᒪ ᐃᓕᖑᖅ ᒪᑭᒪᔭᐅᓪ ᓗᓂᑕᐃᒪᙵᓪ 2006−ᖑᕐ ᒪᑦ .

ᐅᖅᓱᐊᓗᖃᐅᑎᒃ ᑯᕕᖓ ᐅᑯᐊ ᐅᓗᒃ ᑯᑦ Ulu−ᑯᑦ ᐱᓕᕆᕕᐊᑦ ᑕ ᐃᖕᒥᒃ ᑯᐊᖅᑐᑦ ᐱᖓᓱᑦ ᐅᖅᓱᐊᓗᖃᐅᑏᑦ ᒪᑯᐊ ᐃᓚᒋᔭᑦ : (1) ᐊᓯᓂ ᓄᓇᓛᑦ ᐱᖓᓱᑦ 3 ᐅᖅᓱᐊᓗᖃᐅᑏᑦ (ᒫᓐ ᓇ ᐊᑐᖅᑕᐅᖏ ᑐᑦ); ᐊᐃᑉ ᐹ (2) Ulu ᓄᓇᙵ ᐅᖅᓱᐊᓗᖃᐅᑦ ; ᐱᖓᔪᐊᑦ (3) ᐅᑉ ᓗᒃ ᑯᑦ ᐊᑐᖅᑕᐅᓃᖅ ᐅᖅᓱᐊᓗᒃ ᑯᕕᒃ ᖃᓂᒋᔭᙵ ᐃᑯᒪᖃᐅᑎᐅᑉ . ᑕᒪᕐ ᒥᒃ ᐅᖅᓱᐊᓗᒃ ᑯᕖᑦ ᐱᓕᕆᕝ ᒦᑦ ᑐᑦ ᓴᓇᔭᐅᓯᒪᔪᖃᕐ ᒥᔪᖅ ᐃᓂᒃ ᓴᒥᒃ ᐅᖅᓱᐊᓗᒃ ᑯᕖᑦ ᖄᒥ ᒌᑯᑎᙵᒃ ᐊᓪ ᓕᕋᒻ ᒥᒃ ᐊᒻ ᒪᓗ ᑯᕕᕕᐅᒍᒫᕐ ᓂᐊᖅᑐᓂᒃ ᒪᐅᖓᐃᓐᓇᐅᖏ ᑐᖅ. ᐅᖅᓱᐊᓗᐃᑦ ᐅᖅᓱᐊᓗᒃ ᑯᕕᕐ ᒦᑦ ᑐᑦ ᐃᓂᒥᓐ ᓂ ᒪᑯᐊ: ᐊᐅᓚᐅᑎᓯᐅᑦ (P40 ᐊᒻ ᒪᓗ P50), ᖃᖓᑦᔫᖅᓯᐅᑦ (A ᐅᕝ ᕙᓗᑭᐊᖅ B), W30 ᐅᖅᓱᖅᑎᕈᑎᖃᐅᑦ , ᐃᒪᐃᑦ ᑐᓂᒃ Ralube−ᓂᒃ , ᒐᓴᓛᓪ ᓗ.

ᖃᓄᐃᑦ ᑐᑐᐃᓐᓇᐃᑦ ᐊᑐᖅᑕᐅᖃᑦ ᑕᓛᖅᑐᖅ ᑯᕕᔅ ᔭᐃᒃ ᑯᐲᑦ ᒪᐅᖓᐃᓐᓇᖅ ᐃᓚᒋᔭᐅᓪ ᓗᑎᒃ ᒪᑯᐊ: ᖃᐅᔨᓴᖅᑕᐅᖃᑦ ᑕᕐ ᓂᐊᖅᑐᑦ ᐊᕐ ᕌᒍᑕᒫᑦ ᓄᓇᓚᑎᓇᔨ ᓄᑦ , ᐅᔭᕋᓐ ᓂᐊᖅᑏᓪ ᓗ ᖃᐅᔨᓴᕈᑎᒋᓲᖏ ᓂᒃ ᓄᓇᒥᒃ ᐊᒻ ᒪᓗ ᐊᖁᑎᖏ ᓂᒃ ᐃᒥᖅᑕᓛᓪ ᓄᓇᒥ; ᖃᐅᔨᓴᖅᑕᐅᖃᑦ ᑕᕐ ᓗᑎᒡ ᓗ ᐊᒃ ᑕᑯᑦ ᕐᓂᖅᑕᑯᑦ ᐊᖁᑎᖏ , ᐃᒥᖅᑕᖅᕕᐅᑉ ᒥᓪ ᓗᐊᖅᑯᖓ ᐊᒻ ᒪᓗ ᐊᖁᑖ; ᐅᖅᓱᐊᓗᖃᐅᑎᑕᑎᓇᔅ ᔪᑎᑦ ᐊᒻ ᒪᓗ ᖃᓄᖅ ᐊᐅᓚᑦ ᓯᒍᑕᐅᒋᐊᓕᖕ ᓂᒃ ᒪᓕᒃ ᑕᐅᓰᓂᒃ ᐊᑐᐃᓐᓇᖃᓪ ᓗᑎᒃ ᑕᒪᒃ ᑯᓄᖑᖃᑦᓂᒃ .

ᐱᕈᓗᐊᕿᔪᖃᓐ ᓂᖅᐸᑦ ᒪᐅᖓᐃᓐᓇᖅ ᑯᕕᔪᖃᓐ ᓂᖅᐸᑦ ᐊᑑᑕᐅᔪᒫᕐ ᓂᐊᖅᑐᑦ ᒪᓐ ᑕᐅᓗᑎᒃ ᐋᕿᒃ ᓯᒪᔭᑦ ᐅᑯᓇᓂ ᐃᓚᒋᔭᐅᓗᑎᒃ ᐊᑑᑕᐅᖃᑦ ᑕᖅᓯᒪᔪᒥᓂᕐ ᓂᒃ ᑐᓴᖅᑎᑦ ᓯᒍᑎᓂᒃ ᑯᕕᔪᖅᑲᐊᓴᐃᑉ ᐸᑦ ᐊᒻ ᒪᓗ ᐊᐅᓚᑦ ᓯᒍᑎᒃ ᓴᓂᒃ . ᕿᓚᒥᒃ ᑯᑦ ᑐᓴᖅᑎᑦ ᓯᓴᐅᑎᒋᖃᑦ ᑕᓇᐊᓛᓪ ᑯᕕᔪᖃᕐᐊᕋᐃᑉ ᐸᑦ ᑕᒪᒃ ᑯᐊ ᒪᓕᒃ ᑕᐅᒋᐊᓛᓪ ᓄᓇᕗᒻ ᒥ ᐃᒃ ᑲᕐ ᕿᐃᑦ 24 ᐊᑑᑎᑎᓪ ᓗᒋᑦ ᖃᖕᒫᖅ ᐅᖃᐅᔨᖃᓇᐊᓛᓪ ᑕᒡ ᕙᓴᐃᓐᓇᖅ ᑯᕕᔪᖃᕐ ᐸᑦ ᑐᓴᖅᑎᑦ ᓯᒍᑎᑦ ᐊᖁᑖᒍᑦ . ᒪᐅᖓᐃᓐᓇᖅ ᑯᕕᔪᖃᕐ ᐸᑦ ᖃᓄᖅ ᐊᑑᑕᐅᔪᖅᐳᒫᕐ ᓂᐊᖅᑐᑦ ᖃᓄᐃᓪ ᓗᐊᖅᑐᑦ ᐊᖏᖕᖏ ᓈᓐ ᒪᓈᖅᓯᒪᔭᑦ ᐃᓗᐃᑦ ᑐᑦ ᐊᑐᐃᓐ ᓇᕈᓐ ᓇᔭᑦ ᐊᑑᑕᐅᔪᒫᕐ ᓂᐊᖅᑐᑦ , ᐱᑕᖅ ᒥᖕᒪᑦ ᐅᑯᐊ ᑎᑎᕋᖅᓯᒪᔪᑦ ᐊᑉ ᓃᖏ ᓂᒃ ᒪᓕᒃ ᑕᐅᒋᐊᓛᓪ ᓯᕗᕐ ᙳᑦ ᐋᕿᒃ ᓯᒪᔭᓂᒃ .

