



KAHUNA DIAMOND PROJECT

2016 ANNUAL LAND USE REPORT

KIA LAND USE LICENCE # KVL115B02 , AND

INAC LAND USE PERMIT # N2015C0019

Company Name:	Dunnedin Ventures Inc
Land Use Permits:	KVL115B02 and N2015C0019
Dates Field Work Performed:	August 25, 2016 to September 6, 2016
Location of Claims:	Kivalliq Region, Nunavut Territory, NTS 550/02, 03
Latitude/Longitude:	63° 7' 41" N / 91° 12' 30" W

September 2016

Chad Ulansky P.Geo.

LAND USE ANNUAL REPORT
PERMIT NUMBERS N2015C0019 AND KVL115B02
DUNNEDIN VENTURES INC.

TABLE OF CONTENTS

Introduction.....	1
Location of Land Use Area.....	1
Summary of 2016 Field Activities.....	1
Till Sampling.....	1
Land Use Considerations.....	10

LIST OF FIGURES

Figure 1 General Location Map.....	3
Figure 2 Kahuna Claim Group.....	4
Figure 3 2016 Till Sample Sites.....	6
Figure 4 2016 Wildlife Sightings.....	8
Figure 5 2016 Helicopter Tracks.....	9

APPENDICES

Appendix A Mineral Tenure

Appendix B 2016 Wildlife Sightings

Appendix C 2016 Community Consultation and 2016 Service Providers

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Introduction

The 2016 Exploration program was completed on both Crown and Inuit Owned Lands (IOL) surface only (Parcel CI-15) within National Topographic System (NTS) map sheet 55O/02 and 03 (Figure 1). The 2016 exploration field program was completed between August 25 and September 6, 2016. The field work consisted of a focused till sampling program. The work was completed under Indigenous and Northern Affairs Canada (INAC) Land Use Permit N2015C0019 for work completed on Crown Land and Kivalliq Inuit Association (KIA) Land Use License KVL115B02 for that portion of work completed on surface only Inuit Owned Lands. Both permits were issued to Dunnedin Ventures Inc.

Location of Land Use Area

The Kahuna Diamond project is located in the Kivalliq Region of Nunavut. The center of the property is located approximately 55 kilometers to the northeast of the community of Rankin Inlet and 35 kilometers to the southeast of the community of Chesterfield Inlet. The property consists of 29 mineral claims covering 33,810.8 ha of land.

The area covered by the 2016 exploration field program covered both IOL Surface Lands (CI-15) and Crown Land located on NTS map sheet 55O/02, 03. The Kahuna project is located between 63°00'N / 90°56'W and 63°14'N / 91°30'W (Figure 2). Field crews for the 2016 field program were stationed in Rankin Inlet for the duration of the program. Daily flights from Rankin Inlet to the property were provided by Custom Helicopters utilizing a Bell 206B Jet Ranger for morning drop offs and evening pickups. The 2016 field crew comprised six soil samplers supplied by Element 29 Ventures Ltd and Kelex Development Ltd and two wildlife monitors hired locally from Chesterfield Inlet. In addition an archeological survey was conducted from August 29th to 31st. A listing of local service companies utilized during the 2016 field program is provided under Appendix C.

Summary of 2016 Field Activities

Till Sampling

In 2016 a total of 1,111 till samples were collected on the property (Figure 3). The till samplers typically worked in close proximity to one another, with both the wildlife monitors and the helicopter close by in the event of a bear sighting. Daily till sample traverses and sample sites were pre-determined while final sample locations were selected in the field.

