

Executive Summary English

This Interim Closure and Reclamation 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.

No exploration activity is planned for 2013.

The objectives of closure and reclamation activities are as follows:

- ☐ Ensure that there is no danger to public health or safety;
- ☐ Ensure that the requirement for long term maintenance and monitoring associated with all of the mine facilities is minimized;
- ☐ Ensure that contaminant loadings to the environment from the closed facilities which may be related to continued leaching of contaminants from waste rock areas (ore stockpiles), development of acid rock drainage and abandoned areas of chemical/materials storage are minimized or prevented;
- ☐ Ensure that the cumulative degradation of abandoned areas affected by the mining activities are prevented and to enhance the natural recovery, where appropriate, of disturbed lands, and;
- ☐ Ensure that the affected areas will be returned to a condition that is compatible with the surrounding, original undisturbed area with respect to its future potential/productivity uses.

Planned (short term) shutdown, long term shutdown, and final abandonment scenarios are presented in this Plan. General abandonment and restoration activities considered in this Plan include: progressive reclamation; lock-up or removal of buildings and contents; disconnection or removal of the freshwater intake system and sewage disposal facilities; monitoring and maintenance, or removal of earthworks and ground re-contouring and re-vegetation; lock-up or removal and clean-up of fuel storage facilities; lock-up or removal of explosives magazine; inspection and re-contouring of quarries and borrow pits; sealing underground mine entrances and covering mine ventilation raises; and waste rock management.

Post closure monitoring of the Ulu site will take place in a number of areas, mainly dealing with water quality and soil contamination. The components of concern are the fuel storage areas, the maintenance areas, the ore and waste rock storage pads, and the esker used for construction materials.