ᐊᑕᖕᖏᑐᑦ ᐱᔅ ᔪᑎᓛᓪ ᐅᖅᓱᐊᓗᖃᐅᑎᓂᒃ , ᓴᓗᒻ ᒪᖅᓴᐃᒍᑎᒃ ᓴᓂᒃ , ᐊᒃ ᑕᕈᑎᒃ ᓴᓂᒃ ᐊᑑᑕᐅᔪᒫᕐ ᓂᐊᖅᑐᓂᒃ ᖃᓄᐃᑦ ᑐᑐᐃᓐᓇᕐ ᓂᒃ ᑯᕕᔪᖄᑦ ᓚᓂᖅᐸᑦ ᐅᖅᓱᐊᓗᖕᒥᒃ ᓄᓇᑐᐃᓐᓇᕐ ᒧᑦ , ᐊᐳᒻ ᒧᑦ , ᓯᑯ ᒧᑦ ᐅᕝ ᕙᓗᑭᐊᖅ ᐃᒫᓄ ᐊᐅᔭᐅᑎᓪ ᓗᒍ ᑕᒪᒃ ᑯᐊ ᐃᓘᓐᓇᑎᒃ ᐅᑯᓇᓃᑦ ᑐᑦ ᑎᑎᕋᖅᓯᒪᔭᓂ ᐊᑑᑕᐅᔪᒫᕐ ᓂᐊᖅᑐᑦ , ᐊᓯᐊᒍᓪ ᓗ ᑯᕕᔪᖃᕐ ᓗᓂ ᐱᕈᓗᐊᕿᔪᖃᓐ ᓂᖅᐸᑦ ᐅᖅᓱᐊᓗᒃ ᐊᐳᒻ ᒧᑦ ᓯᑦ ᓯᕈᑎ ᓗᓂ ᐊᐳᒻ ᒧᑦ , ᐃᑭᑦ ᑐᖃᓐ ᓂᖅᐸᑦ , ᑐᐊᕕᕐ ᓇᖅᑐᒃ ᑯᑦ ᖃᓂᖅ ᐆᒃ ᑑᑎᒋᓗᒋᑦ ᒪᑯᐊ ᐅᖅᓱᐊᓗᖃᐅᑎᐊᓗᐃᑦ ᐊᒻ ᒪᓗ ᒪᐅᖓᐃᓐᓇᖅ ᑯᕕᔪᖃᓐ ᓂᖅᐸᑦ ᓯᖁᒥᓐ ᓂᖅᐸᑕ ᖁᖅᑲᐅᑦ ᐊᙳᖕᒋ ᓂᒃ .

Aulapkaiyiini Naittuq

Una Kuvipkaihimakpat Qilamiuqtuqaqqat Havaakhaq (Havaaq) piliurhimayuq ukunanit Bonito Capital Kuapuriisinganit (qablunaatitut taiyauyuq naittumik BCC), avaliittumik nanminiriyauyuq ilanganit Elgin Uyarakhiuqvinga Ilaliutihimayuq (Elgin) Ulu Qinirhiayut Havaaq (Havaaq) angiqatigiikhutik Imanganik Laisinganik 2BM-ULU0914 (Laisinga). Tamna havakvinga ittuq Kitikmeonmi Nunavunmi ittuq 12 kilamiitamik tununngani Hood River-mit 150 kilamiitamiklu tununngani Lupin Uyarakhiuqvinganit munariyauyuqlu 2006mit.

Urhuqyuamut tutquumavinga Ulu Havaakhamut ittuq pingahuuyunik urhuqyuaqarvinik ukunanik piqaqtuqlu: (hivulliqpaa) Nayugaani 3 Urhuqyuaqarvinganik (tatja atuqtaunngittuq); (tuglia) Ulu Uyarakhiuqvinga Urhuqyuaqarvinganik; unalu (pingahua) Ubluani Urhuqyuaqarvinga qanittuq Pauwaqtuutimiknit. Tamaita angiyut tutquumavingit urhuqyuamut Havakvingani piqaqtuq ikitqiyauyumik ittumik piliurhimayunik urhuqyuaqarvinik atayuq kinilaittumik hilataani apqutinganilu uuminngalu uhiiyarvinganilu. Urhuqyuanga tutqurhimayuq uyarakhiurvikmi hapkuninnga pilik: urhuqyuaq (P40 uuminngalu P50), Tingmitinut Urhuqyuakhaanik (A-mut B-mutluuniit), W30 kiniqtaq, Ralube-lu kiniqtaq, kaasiliimiklu.

Table of Contents

Appendices

Figures

Tables

1. Introduction

Bonito Capital Corp. (BCC), a wholly owned subsidiary of Elgin Mining Inc. (Elgin), has prepared this Spill Contingency Plan (the Plan) with respect to the requirements within Water Licence Number 2BM-ULU0914 (Water Licence), Part E, Item 1.

> *"The Licensee shall submit to the Board for approval, by March 31, 2010, an updated Spill Contingency Plan prepared in accordance with the Spill Contingency Planning and Reporting Regulations developed under the Environmental Protection Act (Nunavut). The revised Plan shall include an executive summary and translations in accordance with Part B, item 11 and reflect the new ownership of the project."*

In addition, this Plan takes into consideration comments received from interested parties regarding Elgin's *Spill Contingency Plan (Care and Maintenance) for the Ulu Exploration Project*, dated August 2011.

An annual review of the Plan takes place and revisions are submitted as necessary with the annual report. The current Type B water licence 2BM-ULU0914 for the Ulu Gold Project (Ulu or the Ulu Project) is valid until August 31, 2014 and has been kept in good standing.

1.1. Background

Elgin is a Canadian based company focused on the production at the Björkdal Gold Mine located in Sweden, and the exploration and development of the Lupin Gold Mine and Ulu Gold Project, both located in Nunavut, Canada.

Elgin purchased BCC, which owns the Ulu Gold Project, from MMG Resources Ltd. in July 2011. The Ulu site lease was purchased by Echo Bay Mines Ltd. from BHP in 1995 with the intent to develop the property into a satellite mine for additional feed to the Lupin mill. An underground development, diamond drilling and bulk sample program was initiated in 1996 to provide infill geological information. Wolfden Resources Inc. purchased the Ulu Project from Kinross Gold Corporation in February 2004, and Zinifex purchased Wolfden in 2007. In June 2008, Zinifex merged with Oxiana Limited to form OZ Minerals. The assets of OZ Minerals were then purchased by China Minmetals resulting in OZ Minerals becoming MMG Resources Inc. ("MMG"). MMG subsequently sold the Ulu exploration project to Elgin Mining Inc. in July 2011. The project has been in care and maintenance since 2006.

Company:	Bonito Capital Corp.
Project:	Ulu Gold Project, Nunavut
Company Address:	201 – 750 W Pender St, Vancouver, BC, V6C 2T7
Telephone:	604-682-3366
Email:	jcurrie@elginmining.com
Attention:	James (Jim) Currie, Chief Operating Officer
Effective date:	March30, 2013

Patrick Downey	Chief Executive Officer
Peter Tam	Chief Financial Officer
Jim Currie	Chief Operating Officer
Gordon Clarke	VP, Exploration
Michele Jones	Manager, Corporate Affairs
Wayne Osborne	Project Manager
David Vokey	Sr. Environmental Coordinator
Karyn Lewis	General Administration

Additional copies of this Plan are available from Bonito Capital Corp., General Administration at 604-682-3366 or klewis@elginmining.com.

This Plan will be posted in key locations at the site, and all employees and contractors will be made aware of its contents.

2.1 Environmental and Sustainable Development Policy

Elgin Mining Inc. and its subsidiaries (collectively, "Elgin Mining") are committed to maintaining a safe, clean, compliant and respectful work environment. Elgin Mining looks to our employees, contractors and managers to adopt and grow a culture of social responsibility and environmental excellence. Together we achieve this by:

- Promoting environmental stewardship in all tasks. Nothing is too important that it cannot be done in a clean and responsible manner. We strive towards maintaining a zero-incident work place.
- Recognizing that we have a shared responsibility as stewards of the environment in which we operate. We will not walk away from a non-compliant act.
- Identifying, managing and mitigating environmental, business and social risks in an open, honest and transparent manner.
- Planning our work so it is done in the cleanest possible manner and executing work according to plan.
- Continually improving environmental and operational performance by setting and reviewing achievable targets.
- Providing appropriate and necessary resources in the form of training, personnel and capital, including that required for closure planning and reclamation.
- Managing our materials and waste streams, maintaining a high degree of emergency response preparedness and minimizing our operational footprint to maintain environmental protection at all stages of project development.
- Procuring goods and services locally, where available, and favouring suppliers with environmentally and socially responsible business practices.

- Seeking to understand, learn from and mitigate the root causes of environmental incidents and near misses when they do occur.
- Employing systems and technology to achieve compliance, increase efficiency and promote industry best practices in development, operations and environmental stewardship.
- Working with stakeholders to identify and pursue opportunities for sustainable social and economic development and capacity building.
- Conducting early and ongoing stakeholder engagement relevant to the stage of project and mine development and operation.
- Recognizing diversity in the workplace and building meaningful relationships with all stakeholders in a timely, collaborative and transparent manner.

Through implementation of this policy, Elgin Mining seeks to earn the public's trust and be recognized as a respectful and conscientious employer, neighbor and environmental steward.

Approved by the Board of Directors on August 10th, 2012

1.2.Purpose and Scope of Plan

This Plan is designed to provide the necessary background information and plans of action in the event of a failure or an incident at the Ulu Project site resulting in a spill of a petroleum, allied petroleum product, or chemical during project activities. It is intended to outline the means for responding to failures and material spills within these systems in a way that will minimize potential health hazards, environmental damage and clean-up costs.

The objectives of the Plan are to:

- define the reporting procedures and communication network to be used in the event of a system failure or material spill;
- define procedures for the safe and effective containment and cleanup/disposal of a system failure or material spill; and
- define specific individuals and their responsibilities.

