

Suite 507-700 W. Pender Street, Vancouver, BC V6C 1G8 CANADA

Tel: +1.778.379.1433

30 July 2021

Richard Dwyer Manager of Licencing Nunavut Water Board PO Box 119 Gjoa Haven, NU XOB 1J0

Dear Mr. Dwyer,

Re. 2BM-ULU2030 Part J Item 14 - Monthly Monitoring Program, June 2021

Further to Part J Item 14 of 2BM-ULU2030, Blue Star Gold Corp. (Blue Star) is pleased to provide the following in fulfillment of monthly monitoring requirements during periods of site activity. Activities commenced at the Ulu site on June 8 and included camp operations and upgrades, compliance monitoring, waste management and progressive reclamation. Results for monitoring stations listed in Table 1 are provided in tables 2 and 3.

Table 1. Applicable monitoring stations, June 2021 (active site)

Station ID	Station Description	Comment			
ULU-1	Water Intake at West Lake	See Table 2			
ULU-2	Sewage effluent discharge point	Inactive, facility decommissioned			
ULU-3	Sewage treatment facility sludge	Inactive, facility decommissioned			
ULU-4	Minewater pumped from underground	Not discharging			
	Mine Sump				
ULU-4b	Surface retention pond	Pond not constructed			
ULU-5	Settling/Neutralization Pond 1	Pond not constructed			
ULU-6	Settling/Neutralization Pond 1	Pond not constructed			
ULU-7	Runoff from the waste rock storage area	No flow observed			
ULU-8	Runoff from the ore storage area	No flow observed			
ULU-9	Outflow East Lake	See Table 3			
ULU-10	Inflow Ulu Lake from East Lake	Inactive, facility decommissioned			
ULU-11	Outflow Ulu Lake	See Table 3			
ULU-12	Domestic water intake for new camp	New camp not constructed			
ULU-13	Soil treatment facility water holding pond	Facility not yet constructed			
ULU-14	Bulk fuel storage facility	Installed and filled on June 14. No discharge in June			
ULU-15	Landfill facility	Landfill preparations underway, no waste placed in landfill			
		in June. Run-off report here is considered to reflect			
		baseline conditions.			
		See Table 3			
MW-1, -2, -3	Monitoring wells at soil treatment facility.	Facility not constructed, wells not installed			

Table 2. ULU-1 Daily volume, June 2021 (domestic water use).

Date	Volume (m³)				
1	-				
2	-				
3 4	-				
4	-				
5	-				
5 6	-				
7	- 7				
8	7				
9	0				
10	0				
11	0				
12	0				
13	15				
14	0				
15	0				
16	0				
17	0				
18	23				
19	0				
20	0				
21	0				
22	0				
23	0				
24	5 6				
25					
26	0				
27	0				
28	0				
29	0				
30	10				

MONTHLY MONITORING REPORT: JUNE 2021

Table 2. Results for ULU-7, ULU-8, ULU-9, ULU-11, ULU-15 and ULU-15, June 2021.

	Units	ULU-7	ULU-8	ULU-9	ULU-11	ULU-14	ULU-15
Date		=	-	22-Jun	21-Jun	-	23-Jun
Flow	L/sec	-	-	-	-	-	0.28
	Field	-	-	7.3	6.8	-	7.3
pН	Lab	-	-	6.35	6.36	-	7.41
Conductivity	uS/cm	-	-	-	-	-	280
Total Suspended Solids	mg/L	-	-	<1.0	1.4	-	4.7
Alkalinity (PP as CaCO3)	mg/L	-	-	-	-	-	<1.0
Alkalinity (Total as CaCO3)	mg/L	-	-	-	-	-	51
Dissolved Chloride (Cl)	mg/L	-	-	-	-	-	8.9
Dissolved Sulphate (SO4)	mg/L	-	-	-	-	-	74
Fecal Coliforms	MPN/100mL	-	-	<1.0	<1.0	-	-
Total Ammonia (N)	mg/L	-	-	-	-	-	0.016
Dissolved Nitrite (N)	mg/L	-	-	-	-	-	<0.010
Dissolved Nitrate (N)	mg/L	-	-	-	-	-	0.27
Turbidity	NTU	-	-	-	-	-	2.9
Total Mercury (Hg)	ug/L	-	-	<0.0019	<0.0019	-	<0.0019
Total Arsenic (As)	ug/L	-	-	0.190	0.074	-	0.593
Total Cadmium (Cd)	ug/L	=	-	0.0153	0.0101	-	0.218
Total Copper (Cu)	ug/L	-	-	1.71	2.40	-	4.08
Total Lead (Pb)	ug/L	-	-	0.0191	0.0232	-	0.0674
Total Nickel (Ni)	ug/L	=	-	1.36	2.37	-	1.64
Total Zinc (Zn)	ug/L	=	-	2.25	5.00	-	132
F2 (C10-C16 Hydrocarbons)	mg/L	=	-	-	=	-	<0.10
F3 (C16-C34 Hydrocarbons)	mg/L	•	=	-	=	-	<0.10
F4 (C34-C50 Hydrocarbons)	mg/L	=	-	-	=	-	<0.20
Benzene	ug/L	=	-	-	-	-	<0.40
Toluene	ug/L	-	-	-	-	-	<0.40
Ethylbenzene	ug/L	-	-	-	-	-	<0.40
m & p-Xylene	ug/L	=	-	-	-	-	<0.80
o-Xylene	ug/L	-	-	-	-	-	<0.40
Xylenes (Total)	ug/L	-	-	-	-	-	<0.89
F1 (C6-C10) - BTEX	ug/L	=	-	-	-	-	<100
F1 (C6-C10)	ug/L	-	-	-	-	-	<100

Should you have any questions about this report, don't hesitate to reach out.

Regards,

Sharleen Hamm, R.P.Bio

Advisor Blue Star Gold Corp. Sharleen.hamm@bluestargold.ca 778.379.1433

- cc. W. Kuliktana, Kitikmeot Inuit Association
 - B. Pedersen, Crown-Indigenous Relations and Northern Affairs Canada
 - S. Kuflevskiy, Nunavut Water Board
 - D. Lindsay, Blue Star Gold Corp.
 - L. West, Blue Star Gold Corp.