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30 September 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, August 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 August included camp operations, compliance monitoring, waste management, progressive reclamation and exploration including diamond drilling. Landfilling continued throughout most of August, with interim cover placement beginning in late August. Reclamation research into metal leaching and acid rock drainage was ongoing including seep sampling and repairs to two areas of existing infrastructure (roads) that were constructed and/or repaired by previous owners using acid-generating material. Land and water inspections were also undertaken by the Kitikmeot Inuit Association and Crown-Indigenous Relations and Northern Affairs Canada.

Results for monitoring stations listed in Table 1 are provided in tables 2 and 3.

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 604.996.1110

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.

Table1. Applicable monitoring stations, August 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	Discharged in August without notification,		
		therefore reported as a spill # 2021-366		
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, August 2021 (domestic and exploration water use).

Date	Volume (m³)						
	Domestic &	Deilling	Total				
	Core cutting	Drilling	Total				
1	3.24		3.24				
2	2.42		2.42				
3	4.66		4.66				
4	2.16		2.16				
5	4.09		4.09				
6	2.78	9.39	12.17				
7	4.03	46.67	50.70				
8	2.61	46.67	49.28				
9	3.00	35.57	38.57				
10	2.56	37.12	39.68				
11	3.80	46.44	50.24				
12	2.32	31.25	33.57				
13	3.30	3.25	6.55				
14	2.80	39.06	41.86				
15	4.03	53.38	57.41				
16	3.09	3.35	6.44				
17	4.84		4.84				
18	3.01		3.01				
19	3.45		3.45				
20	2.93		2.93				
21	4.17		4.17				
22	1.50		1.50				
23	3.84		3.84				
24	3.06		3.06				
25	3.78		3.78				
26	2.95		2.95				
27	4.52		4.52				
28	2.59		2.59				
29	4.85		4.85				
30	3.07	3.25	6.32				
31	4.60	53.26	57.86				

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

	Units	ULU-7	ULU-8	ULU-9	ULU-11	ULU-14	ULU-15
Date		18-Aug	18 -Aug	23-Aug	23-Aug	-	-
Flow	L/sec	-	-	-	-	-	-
рН	Field	-	-	-	7.3	-	-
	Lab	-	-	-	5.97	-	-
Conductivity	uS/cm	-	-	-	-	-	-
Total Suspended Solids	mg/L	-	-	-	<1.0	-	-
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	-	-	-	0.051	-	-
Total Cadmium (Cd)	ug/L	-	=	-	0.0129	-	-
Total Copper (Cu)	ug/L	=	=	-	1.97	=	-
Total Lead (Pb)	ug/L	=	=	-	0.0065	=	-
Total Nickel (Ni)	ug/L	-	=	-	1.45	-	-
Total Zinc (Zn)	ug/L	=	=	-	1.80	=	-
F2 (C10-C16 Hydrocarbons)	mg/L	=	=	-	=	=	-
F3 (C16-C34 Hydrocarbons)	mg/L	-	-	-	-	-	-
F4 (C34-C50 Hydrocarbons)	mg/L	-	-	-	-	-	-
Benzene	ug/L	-	-	-	-	-	-
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	-	-	-	=	-	-