1.3.Applicable Legislation and Guidelines

The documents "NWT Environmental Protection Act, Spill Contingency Planning and Reporting Regulations", July 22, 1998 and "A Guide to the Spill Contingency Planning and Reporting Regulations", June 2002, were used as guides in preparing this plan.

2. Project Information

2.1.Project Location

The Ulu Project is situated in the Kitikmeot Region, Nunavut, approximately 12 km north of Hood River and 150 km north of Lupin Mine. The geographic center of the property is 66° 54’27” N / 110° 58’24W as shown in Figure 1: Ulu Project Location Map.

Figure 1: Ulu Project Location Map

2.2.Project and Site Description

No exploration program is proposed for the 2013 summer season.

The Ulu Project site is completely self-contained with the exception of the transportation requirements for materials/supplies and workforce mobilization. There are three (3) main location areas as shown in Figure 2: Main Areas Ulu Site:

1. Ulu Camp, which houses the residential complex consisting of Weatherhaven accommodations, vehicle repair shop, vehicle parking, power house, emergency generators, office and change 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 as shown in Figure 3;
2. Camp 3, which is comprised of fuel tank farm, explosives magazine, detonator magazine, quarry and borrow pit eskers; and
3. Airstrip

The site is accessible year round only by aircraft. Bulk items were brought on site via the winter road. During active exploration activity, all supplies are flown in. Figure 3 shows the Ulu Camp Area Site plan.

Figure 2: Main Areas Ulu Site

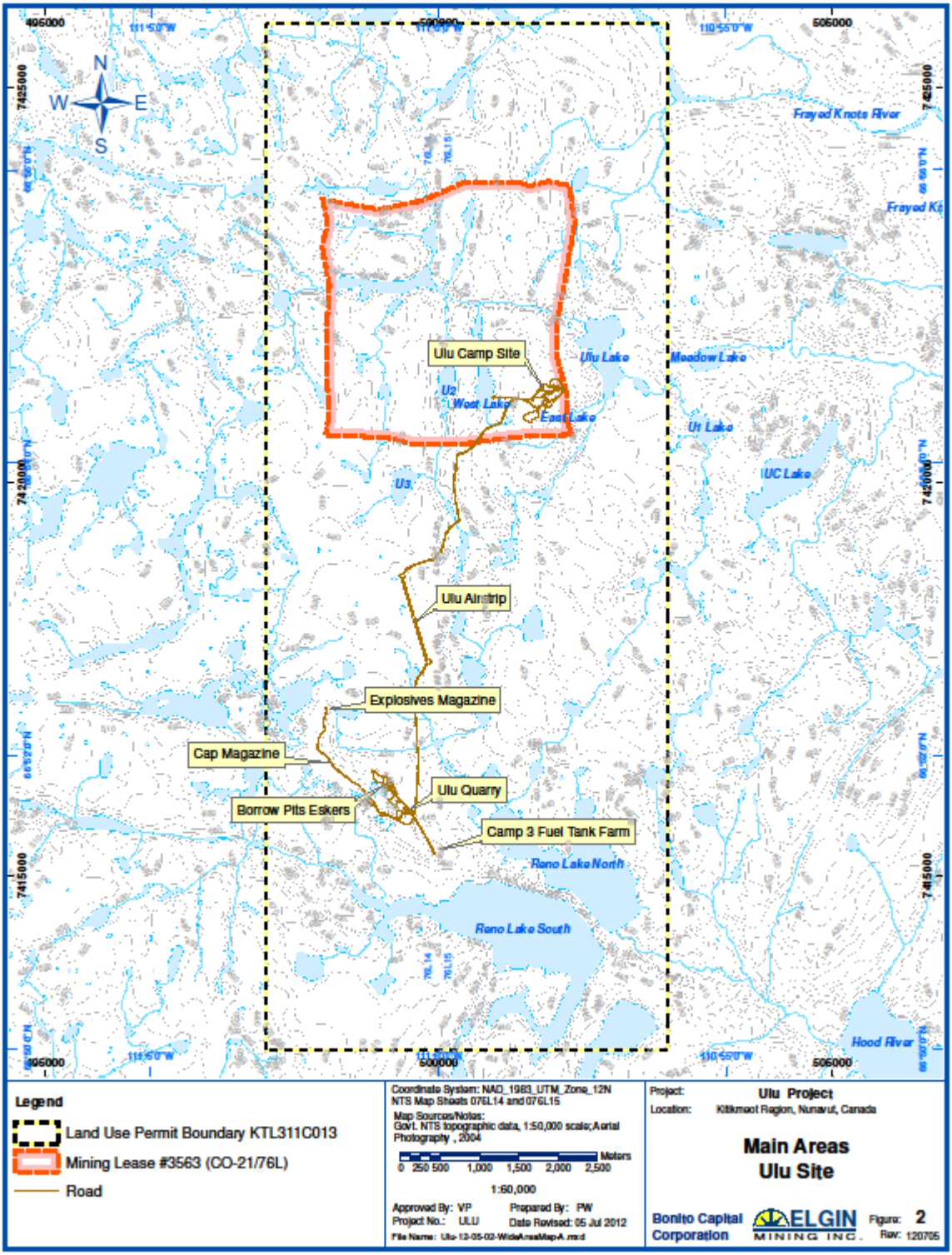
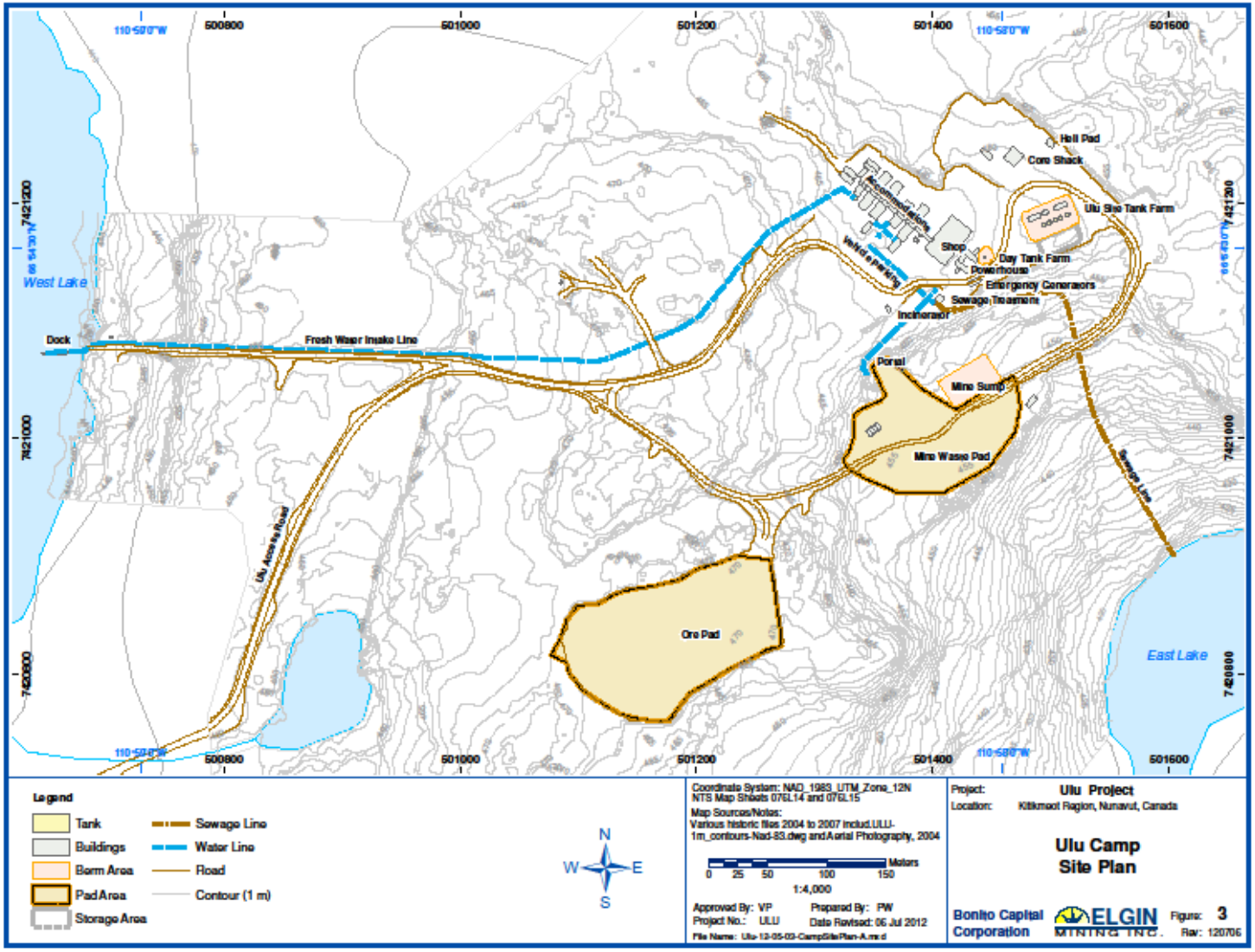


Figure 3: Ulu Camp Area Plan



2.3.Project Components

The site components used to support exploration activities consist of the Ulu camp, which includes the maintenance shop, fuel storage facility, water supply, and sewage treatment. Due to the care and maintenance status of the site, the ore storage pad and waste pad are not in use. The components that are in use are described below.

