

NWB File: 2BM-ULU0914

CIDMS #: 478296

Water Resources Division Nunavut Regional Office Iqaluit, NU X0A 0H0

Sept 30, 2011

Re: 2BM-ULU0914 – Care and Maintenance Plan (C&M)- Ulu Mine Site – Elgin Mining Ltd.

Please be advised that the Water Resources Division of Aboriginal Affairs and Northern Development Canada (AANDC) have completed a review of the C&M plan for 2BM-ULU0914 from Elgin Mining Ltd. The Nunavut Water Board (NWB) circulated the C&M plan for comments on Aug 30, 2011. All documents related to the application posted on the NWB ftp site under 2BM-ULU0914 were included in my review (See attached Technical Review Memo).

Should you have any questions or comments, please do not hesitate to contact me at (867) 975-4282 or by email at lan.Parsons@aandc-aadnc.gc.ca.

Sincerely,

Original signed by

lan Parsons Regional Coordinator



Technical Review Memorandum

To: Phyllis Beaulieu - Manager of Licensing, Nunavut Water Board

From: Ian Parsons – Regional Coordinator, Aboriginal Affairs & Northern Development Canada.

Re: 2BM-ULU0914 - Care and Maintenance Plan (C&M)- Ulu Mine Site - Elgin Mining Ltd.

Background

The Ulu Project is situated in Kitikmeot Region of Nunavut approximately 250 km southeast of Kuglugtuk.

On May 6, 2011 a purchase agreement between MMG and Elgin Mining Incorporated, declared that Bonito Capital Corporation, being a party to the purchase agreement, will acquire all of MMG's interest in the Ulu Mine Property.

Recommendations/Comments

AANDC are generally satisfied with the submitted C&M plan Although lacking in detail, this plan provides an overview of the Ulu Project's current C&M status and references applicable plans associated with the project's water licence.

AANDC recommends that the proponent submit additional plans (i.e., conduct monitoring plans, maintain industrial waste landfill and prevent the release and maintain secondary containment of petroleum products) giving further detail if and when operations transition from a C&M phase to an operational phase.

Cc. David Abernethy, A/Manager of Water Resources – Aboriginal Affairs and Northern Development Canada, Nunavut Regional Office Andrew Keim, A/Manager - Field Operations – Aboriginal Affairs and Northern Development Canada, Nunavut Regional Office

