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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, July 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 ongoing at Ulu throughout July included camp operations, compliance monitoring, waste management, progressive reclamation including landfilling, and exploration including diamond drilling. Results for monitoring stations listed in Table 1 are provided in tables 2 and 3.

Table 1. Applicable monitoring stations, July 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	No flow observed	
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	No discharge in July	
ULU-15	Landfill facility	Landfilling underway, no run-off observed.	
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 and drilling water use).

Date	Volume (m³)							
	Domestic	Drilling	Core cutting	Total				
1	1.85			1.85				
2	1.40			1.40				
3	2.24			2.24				
4	2.10			2.10				
5	2.49			2.49				
6	2.76			2.76				
7	1.97			1.97				
8	4.07			4.07				
9	2.03			2.03				
10	2.88			2.88				
11	0.81			0.81				
12	2.58			2.58				
13	2.71			2.71				
14	1.33			1.33				
15	3.01			3.01				
16	1.53			1.53				
17	3.34			3.34				
18	2.14			2.14				
19	3.39			3.39				
20	2.33			2.33				
21	2.21	45.4		47.6				
22	2.69	45.4	0.83	48.9				
23	2.08	45.4		47.5				
24	3.23		0.83	4.06				
25	2.21		0.83	3.04				
26	3.78			3.78				
27	1.81		0.83	2.64				
28	4.47			4.47				
29	5.59		0.83	6.42				
30	3.93		0.83	4.76				
31	2.85			2.85				

Table 3. Results for ULU-7, ULU-8, ULU-9, ULU-11, ULU-15 and ULU-15, July 2021.

	Units	ULU-7	ULU-8	ULU-9	ULU-11	ULU-14	ULU-15
Date		29-Jul	29-Jul	26-Jul	26-Jul	-	-
Flow	L/sec	-	-	-	-	-	-
	Field	-	-	-	7.22	-	-
рН	Lab	-	-	-	7.44	-	-
Conductivity	uS/cm	-	-	-	-	-	-
Total Suspended Solids	mg/L	-	-	-	1.5	-	-
Alkalinity (PP as CaCO3)	mg/L	-	-	-	-	-	-
Alkalinity (Total as CaCO3)	mg/L	-	-	-	-	-	-
Dissolved Chloride (Cl)	mg/L	-	-	-	-	-	-
Dissolved Sulphate (SO4)	mg/L	-	-	-	-	-	-
Fecal Coliforms	MPN/100mL	-	-	-	<1.0	-	-
Total Ammonia (N)	mg/L	-	-	-	-	-	-
Dissolved Nitrite (N)	mg/L	-	-	-	-	-	-
Dissolved Nitrate (N)	mg/L	-	-	-	-	-	-
Turbidity	NTU	-	-	=	-	-	-
Total Mercury (Hg)	ug/L	-	-	-	<0.0019	-	-
Total Arsenic (As)	ug/L	-	-	-	0.082	-	-
Total Cadmium (Cd)	ug/L	=	-	=	0.0115	-	-
Total Copper (Cu)	ug/L	-	-	-	2.26	-	-
Total Lead (Pb)	ug/L	-	-	-	0.0078	-	-
Total Nickel (Ni)	ug/L	=	-	=	1.58	-	-
Total Zinc (Zn)	ug/L	-	-	=	0.98	-	-
F2 (C10-C16 Hydrocarbons)	mg/L	=	-	=	=	-	-
F3 (C16-C34 Hydrocarbons)	mg/L	=	•	=	=	-	-
F4 (C34-C50 Hydrocarbons)	mg/L	=	•	=	=	-	-
Benzene	ug/L	-	Ī	-	-	-	-
Toluene	ug/L	=	-	-	-	-	-
Ethylbenzene	ug/L	-	-	-	-	-	-
m & p-Xylene	ug/L	=	-	=	-	-	-
o-Xylene	ug/L	=	-	-	-	-	-
Xylenes (Total)	ug/L	=	-	-	-	-	-
F1 (C6-C10) - BTEX	ug/L	=	-	=	-	-	-
F1 (C6-C10)	ug/L	=	-	-	-	-	-

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

Regards,

Sharleen Hamm, R.P.Bio.

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- 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.