2.3.1. Sewage

Sanitary sewage and camp greywater is treated prior to release to the environment. Treatment is carried out with a package facility employing a Rotating Biological Contactor (RBC). Once treated, the effluent is released to East Lake via a 550 metre, insulated two inch pipeline.

2.3.2. Water Supply

All camp water is obtained from a nearby lake, referred to as West Lake. Water is supplied to the camp via an insulated two inch pipeline approximately 680 metres in length and powered by a seven horsepower submersible electric pump installed on a floating dock. Two storage tanks are present at the site; a 27,000 litre tank for general water use and a 63,000 litre tank for fire water storage. A maximum quantity of 100 m3 per day can be withdrawn for all uses (domestic and drilling), as stipulated by the Water Licence.

2.3.3. Petroleum Products

Fuel storage for the Ulu Project is through three individual tank farms including: (1) Camp 3 Tank Farm; (2) Ulu Site Tank Farm; and (3) Day Tank Farm adjacent to the Power House. All bulk storage for petroleum products at the Project Site have been provided with secondary containment in the form of constructed tank farm facilities incorporating an impermeable liner and berm and an off-loading apron.

The tank farm at Camp 3, or main staging area, consists of two 1,324,895 litre tanks and six 52,995 litre tanks; these are currently not in use At the Ulu site, fuel is stored in five 52,995 litre tanks. The Day tank farm consists of one 8,800 litre tank.

The main tank farms, at Camp 3 and the Ulu site, store P40 and P50 grade fuels. Historically, fuel was stored in the remote tank farm at Camp 3 until it was transferred to the Ulu camp as required. The Camp 3 fuel facility does not contain fuel, and will not be utilized in 2013. P50 grade fuel is stored in the Day Tank Farm.

The products that are located at the site include: diesel (P40 and P50), Jet fuel (A or B), W30 lube oil, Ralube, and gasoline.

2.4.Receiving Environment

The Ulu Property is located in the arctic tundra of Nunavut. The site is located on glacially modified outcrop. The terrain is rugged, consisting of exposed bedrock, usually reformed by frost action into blocky, angular boulders, relocated bedrock boulders and occasional glacial erratics. The dominant plant species in these areas is dwarf birch, Labrador tea, and heather. The two lakes of significance that flank the Ulu Project site are referred to as West Lake and Ulu Lake. East Lake, a smaller, shallow body of water, is immediately adjacent to the site. Sedge tundra occurs along the shorelines of lakes in the vicinity. The lakes in the Ulu area follow a drainage flow pattern to Ulu Lake through to Ulu Creek, and then into Frayed Knots River, which eventually flows into Hood River.

Camp 3, used for fuel storage and additional heavy equipment, is located approximately 7 kilometres to the southwest of Ulu camp, and 5 kilometres north of Hood River. The terrain is less rugged and hosts smoother topographical glacial features such as eskers and rolling moraines. The till cover is thicker, and the vegetation is respectively more diverse than at the Ulu camp area.

Due to the isolated location of the Project and its air-only access, the potential impacts to public access areas are minimal.

Environmentally sensitive areas, in addition to the surrounding tundra include: the East Lake area, which will collect all drainage from the camp including the sewage treatment plant effluent, mine portal (sump discharge if needed), and the ore storage pad; West Lake and its close proximity to the access road; and Reno Lakes with their relationship to Camp 3 and its fuel and explosives storage. All drainage within the Ulu Project area is within the Hood River watershed. Boulder filled channels at the outlets of the lakes provide for mainly subsurface drainage to the Hood River system after spring freshet.

The larger lakes in the Ulu Project study area are regarded as having some fish habitat. Aquatic biological inventories were not carried out at East Lake due to its small size and isolated position, which precluded the existence of fish. Potential sources of contaminants in these areas include general runoff from the site facilities (which may include petroleum products) and dust generation from vehicle traffic on nearby roads. Potential vehicle incidents along the access road between the main camp and Camp 3 also need to be considered as a source of contaminants.

3. Spill Prevention Measures

The following checks will be carried out by the Project Manager or designate:

Earthworks, Geological and Hydrological Regimes

- Geotechnical inspection by a qualified Geotechnical Engineer and submission of Geotechnical Engineering Report to Nunavut Water Board in accordance with Part D Item 10 of the Water Licence.

Sewage Line

- Visual inspection of the package sewage treatment plant.
- Visual inspection of the pipeline and heat trace checks at locations along the pipeline.
- Visual inspection of the pump (lift) station at the main camp.

Freshwater Pump and Distribution

- Building heater check; ambient room temperature.
- In-line heater check; discharge water temperature.
- Pump temperature.
- Doors and general condition.

Fuel Storage and Handling

- Visual inspection of the bulk fuel storage facilities at both the main camp and at Camp 3. General condition of the two sites, along with fuel transfer record keeping is essential. Fuel lines, valves and transfer aprons are to be checked on a weekly basis. Status of fuel transport vehicles is to be included in the inspections.
- Drip pans and/or other secondary containment will be used during refuelling.
- Refuelling will not take place below the high water mark of any water body and shall be done in such a manner as to prevent any hydrocarbons from entering any water body.

4. Spill Reporting and Action Procedures

An immediately reportable spill is defined as a release of a substance that exceeds the volumes outlined in Appendix A or is likely to be an impending threat to environmental or human health. It must be reported to the 24-Hour Spill Report Line.

All spills are cleaned, tracked and documented. Documentation must be submitted to the appropriate authority upon request or at a pre-determined reporting interval. If there is uncertainty regarding the spill volume, or if the material is a contaminant, then the spill will be reported to the 24-Hour Spill Report Line.

Satellite voice and internet services provide external communications. When in operation, all site personnel are equipped with two-way radios. Iridium satellite telephones serve as backup in the main camp and safety muster station. The communications systems are in place during the exploration season only.

4.1.Training

As part of their site orientation, all personnel on site will be made aware of this Plan, the location on site of copies of the Plan, spill kits and related materials they may encounter. Roles and responsibilities to spill response will also be included as part of orientation and training.

All response team staff will maintain familiarity with the continually updated Spill Contingency Plan by scheduling periodic reviews. For the Department heads, this is completed in conjunction with the review of the site's Emergency Procedures Manual.

4.2.Initial Reporting and Action

A person encountering a spill must immediately report the spill to the Sr. Environmental Coordinator and/ or Project Manager.

Sr. Environmental Coordinator (David Vokey) 604-682-3366

Project Manager (Wayne Osborne) 867-446-9860

4.2.1. Action

- Report spill to a manager.
- Assess the spill – identify material and volume, and the risk to personnel and the environment.
- If there is no risk, attempt to control the spill – refer to MSDS for product identification and handling.
- If there is a risk, stand clear and prevent others from entering the area.

4.2.2. Reporting

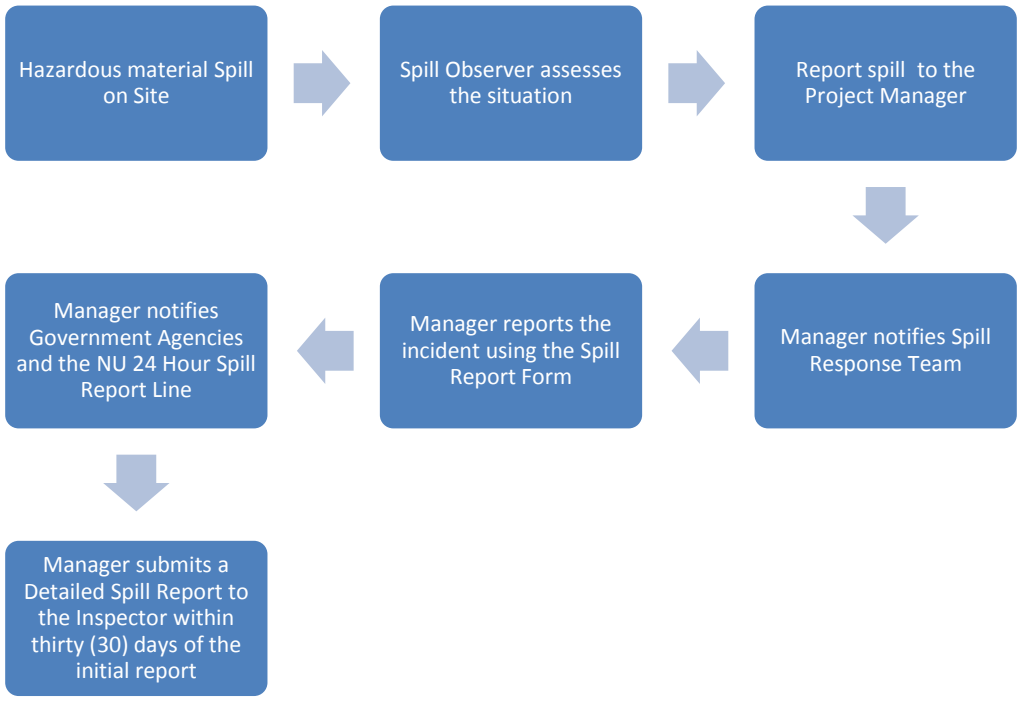
If the spill is immediately reportable, then the Project Manager, Sr. Environmental Coordinator, or an appropriate designate will contact the NU 24-Hour Spill Report Line.