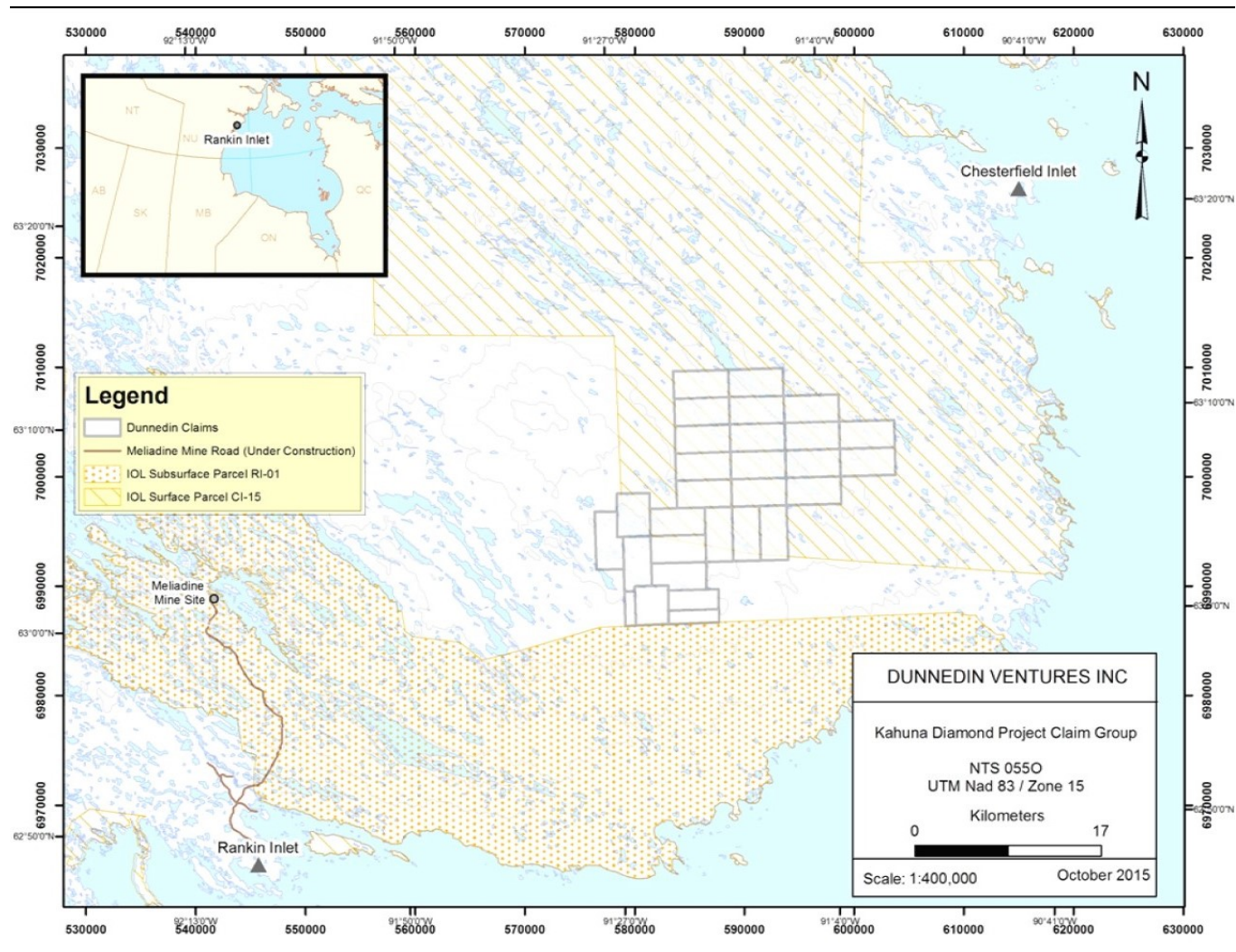


Figure 1. General Location Map

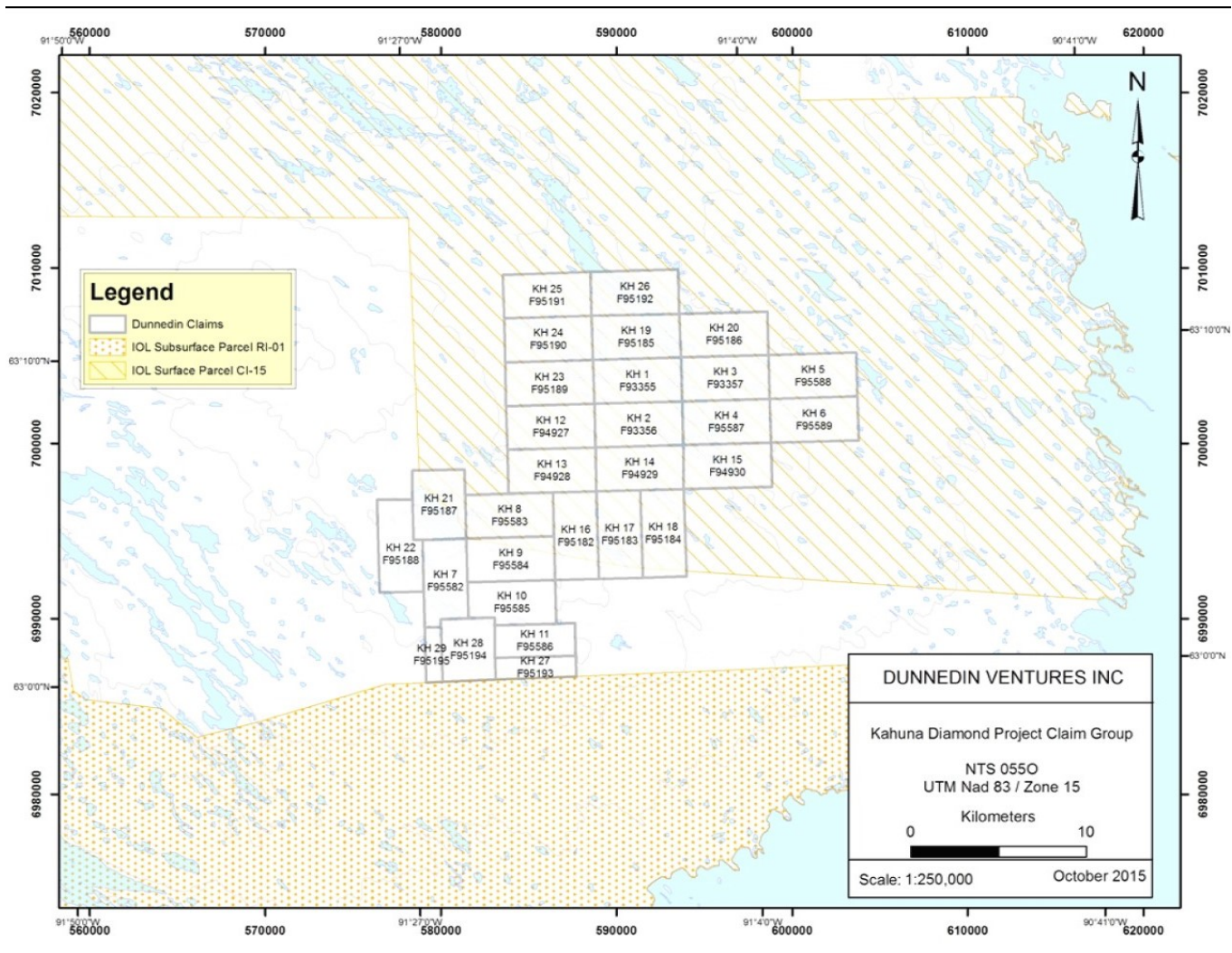


Figure 2. Kahuna Claim Group

Till samples were collected near surface from frost boils or in their absence, holes were dug into the glacial till by shovel to depths from 0.3m to 0.6m deep. The collected material typically consists of a sandy to gravelly component within a silty to sandy clay rich matrix. This material was placed on a screen and was wet screened at the sample site utilizing a 6 mesh sieve in the field. The undersized material (<3.36mm) passing through the screen was retained. The sieved material was placed in an 12 X 20 inch sized plastic sample bag. A unique sample tag number was placed in each sample bag and the number was transcribed to the plastic sample bag as well. The screened till samples weighed approximately 10kg apiece and were closed securely utilizing zip tie straps. At each sample site, sample descriptions were documented recording the samples UTM coordinate location, soil type and description, color, the quality of the sample and general comments of the sample site. Stock piled till samples in the field were collected by helicopter and were flown back to Rankin Inlet on empty back haul flights daily. Till samples were stored in a secure storage site in Rankin Inlet. In advance of shipping the samples were catalogued and packed into 1 ton mega bags in preparation for southbound transit via sea lift to Ste Catherines, Quebec, before being shipped by truck to Kelowna BC for processing at CF Minerals Research Ltd.

