

YEARLY PROGRESS REPORT – 2017

HOOD RIVER (HoodRiver-001 MEA) PROJECT

(As of November 07, 2016 & Required by March 31, 2017.)

Submitted To:

NIRB: - File No.:14EN033

KIA: - File No.: KTL 314C010

(Currently pending - requires posting of KIA Performance Bond by the Company.)

NWB: - File No.: 2BE- HRP1419

ENVIRONMENT CANADA

GOVERNMENT OF NUNAVUT-DOE

Submitted On Behalf Of:

***WPC Resources Incorporated,
Inukshuk Exploration Incorporated,
Suite 1125, 595 Howe Street,
Vancouver, British Columbia.
CANADA V6C 2T5***

As required, the proponent, ***WPC Resources Incorporated (100% owner of Inukshuk Exploration Incorporated)*** is submitting this annual report the NWB which will subsequently circulate copies to all interested parties including: NIRB, INAC, KIA, EC and the GN-DOE by March 31, 2017. As requested by the NIRB Screening Report (File 14EN033), this 2017 report contains the following information:

- a. A detailed summary of activities undertaken for the year, including any progressive reclamation work undertaken, and to include site photos where relevant;**
 - No site work has been undertaken in the project area since the permits were issued on November 04, 2014. The initial program expected to have begun in 2016, subject to acquiring acquisition and financing of the Lupin and Ulu sites, was not initiated and has been delayed until 2017. No work was undertaken on the HOODRIVER-001 MEA during 2016. No site photos are available and no reclamation has been undertaken, nor at this point, is any required.
- b. A work plan for the following year;**
 - The work plan scheduled for the 2017 field season, subject to available financing, is currently planned to consist of grid establishment, geochemical surveys, geologic mapping, prospecting and sampling, ground geophysical (Mag, EM and locally, IP) and potentially airborne geophysical surveys. If results are encouraging, and time permits, a short program of diamond drilling may be initiated to test known mineralized areas. The proponent has arranged for the required archaeological surveys to be undertaken during 2017, prior to drilling.

- c. **An updated map which details the position of sensitive wildlife areas within the project areas (to include footprint of all claim blocks) such as denning sites, ungulate calving and post-calving areas, caribou crossing sites, and raptor nests within the project area, as well as an indication of the timing for use of these areas during critical life history events;**
- Although there has been no field work completed since a short evaluation visit to the property in September 2014, the proponent has been in contact with government biologists (M. Dumond, C. Mallory & L. LeClerk) who have supplied a map (attached to the 2014 Annual Report) of sensitive areas for caribou calving and post-calving activities. The restrictions identified on this map and all other avoidance requests/activities noted within the NRIB screening documents will be rigorously respected.
- d. **A log and record of wildlife observations which must include but is not limited to:**
- i Location (i.e. latitude and longitude**
 - ii Species**
 - iii Number of animals present**
 - iv Description of activity**
 - v Description of gender and age where possible.**
- A Field Log Sheet has been prepared and was submitted to the NIRB during the project screening process. All field personnel will carry this log and report all wildlife activities. It has not been utilized to date as the field program has yet to be initiated. The property was not visited during 2016.
- e. **Results from the Wildlife Mitigation and Monitoring Plan, including a description of potential impacts from the project, as well as an analysis of the effectiveness of mitigation measures for wildlife.**
- The wildlife Mitigation and Monitoring Plan has yet to be initiated.
- f. **The results from any environmental studies undertaken by or in coordination with the project, or any plans for future studies.**
- No environmental studies have been undertaken to date nor currently have any been planned/requested.
- g. **A summary of any community consultations undertaken and the results.**
- As the Hood Project is a grass roots, low impact exploration program, no community consultations have been undertaken nor are any planned before Spring 2017. WPC made brief, initial contact with personnel in Kugluktuk and Cambridge Bay during 2014 to begin the community consultation process prior to the company's acquisition of the Ulu and Lupin Properties (WPC news release November 01, 2016). The extended process to finalize these acquisitions coupled with the current poor market conditions have delayed our planned program schedule. Now that these acquisitions have completed, WPC will activate the KIA access permit (KTL 314C010) by placing the required bond and also begin to initiate plans to arrange to visit the affected communities to discuss plans after the company's first year exploration program has been completed on the properties.

h. A summary of site visits by inspectors with results and follow-up actions.

- Eva Paul, the Water Resources Officer, INAC reported visiting the Hood Property on or around July 09, 2016 for a site inspection. No concerns resulting from this site visit were reported to WPC Resources.

i. A summary of how the company has complied with NIRB conditions contained within the screening report.

- None of the recommended terms of the screening report have been met as the program has yet to be initiated. It should be noted that WPC just finalized the process of acquiring the Lupin and Ulu Properties from Mandalay Resources and as such (now that the transaction has completed) WPC is responsible for the 2BM-ULU1520 Ulu water licence.
- Prior to March 31, 2015, archaeologists (Points West Heritage Consulting Ltd.) were contacted and directed to submit the required documentation for the Archaeological survey initially planned for 2015. Due to the delay in WPC's acquisition of the Ulu and Lupin Properties, this request was forced to be cancelled twice as there has been no field program initiated. Points West has been requested to re-submit the required documentation for the Archaeological Permit prior to March 31, 2017 so the survey can be undertaken prior to WPC initiating any potential 2017 drill program.
- All modifications requested by INAC pertaining to addenda to the Spill Contingency Plan and Abandonment and Restoration Plans have been updated and were attached with the 2016 submission.
- As stated in last year's report, initially the use of only one drill rig is planned using an estimated 60m³ of water per day. If at some point in the future a second rig is warranted, it may be moved onsite which would increase the water consumption to an estimated volume of 120m³/day. Prior to a second drill being moved onsite, WPC will request an amendment to the current licence permitting it to draw 120m³ of water per day.

Respectfully submitted:



*Bruce Goad, P. Geo.,
Consultant to **Inukshuk Exploration Incorporated**,
(100% owned by **WPC Resources Incorporated**)*

WPC Resources Incorporated,
Suite 1125, 595 Howe Street,
Vancouver, British Columbia.
CANADA V6C 2T5
(InukshukGeological@shaw.ca)

Date Submitted: *November 07, 2016.*