24-Hour Spill Report Line: Tel: 867-920-8130 Fax: 867-873-6924

The Project Manager will submit a Detailed Spill report that to a Water Resources Inspector no later than 30 days after the initial report of a spill.

The following Figure 3 outlines the Spill Response Flowchart.

Figure 4: Spill Response Flowchart



4.2.3. Important Contacts

Bonito Capital Corp.	**Telephone**	**Fax**
24-Hours Site Contact, **(Wayne Osborne)**	867-446-9860	
Gordon Clarke, Vice President Explorations	604-682-3366	604-682-3363
David Vokey, Health, Safety, and Environment	604-682-3366	604-682-3363
Wayne Osborne, Project Manager	867-446-9860	604-682-3363
Karyn Lewis, General Administration	604-682-3366	604-682-3363
Patrick Downey, President and CEO	604-682-3366	604-682-3363
Jim Currie, Chief Operating Officer	604-682-3366	604-682-3363
Nunavut	**Telephone**	**Fax**
Phyllis Beaulieu, Manager of Licensing, NWB	867-360-6338	867-360 6369
GN Environmental Protection, Iqaluit	867-975-5910	867-975-5980

Aboriginal Affairs and Northern Development Canada-Land Use and Water Use		
Baba Pedersen, Regional Management Officer, Kugluktuk	867-982-4306	867-982-4307
Eva Paul, Water Resources Officer, Iqaluit	867-975-4548	867-975-6445

Environment Canada	**Telephone**	**Fax**
Tim Morton, Enforcement Officer, Yellowknife	867-669-4794; 867-446-0924	867-669-6831

Department of Fisheries and Oceans		
Eastern Arctic Area, Iqaluit	867-979-8000	867-979-8039

Regardless of the size of the spill, a Spill Report Form (Appendix B) will be completed, with the original retained at site, and a copied delivered to:

Sr. Environmental Coordinator	David Vokey
General Administration	Karyn Lewis

After the spill has been reported to management, and the assessment is complete, then remedial action by a response team composed of employees and contractors, coordinated by the Project Manager, Exploration Manager or Sr. Environmental Coordinator will commence according to the appropriate action plan.

5. Spill Response Resources

A wide variety of spill control/recovery equipment and materials exists at the site for dealing with spills, as illustrated on Figures 4 and 5.

Figure 5: Emergency Spill Response Trailer Location – Camp 3

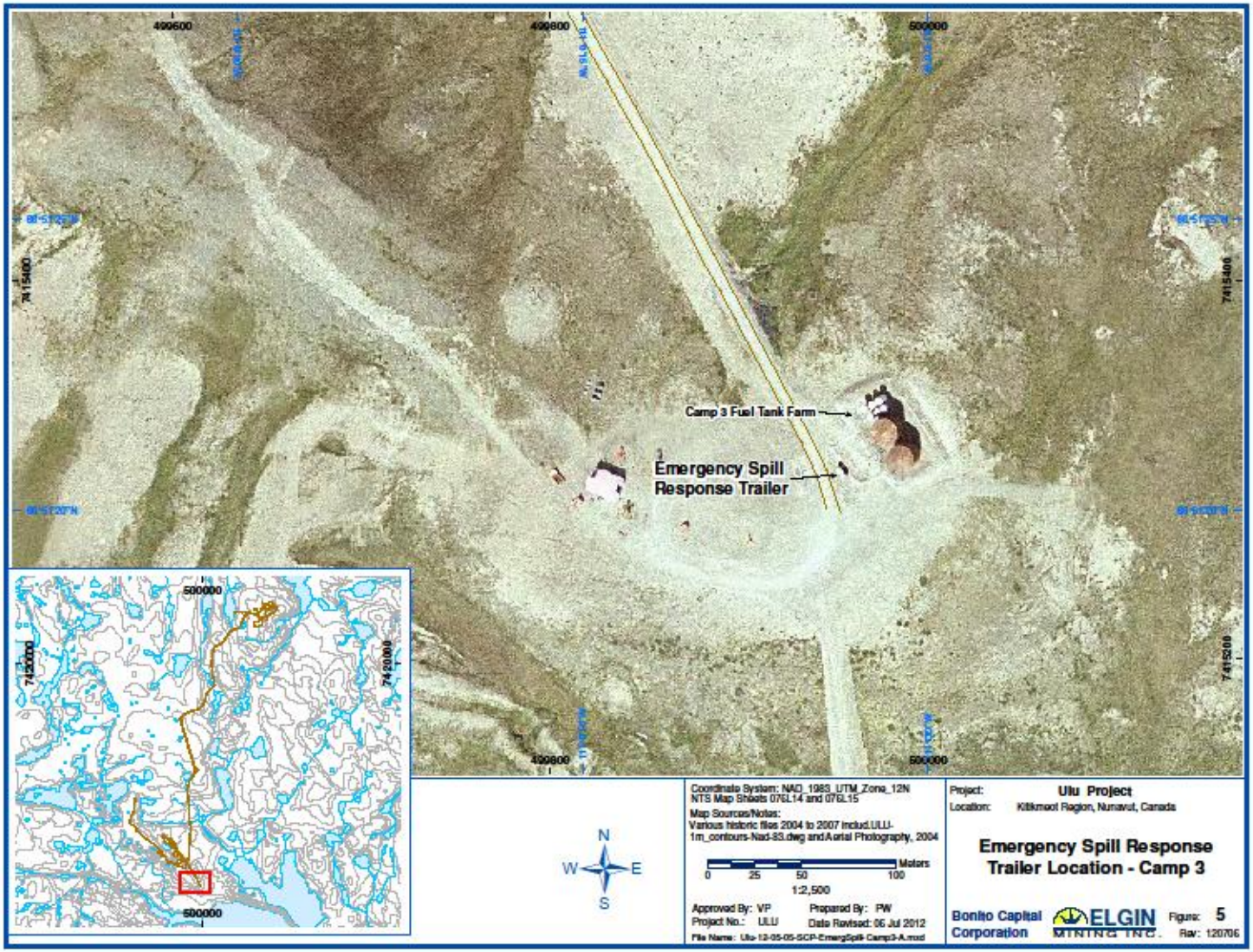
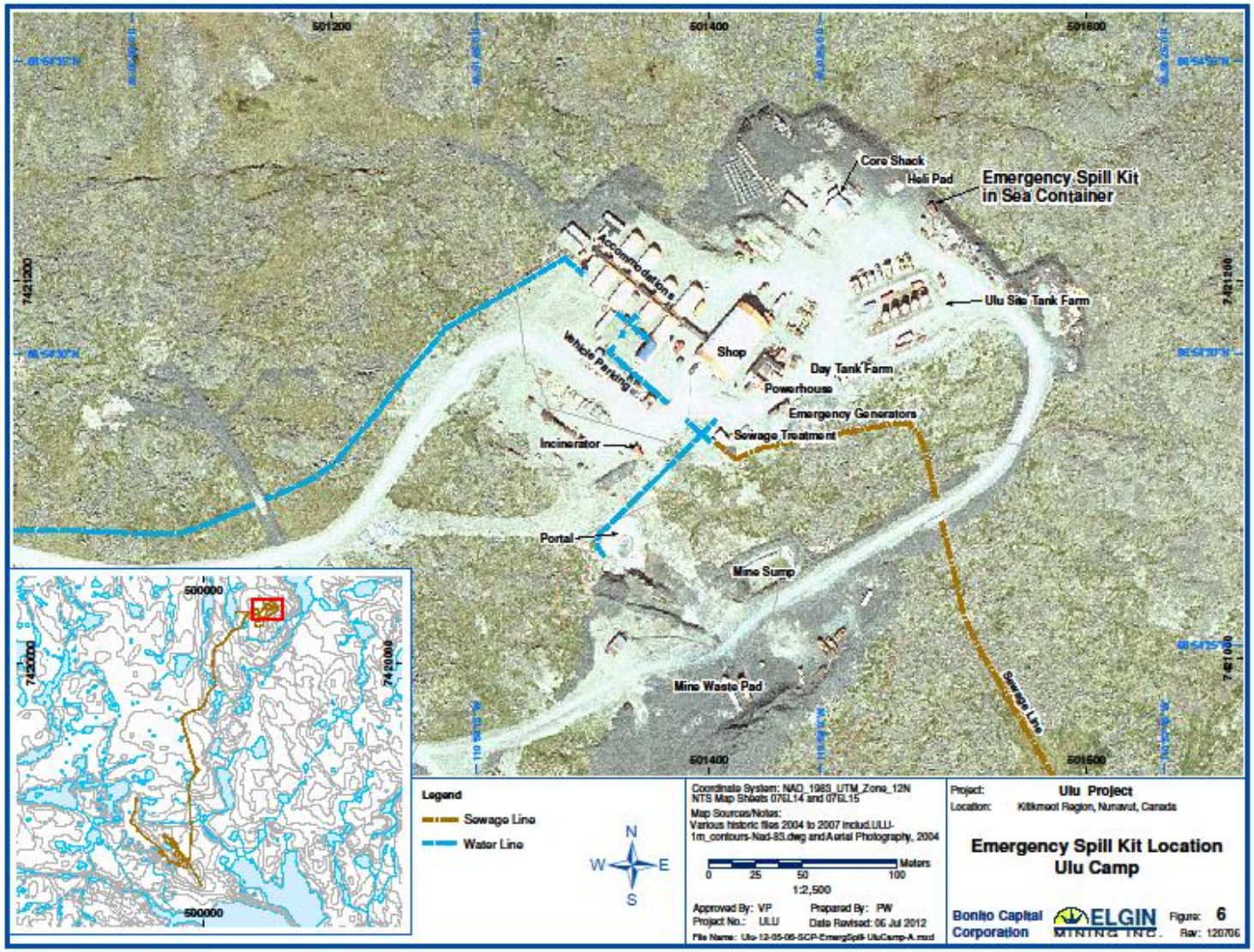


Figure 6: Emergency Spill Kit Location - Ulu Mine Site



5.1.Response Equipment

All equipment is stored in such a manner as to be readily available on short notice.