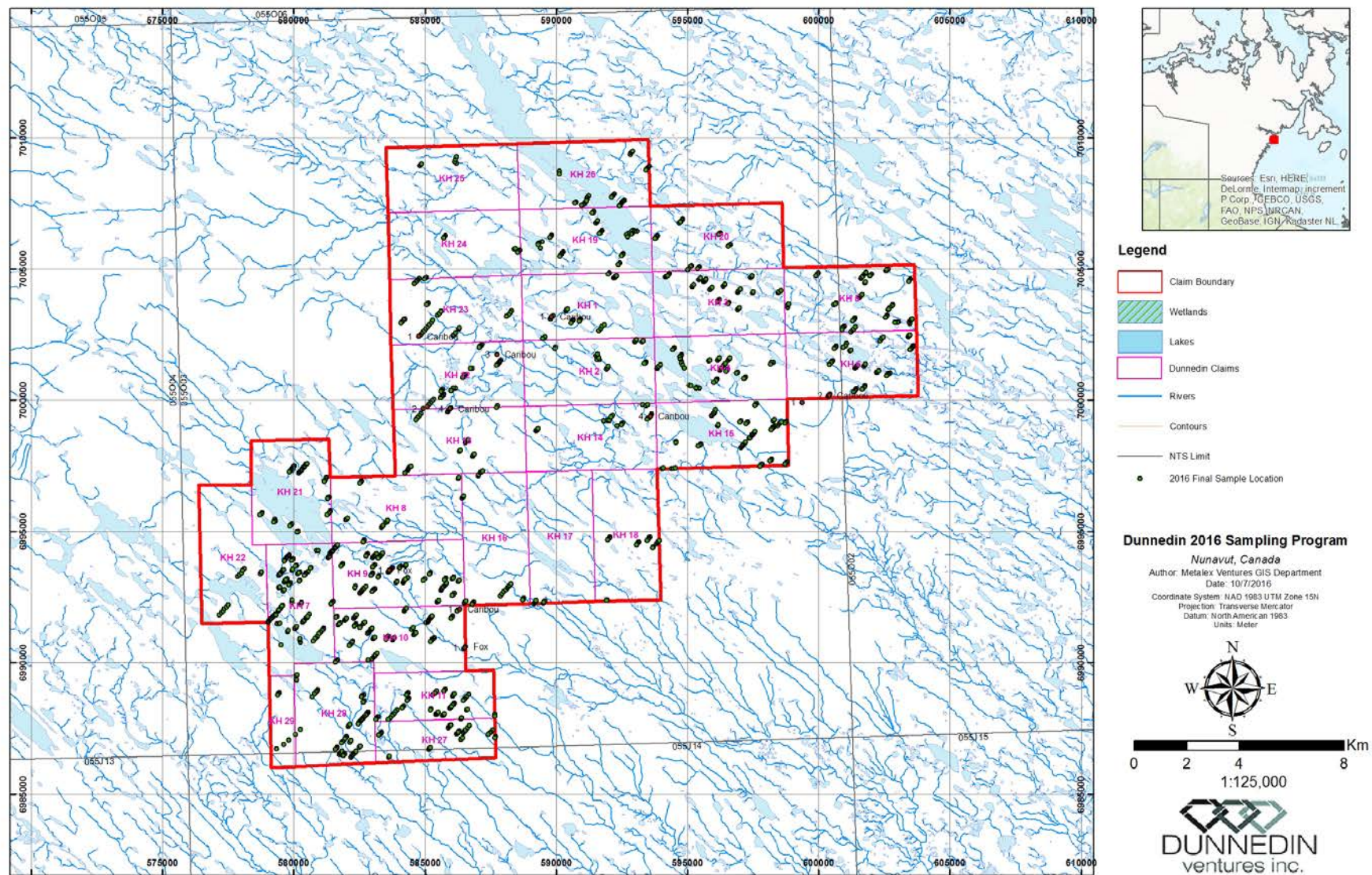


Figure 3. 2016 Till Sample Sites

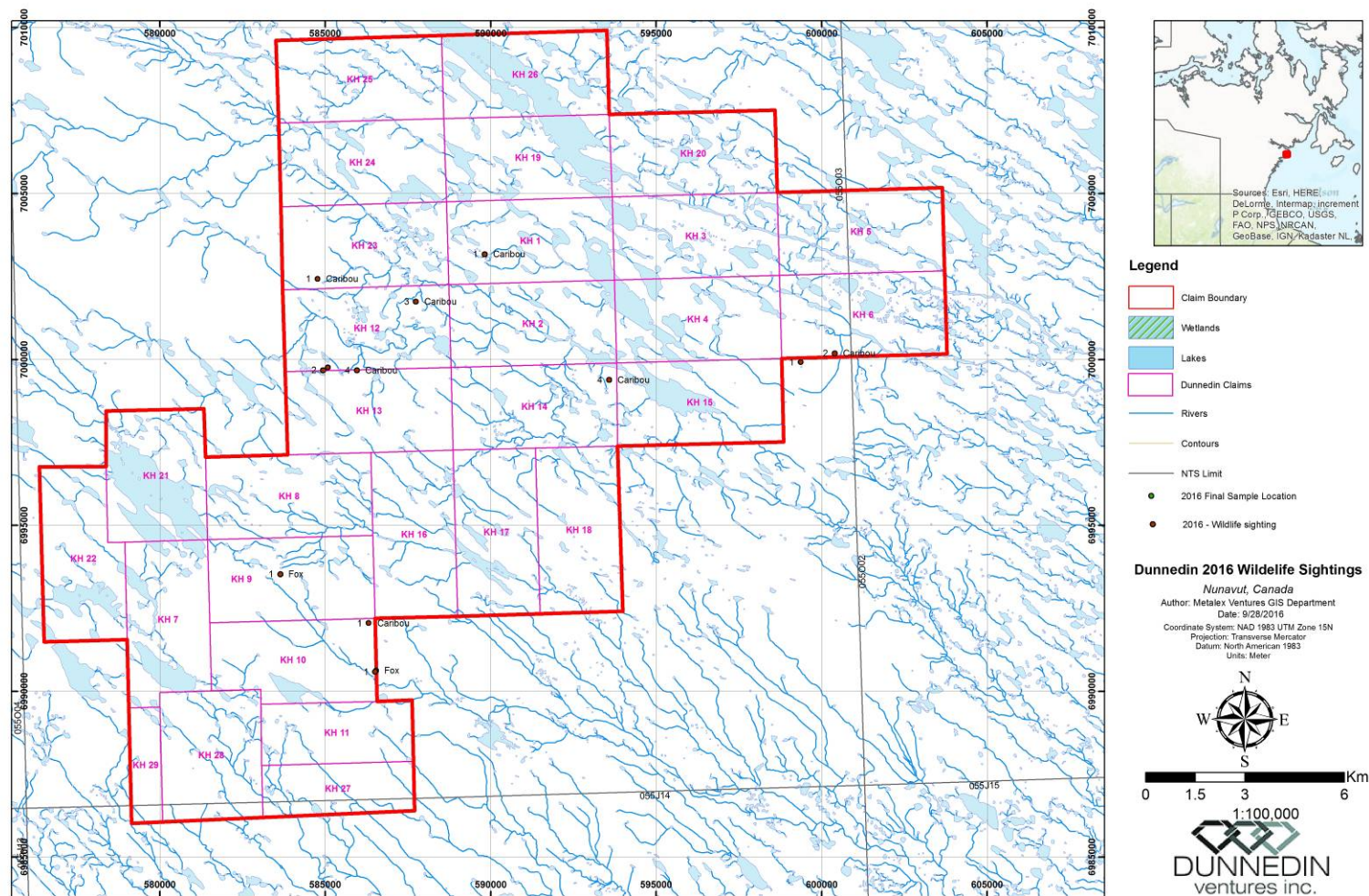


Figure 4. Wildlife Sightings

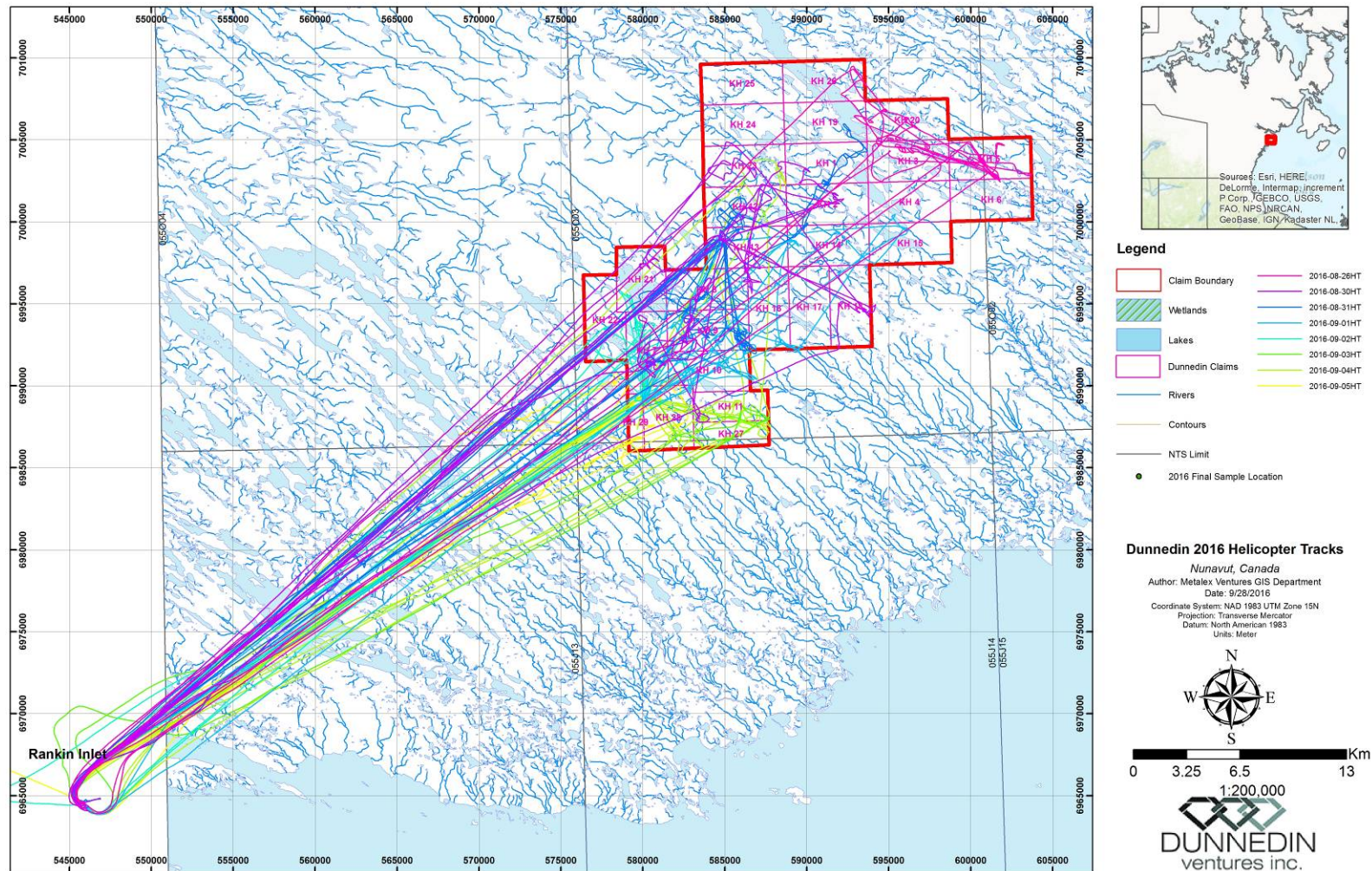


Figure 5. 2016 Helicopter Tracks

Land Use Considerations

Every effort was made during helicopter flights to ensure wildlife is not disturbed. Low level flights were kept to a minimum at all times, low level flight was only required when low ceilings prevented higher altitude flight paths. When wildlife is sighted, aircraft and crews avoided those areas. Wildlife sightings were recorded by the field crew personnel. Two Wildlife Monitors from Chesterfield Inlet were employed by Dunnedin Ventures to accompany the sampling field crews; the purpose of which were to monitor the wildlife sightings and for safety reasons regarding potential Polar Bear and/or Grizzly Bear encounters. A table of the