

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

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1 May 2012

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

Dear Ms. Beaulieu

**RE: Monthly Monitoring Program Summary Report for September 2011  
Ulu Gold Project, Nunavut, Licence Number 2BM-ULU0914**

Bonito Capital Corporation personnel accessed the site along with a third party consultant, on September 22 to conduct the annual geotechnical assessment. In addition to conducting the assessment, grab samples were collected from seeps at ULU-7 (runoff from the waste rock storage area) and ULU-8 (runoff from the ore storage area) for monitoring purposes only; sampling was not associated with any discharge. An estimated 1 L/min seepage flow was observed at one location at the toe of the waste rock storage pad. Approximately 15 m from the toe of the ore pad, an area of seepage was observed, with flow estimated to be 1 L/min.

Otherwise, the Ulu Gold Project remains inactive; therefore there are no other activities to report for the month of August 2011, under Part J Sec. 10 of Licence Number 2BM-ULU0914.

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

Sincerely,  
**Bonito Capital Corp.**



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Sharleen Hamm  
Manager, Environment and Community Affairs