Table 1 Spill Response Equipment List

#	Equipment		
1	FORD	B-600	48 SEAT SCHOOLBUS
2	FORD	F350	4 X 4 CREWCAB
1	FORD	XL350	4 X 4 CREWCAB
1	FORD	LW 9000	FLATDECK W/ HIAB CRANE
1	FOREMOST		DELTA COMMANDER
1	JCB ZOOM ZOOM		FORKLIFT
2	CATERPILLAR	920 988B	LOADER
1	CATERPILLAR	311	BACKHOE
1	CATERPILLAR	824C	DOZER
1	CATERPILLAR	120G	GRADER
1	SULLAIR	700 CFM	COMPRESSOR
1	GARDINER DENVER	825 CFM	COMPRESSOR
1	LEROI	375 CFM	COMPRESSOR
2	CATERPILLAR	600 KW	GENERATOR
2	CUMMINS	500 KW	GENERATOR
1	CUMMINS	300 KW	GENERATOR
4	DETROIT DIESEL	250 KW	GENERATOR
1	CATERPILLAR	800 KW	GENERATOR
1	GILSON	11 CM	ELECTRIC CEMENT MIXER

1	ACKLAND	300 AMP	ELECTRIC WELDER
1	ATLAS COPCO ROCKET	322.S	2-BOOM DRILL COMBO
1	TAMROCK	HS-205M	2-BOOM DRILL COMBO
1	TAMROCK	H-120	1-BOOM MICRO JUMBO
2	WAGNER	MT-444 MT-426	MINE TRUCK
1	ELPHINSTONE	R1700	7.5 CU. YD. SCOOP
3	WAGNER	ST-7.5 ST-3.5 ST-2D	SCOOPTRAM
1	KUBOTA		MINE TRACTOR
1	GETMAN	A-64	SCISSOR LIFT

Emergency spill containment and recovery materials and supplies are available for immediate mobilization at any time. These materials are in the designated sea container labeled "Emergency Spill Kit" located immediately east of the core shack at the Ulu project site (Figure 6), and in the "Emergency Spill Response Trailer" located next to the fuel tank farm at Camp 3 (Figure 5).

The sea container has five (5) - 205 L Pioneer House Supply Spill Response Kits and four (5)– five (5) gallon oil kits. Each 205 L kit includes the following items:

- 150 – 16" x 20" oil absorbent pads;
- 2 – 5" x 10' oil absorbent booms;
- 2 Pairs of Chemi-Pro gloves;
- 2 Pairs of clear safety goggles;
- 8 – 3" x 4' oil absorbent socks;
- 4 – 6 mm disposal bags;
- 2 Pairs of disposable coveralls;
- 1 – 4 oz strong steel gapseal; and
- 1 – 205 L unrated metal containment drum.

Each five (5) gallon oil kit includes the following:

- 12 – 16” x 18” oil absorbent pads;
- 2 – 3” x 4’ oil absorbent booms;
- 1 Heavy duty disposal bag;
- 1 Pair of Chemi-Pro gloves;
- 3 lb all purpose absorbent;
- 1 – 20 L container pail.

5.2.Response Team Organization

The spill response team, assembled by the Project Manager, will be composed of employees and contractors.

6. Petroleum Products

6.1.Response Information

The measures outlined in the response plans intend to minimize the potential impact to water and land following a spill. The immediate action is to preserve health and limit environmental damage. The Plans deal with the procedures/methods of spill containment, termination, remedial measures and clean-up of spills related to those products used during the exploration program.

6.1.1. Spill Containment

A spill could occur in one or a combination of the following areas: on land, snow, ice or in the water. Various proven practical methods of containment and recovery are well documented for use in northern climates; these are summarized below. For additional technical information, consult the Environment Canada Report *EPS 9/SP/2*, December 1986 and the *Field Guide for Oil Spill Response in Arctic Waters*, Environment Canada (1998).

The initial action is to prevent any direct health risk to response personnel. Persons not directly associated with the clean-up operations are to be directed to leave the immediate area. The area will be isolated and limited to traffic as directed by the response team.

Containment on Land

The greatest potential for the possibility for a spill on land is related to refueling the drill rig and heaters at the drill sites. All petroleum and hazardous waste products in the camp area are held within lined and bermed containment areas.

Petroleum products spilling onto snow covered ground may be contained by the construction of snow dykes. For fast initial containment of smaller spills, the dykes can be built manually with shovels. Larger spills may require the use of heavy equipment such as graders and bulldozers.

The impermeability of dykes may be ensured by lining with a polyethylene liner, plastic tarpaulin or similar synthetic material. Alternatively, in freezing temperatures, water may be sprayed or poured over the dykes to further enhance the barrier to the spilled material. This method assumes that water is available or may be accessed from the spill site. Synthetically lined dykes are more effective than just snow or snow and ice-lined dykes.

During warmer months, containment dykes may be constructed from sand or gravel if these materials are available in an unfrozen form. Again, for smaller spills, the dykes can be fashioned manually with shovels where for larger spills, trucks or other heavy equipment (front-end loaders) will normally be required to transport and handle sand and gravel.

Trenching or ditching can be used as a method for containing and/or intercepting the flow of liquid spills on land. Ice, snow, loose sand, gravel and surface layers of organic material can usually be scraped or dug away until the underlying frozen substrate is reached. This can be effective in re-directing flow or simple containment prior to pumping or absorbing the spilled material. Trenching in solid frozen ground or rocky substrate is normally neither practical nor possible.

Containment on Snow

Containment on snow is readily achieved and is very effective due to its absorbent quality. Liquid spills will become immobile within the snow pack and easily removed for transport for recovery or disposal. Snow is readily fashioned into dykes or dams. Whenever possible, the snow pack should be left in place to avoid contaminating the underlying substrate.

Containment on Ice

Spills that occur on ice, from either direct spillage or migration to the ice, are greatly affected by the strength of the ice. If the spill does not penetrate the ice, and the ice is safe to work on, then the methods of containment are similar to that on land. Where the spill has penetrated the ice, the situation should be handled similar to that on open water. If, as in petroleum spills, the material floats, then every effort should focus on the recovery of the material using pumping/suction methods, and absorbents.

Containment on Open Water

A spill occurring on or into open water is very difficult to contain and every effort should be made to prevent the material from entering the water. If in the case of petroleum products, the material floats, then immediate deployment of surface booms should take place to control the spread of material. Pumping is the method of choice for removal of contained material.

6.1.2. Spill Recovery

Spilled petroleum products contained within a dyked or trenched area should be recovered by pumping into a standby tanker, portable storage tank or drums dependent on volume involved, or use of an

independent vacuum truck. Pump and suction hoses should be screened to prevent snow, ice or debris from clogging the line or pump.

Any remaining material may be absorbed by use of a variety of natural and commercially available products, such as 3M brand Conweb and Phase III brand Oil Sponge Remedial.

The availability of shovels, rakes and pitchforks are invaluable in any spill clean-up and recovery operation. The use of heavy equipment for larger spill situations such as front-end loaders and haul trucks, make the removal of material easier. It also ensures that all materials, including absorbent sand, snow, etc. have been removed from the spill site.

6.1.3. Spill Disposal

Petroleum products such as fuel or oil that has been recovered by pumping into portable tanks, drums or a standby tanker can often be reclaimed and reused. Water and debris can be separated from the pure fuel by gravimetric means in a tank. In this manner disposal can be minimized and financial losses reduced.

In-situ combustion may be used as a final means of disposal after every effort has been made to remove the spilled fuel/oil. Approval for burning of petroleum products must be obtained prior to combustion. Burning should never be carried out on land where combustible organics are present and the oil has migrated into the soil. Removal is the method of choice in this case.