wildlife sightings is attached in Appendix C, location sightings are illustrated in Figure 4. A list of helicopter flights is provided in Appendix B and helicopter tracks are illustrated Figure 5.

No temporary fuel caches were established in the field during the 2016 field program.

Till sampling consists of digging by hand shovel a hole up to 0.3m deep approximately 0.3 meters in diameter to access till underlying any surficial organics. The material is sieved on site to remove the oversized coarse fractions. Material passing through the screen is less than 3.36mm in size and is retained for analysis. The retained material is transferred to a plastic bag and sealed for shipment. These small till samples result in minimal surface damage.

Respectfully Submitted

Chad Ulansky
Dunnedin Ventures Inc

APPENDIX A

Mineral Tenure

2016 Claim Disposition - Kahuna Diamond Project

[illegible]

APPENDIX B

2016 Wildlife Sightings

2016 Wildlife Sightings

Species	Number	Age	Notes	Date	Time	UTM NAD 83, Zone 15	
						Easting	Northing
Caribou	2	Female adult	Grazing, on the move	Aug 28	8:10am	600388	7000185
Fox	1	Adult	Curious	Aug 28	9:22am	599370	6999919
Caribou	4	Adult	Grazing, on the move	Aug 29	2:48pm	593574	6999385
Caribou	1	Adult	Grazing	Aug 30	12:28pm	589814	7003174
Caribou	3	Adult and Young	On the move	Aug 30	7:31am	587734	7001742
Caribou	5	Adult	Grazing to SE	Aug 30	10:34am	584766	7002429
Fox	1	Adult	On the move	Aug 31	1:40pm	583639	6993530
Caribou	4	Adult	Grazing	Aug 31	8:09am	585951	6999675
Caribou	1	Adult	Grazing	Aug 31	2:11pm	585073	6999761
Caribou	2	Adult	Grazing	Aug 31	2:17pm	584933	6999678
Fox	1	Adult	On the move	Sept 1	7:59am	586536	6990625
Caribou	1	Adult	On the move to the east	Sept 1	8:25am	586507	6990589
Caribou	1	Adult	Grazing	Sept 1	1:11pm	586313	6992050

APPENDIX C
2016 COMMUNITY CONSULTATION
AND
2016 SERVICE PROVIDERS

2016 Community Consultation and Information Session

(see separate attachment for 2016 consultations)

2016 Inuit Owned Service and Supply Companies

Kissarvik Co-operative Ltd	Rankin Inlet, NU
Huka Services	Rankin Inlet, NU
Umingmak Supply	Rankin Inlet, NU
Nanuq Lodge	Rankin Inlet, NU
Sarliaq Holdings Ltd	Rankin Inlet, NU

2016 Northern Service and Supply Companies

Kivalliq Arctic Foods	Rankin Inlet, NU
Wild Wolf Hotel and Restaurant	Rankin Inlet, NU
Nunavut Sealink and Supply Inc	Iqaluit, NU

2016 Service & Supply Companies

Deakin Industries Ltd	Vancouver, BC
C.F. Labs	Kelowna, BC
Element 29 Ventures Ltd	Kelowna, BC
Calm Air	Winnipeg, MB
Air Canada	Vancouver, BC
Manitoulin Transport	Thompson, MB
Kelex Development Ltd.	Kelowna, BC
Custom Helicopters	Winnipeg, MB
Coast Mountain Geological Services Ltd	Vancouver, BC