The most efficient means of igniting diesel oil for in-situ combustion is with a large size portable propane torch. Other highly flammable products such as gasoline or alcohol, or combustible products, such as wood may also be used to promote ignition of the spilled product. Spilled oil should be ignited where it has pooled naturally or been contained by dykes, trenches or depressions. Oil which has collected in slots in river ice may also be disposed of by in-situ combustion if sufficient holes are drilled in the ice (but not through to the water). Once holes are drilled, the oil which collects in the holes may be ignited.

Liquid oil wastes (which cannot be reclaimed), debris and oil residues left after in-situ combustion will be contained and disposed of off-site at an approved waste receiving facility.

Spilled chemical products will be recovered and reused wherever possible. Materials unable to be used will be collected and stored in containers and shipped off site for disposal, accompanied by an appropriate Waste Manifest.

6.1.4. Other Concerns

Oil-soaked Snow

In the event that an oil/petroleum spill occurs during the winter, impacted snow will be collected and contained as outlined above in Section 6.1.1. In the event that large quantities of snow become oil soaked, the appropriate heavy equipment will be used to collect, transport and re-locate the material

to the fuel tank farm or another lined and bermed containment area. Where deemed necessary, the oil impacted snow will be covered to mitigate the potential for wind blown dispersion. In most cases, oil soaked snow would be allowed to melt, and the oil content would be pumped into separate containers and/or collected using hydrophobic oil absorbent materials, Once contained, impacted snow can be disposed of as per methodologies outlined on the appropriate spill contingency action sheet(s).

Fire

In the event that the accident/incident is in combination with a fire, extinguishing the fire may be required prior to initiating efforts to stop the spillage.

In order to control the resulting runoff (in cases where water is used), and the subsequent spreading of the spilled material, any indication of slope away from the area of the spill should be dyked for containment.

Petroleum and chemical fires have the potential to generate toxic fumes under poor combustion conditions. Approaching and dealing with any fire from upwind is recommended as well as caution with regard to breathing the vapours generated from the fire. Appropriate personal protective equipment (PPE) will be worn at all times.

Fuel Tank Farms

In the event of any emergency at the tank farms relating to fire, flooding or spills, all electrical power shall be shut off as quickly as possible within the tank farm area to minimize further damage. The ”Emergency Spill Response Trailer” is located immediately adjacent to Camp 3 fuel tank farm (Figure 5).

6.2.Detailed Response Plans

The following section contains the response plans for spills of material known to currently be present and accessible on site that will be used during activities at the Ulu Project.

Detailed response plans for each of the materials listed in previous sections are provided in the tables below.

Table 2 Detailed Response Plan for Diesel Fuel

24 HOUR SPILL REPORT LINE	(867) 920-8130
INITIAL SPILL RESPONSE	• The Project Manager, or Sr. Environmental Coordinator shall be informed of the incident and the response team action initiated. Spill reported via 24 hour emergency spill line, above; • Use proper PPE • STOP the flow of diesel fuel if possible; • ELIMINATE open flame ignition sources; • CONTAIN flow of oil by dyking, barricading or blocking flow by any means available. Use earth-moving equipment if nearby;

	• If flow has reached flowing natural stream, mobilize team to deploy river boom, skimmer and absorbent booms. • A detailed spill report shall be submitted
HAZARDS	• Slightly toxic by ingestion, highly toxic if aspirated, drying of skin on contact; • Flammable, treat as combustible. • Contains BTEX, known human carcinogens.
ACTION FOR FIRE	• Use CO_2, dry chemical, foam or water spray (fog), although water may spread the fire; • Use fog streams to protect rescue team and trapped people; • Use water to cool surface of tanks; • Divert the diesel fuel to an open area and let it burn off under control; • If the fire is put out before all diesel fuel is consumed, beware of re-ignition; • Where diesel fuel is running downhill, try to contain it as quickly as possible; • Rubber tires are almost impossible to extinguish after involvement with a fire. Have vehicles with burning tires removed from the danger area.
RECOVERY	• Recovered soils from contaminated fuel can be soaked up by sand and peat moss or snow if available, by natural products such as Phase III Oil Sponge Remedial, or by synthetic absorbents such as 3M Brand, Graboil or Conwed; • If necessary, contaminated soil should be excavated; • Diesel fuel entering the ground can be recovered by digging sumps or trenches; • Diesel fuel on a water surface should be recovered by skimmers and absorbent booms.
DISPOSAL	• Incineration under controlled conditions; obtain prior approval. • Dispose of offsite at an approved facility.
PROPERTIES	• Chemical composition: mixture of hydrocarbons in the range C_9 to C_{18}; • Clear to yellow, bright oily liquid with hydrocarbon odour; • Mostly insoluble, floats on water.
ENVIRONMENTAL CONCERNS	• BTEX components toxic to fish and other aquatic organisms; • Harmful to waterfowl; • May create unsightly film on water.
CONTAINERS	• Storage tanks and day tanks.

Table 3 Detailed Response Plan for Jet A fuel and Gasoline

24 HOUR SPILL REPORT LINE	(867) 920-8130
INITIAL SPILL RESPONSE	• The Project Manager, or Sr. Environmental Coordinator shall be informed of the incident and the response team action initiated. Spill reported via 24 hour emergency spill line, above; • Use proper PPE • STOP the flow of fuel if possible; • ELIMINATE all possible sources of IGNITION, eg. extinguish cigarettes, shut off motors (from a remote location if surrounded by vapours); • EVACUATE personnel from danger area; • CAREFULLY CONSIDER the hazards and merits of trying to contain the spill. Contain only if safe to do so, and obvious benefit of containment is apparent (ie. contain if flowing towards a creek or water body). Only if every effort is made to contain gasoline, or other considered approaches not feasible, is evaporation a suitable course of management. Allowing gasoline to evaporate required prior approval from appropriate authorities. • If spilled in an enclosed area, VENTILATE vapours. • A detailed spill report shall be submitted

HAZARDS	• EXTREME FIRE HAZARD, highly flammable; • Forms explosive mixture with air; is heavier than air and can migrate considerable distances to sources of ignition and flashback; • Easily ignited by flame or spark; • Avoid contact with oxidizing materials (eg. Lead Nitrate, acids); • Moderately toxic by ingestion, highly toxic if aspirated. • Contains a small amount of Benzene which is a suspect human carcinogen.
ACTION FOR FIRE	• Use CO_2, dry chemical, foam or water spray (fog), although water may spread the fire; • Use jet streams to wash away burning gasoline; • Use fog streams to protect rescue team and trapped people; • Use water to cool surface of tanks; • Divert to an open area and let it burn off under control; • If the fire is put out before all fuel is consumed, beware of re-ignition; • Where fuel is running downhill, try to contain it at the bottom prior to reaching lakes or streams; • Rubber tires are almost impossible to extinguish after involvement with a fire. Have vehicles with burning tires removed from the danger area.
RECOVERY	• Unburned fuel can be soaked up by sand and peat moss and snow when available, or by synthetic absorbents such as 3M Brand, Graboil or Conwed; • If necessary, contaminated soil should be excavated; • Fuel entering the ground can be recovered by digging sumps or trenches.
DISPOSAL	• Evaporation; • Incineration under controlled conditions; obtain prior approval. • Dispose of offsite at an approved facility.
PROPERTIES	• Chemical composition: mixture of hydrocarbons; Gasoline C_4-C_{12}, Jet A C_9-C_{16} • Light green, clear, amber coloured liquids; • Volatile; • Not soluble, floats on water
ENVIRONMENTAL CONCERNS	• Moderately toxic to fish and other aquatic organisms; • May create unsightly film on water.
CONTAINERS	• Tank at MTF. Drum shipping and storage is in limited quantities.

Table 4 Detailed Response Plan for Lubricating and Hydraulic Oils

24 HOUR SPILL REPORT LINE	(867) 920-8130
INITIAL SPILL RESPONSE	• The Project Manager or Sr. Environmental Coordinator shall be informed of the incident and the response team action initiated. Spill reported via 24 hour emergency spill line, above; • Use proper PPE • STOP the flow of oil if possible; • ELIMINATE open flame ignition sources; • CONTAIN flow of oil by dyking, barricading or blocking flow by any means available. Use earth-moving equipment if nearby; • A detailed spill report shall be submitted
HAZARDS	• Low toxicity by ingestion, mildly irritating to eyes • Combustible, low fire hazard; • Avoid contact with oxidizing materials (eg. Lead Nitrate, acids).
ACTION FOR FIRE	• Use CO_2, dry chemical, foam or water spray (fog), although water may spread the fire; • Use fog streams to protect rescue team and trapped people;

	• Use water to cool surface fire exposed containers; • Divert the oil to an open area and let it burn off under control; • If the fire is put out before all oil is consumed, beware of re-ignition; • Rubber tires are almost impossible to extinguish after involvement with a fire. Have vehicles with • Burning tires removed from the danger area.
RECOVERY	• After containment, recover as much oil as possible by pumping into drums; • Residual oil may be burned in-situ, upon approval; • Remaining unburned oil can be soaked up by sand, peat moss and snow when available, or by synthetic absorbents such as 3M Brand, Graboil or Conwed; • If necessary, contaminated soil should be excavated; • Oil on a water surface should be recovered by skimmers and absorbent booms.
DISPOSAL	• Incineration under controlled conditions, prior approval required; • Ship to offsite to an approved facility
PROPERTIES	• Chemical composition: mixture of hydrocarbons and conventional industrial oil additives; C_{20}-C_{66} • Generally viscous liquids, light to dark amber colours; • Not soluble, floats on water.
ENVIRONMENTAL CONCERNS	• Moderately toxic to fish and other aquatic organisms; • Harmful to waterfowl; • May create unsightly film on water and shorelines.
CONTAINERS	• Transported and stored in steel drums or cubes (these are self-contained units with an 8 drum capacity)

Table 5 Response Plan for Ethylene Glycol Spill

24 HOUR SPILL REPORT LINE	(867) 920-8130
INITIAL SPILL RESPONSE	• The Project Manager or Sr. Environmental Coordinator shall be informed of the incident and the response team action initiated. Spill reported via 24 hour emergency spill line, above; • Use proper PPE • STOP the flow of Antifreeze at source if possible; • ELIMINATE open flame ignition sources; • CONTAIN flow of liquid by dyking, barricading or blocking flow by any means available; • PREVENT antifreeze from entering any flowing streams. • A detailed spill report shall be submitted
HAZARDS	• Inhalation of mist may cause irritation of nose, throat and headache; • Moderately toxic by ingestion, can be fatal; • Avoid contact with strong oxidizing agents • Flammable, decomposition products include carbon dioxide and/or carbon monoxide.
ACTION FOR FIRE	• Use alcohol type or all purpose foam for large fires; CO_2, dry chemical or water spray (fog) for small fires. Do not force solid streams into the burning liquid.
RECOVERY	• Ethylene glycol antifreeze can be soaked up by peat moss or snow when available, or by synthetic absorbents such as Hazorb; • Small spills may be washed with copious amounts of water for dilution; • Access to spilled or recovered ethylene glycol by mammals should be prevented.
DISPOSAL	• Only incinerate in a furnace under controlled conditions where approved by appropriate federal, provincial and local regulations; • Ship to offsite to an approved facility
PROPERTIES	• Chemical composition: 96% ethylene glycol ($C_2H_6O_2$) • 4% water and rust inhibitors • Clear, syrupy liquid normally contains a dye for identification in water sources; • 100% soluble in water; • Flammable.
ENVIRONMENTAL THREAT	• Low to moderate toxicity for fish and other aquatic organisms; • Attractive smell and taste to some mammals, and toxic by ingestion.
CONTAINERS	• Storage tanks.
SUPPLIER	• DOW Chemical of Canada Ltd., Van Waters & Rogers Ltd.

7. Sewage System

The sewage system is operated at the main camp and consists of a modular Rotating Biological Contactor with effluent discharge to the East Lake basin. The system is checked on a regular basis; however, should a failure occur all overflow/releases would report directly to East Lake basin. Problems with the collection system and piping would be more widespread as the camp area is quite level, with a few small depressions and appropriate grading for miscellaneous collection.

Release from East Lake occurs naturally and flows toward Ulu Lake. The majority of flow after spring melt is takes place among the boulders in the outflow channel and below surface. Tentative plans include the addition of a containment berm to provide an additional barrier prior to reaching Ulu Lake.

If a failure should occur along the heat traced two (2) inch pipeline between the camp and East Lake, a shutdown of the system would be required and repairs undertaken. Any effluent that collects in the mine sump, if mixed with mine water, would be analyzed and discharged to the environment 10 days after NWB approval. The AANDC Inspector would be notified.

Appropriate response team action would have repairs completed to the satisfaction of the supervisor in charge and effluent returning directly to East Lake.

Table 6 Response Plan for Sewage System Failure

24 HOUR SPILL REPORT LINE	(867) 920-8130
INITIAL SPILL RESPONSE	• Notify the Project Manager or Sr. Environmental Coordinator immediately via radio, phone or in person and initiate the response team; • Spill reported via the 24 hour emergency spill line, above; • If necessary, direct the initiation of shut down procedures for the pumping system in order to STOP the flow of sewage through to the environment (East Lake). If the failure is piping related, the sewage discharge will be shut down. Provisions, if in place may provide an alternative/temporary disposal to the mine portal sump for storage; • A detailed spill report shall be submitted.
HAZARDS	• The sewage stream from the site contains grey water from all sources (drys, all accommodation and shower facilities, kitchen and all washroom facilities on site). • There are no chemicals used in the process; • Due to the nature of the source, health risks are associated with bacterial infections and disease that may be transmitted through exposure.
ACTION FOR FIRE	• Non-flammable
RECOVERY	• Ground contamination; any sewage material that has escaped from the containment areas onto surrounding tundra shall be removed, where possible and disposed of within the designated area for burial of sewage sludge; • If required, esker material and/or crushed wasted rock shall be used to fill any depressions left after excavation of the spill material. • Solutions, where contained shall be pumped back into the sewage treatment system or sampled and released if suitable; • Water contamination; these areas are difficult to mitigate as movement of contaminated material (and water) may continue long after the initial incident; • Local authorities should be contacted regarding advice for cleanup or additional

	work to be carried out. AANDC Water Resources, Env. Can., Dept. of Fisheries and Oceans.
DISPOSAL	• Contaminated materials are to be stored until disposal within the designated sewage sludge disposal area.
PROPERTIES	• The exploration site sewage system contains a mixture of camp waters including camp drys, accommodation washroom facilities and kitchen. • Water accounts for greater than 90% of the component which is used during day to day activities; • The remainder is organic solids which are treated within the package facility.
ENVIRONMENTAL CONCERNS	• Solution only mildly toxic to fish and other aquatic organisms due to the low dissolved oxygen that may occur due to biological loading; • Effluents could contain minor amounts of nutrients (nitrogen and phosphate components) that may promote plant growth in downstream water bodies.
CONTAINERS	• N/A
SUPPLIER	• N/A

8. References

Elgin Mining Inc., *Spill Contingency Plan, Ulu Operations, Ulu Exploration Project, Nunavut Canada*, August 2011.

Letter from P. Smith, Environment Canada, to P. Beaulieu, NWB, Re: *2BM-ULU0914 Spill Contingency Plan E,1*, dated September 23, 2011.

Letter and Technical Review Memorandum from I.Parsons, Aboriginal Affairs and Northern Development Canada, to P. Beaulieu, NWB, Re: *2BM-ULU0914 – Spill Contingency Plan - Ulu Mine Site – Elgin Mining Ltd.*, dated September 30, 2011

Nunavut Water Board, *Water Licence No. 2BM-ULU0914*, Date of Issuance: October 8, 2009.

Spill Contingency Planning and Reporting Regulations, N.W.T. Reg. (Nu.) 068-93. Source: http://www.canlii.org/en/nu/laws/regu/nwt-reg-nu-068-93/latest/nwt-reg-nu-068-93.html

TBT Engineering and Consulting Group , *2011 Annual Geotechnical Inspection Various Earth Structures Ulu, Nunavut*, dated November 24, 2011.

Water Resources Division, Indian and Northern Affairs Canada, Yellowknife, *Guidelines for Spill Contingency Planning*, 2007. Source: http://www.ainc-inac.gc.ca/ai/scr/nt/ntr/pubs/SCP-eng.asp

Appendices

Appendix A. Reportable Spill Quantities

TDG Class	Substance for NU 24 Hour Spill Line	Immediately Reportable Quantities
1 2.3 2.4 6.2 7 None	Explosives Compressed gas (toxic) Compressed gas (corrosive) Infectious substances Radioactive Unknown substance	Any amount
2.1 2.2	Compressed gas (flammable) Compressed gas (non-corrosive, non-flammable)	Any amount of gas from containers with a capacity greater than 100 L
3.1 3.2 3.3	Flammable liquids	> 100 L
4.1 4.2 4.3	Flammable solids Spontaneously combustible solids Water reactant	> 25 kg
5.1 9.1	Oxidizing substances Miscellaneous products or substances excluding PCB mixtures	> 50 L or 50 kg
5.2 9.2	Organic peroxides Environmentally hazardous	> 1 L or 1 kg
6.1 8 9.3	Poisonous substances Corrosive substances Dangerous wastes	> 5 L or 5 kg
9.1	PCB mixtures of 5 or more ppm	> 0.5 L or 0.5 kg
None	Other contaminants (e.g. crude oil, drilling fluid, produced water, waste or spent chemicals, used or waste oil, vehicle fluids, waste water, etc.)	> 100 L or 100 kg
None	Sour natural gas (i.e. contains H2S) Sweet natural gas	Uncontrolled release or sustained flow of 10 minutes or more

In addition, all releases of harmful substances, regardless of quantity, are to be reported to the NU spill line if the release is near or into a water body, is near or into a designated sensitive environment or sensitive wildlife habitat, poses imminent threat to human health or safety, poses imminent threat to a listed species at risk or its critical habitat, or is uncontrollable.

Appendix B. Spill Reporting Form

Appendix C. Material Safety Data Sheets

The following Material Safety Data Sheets (MSDS) are provided herein:

- Diesel Fuel
- Jet A Fuel
- Gasoline
- Lubricating and Hydraulic oils (Ralube 40 CF, Duron)
- Ethylene Glycol (Antifreeze)