

IN THE COURT OF QUEEN'S BENCH OF NEW BRUNSWICK

TRIAL DIVISION

JUDICIAL DISTRICT OF BATHURST

**IN THE MATTER OF THE COMPANIES'
CREDITORS ARRANGEMENT ACT, R.S.C.
1985, c.C-36, AS AMENDED,**

- and -

**IN THE MATTER OF THE APPLICATION
OF BLUE NOTE CARIBOU MINES INC., a
body corporate,**

AFFIDAVIT

I, Samuel K. McEwan, of the Village of New Maryland, in the County of York and Province of New Brunswick, MAKE OATH AND SAY AS FOLLOWS:

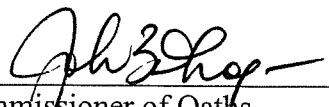
1. I am the Director, Minerals and Petroleum Development with the Department of Natural Resources ("DNR") of the Province of New Brunswick and have personal knowledge of the matters deposed to herein.
2. DNR entered into a Confirmation of Limited Environmental Liability Agreement (the "Confirmation Agreement") with Blue Note Mining Inc. ("BNMI") and Blue Note Caribou Mines Inc. dated 13 June 2007 a copy of which is attached hereto as Exhibit "A".
3. This Confirmation Agreement incorporated various previous agreements between DNR and previous operators of the Caribou Mine as is more particularly set forth therein. The effect *inter alia* of these various agreements was to have BNMI post security with the Minister of Natural Resources in an amount which as at December 2008 equaled \$6,811,000.00. This security was with respect to both the Caribou and Restigouche Mines.
4. I am advised by colleagues within the Department of the Environment ("DENV") that the amounts deposited by the Applicant, BNMI or previous operators with respect to the Caribou Mine operations is sufficient for purposes of reclamation, the purpose for which it was intended.

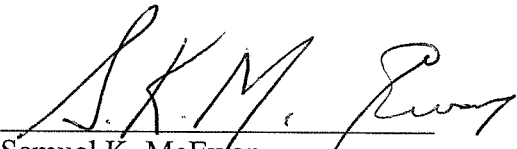
5. The amounts referred to in paragraphs 3 and 4 above are held by the two departments in accordance with the Confirmation Agreement (and the agreements incorporated therein), Reclamation Plans prepared by Jacques Whitford dated 6 September 2005 (Restigouche Deposit) attached as Exhibit "B" and 27 June 2006 (Caribou Mine) attached as Exhibit "C", as required by law and as a condition of environmental approvals issued by DENV after Environmental Impact Analyses in the mid 1990's.

6. The purpose of the funds being held by DNR and DENV are for reclamation of the respective mine sites at the completion of their productive life spans or at such time as the operators determine to cease operations and close the mines. The amounts are not available to fund a temporary shut down or for periodic care and maintenance purposes. Nor is it proper for the Applicant to seek access to their use during the CCAA stay period for care and maintenance purposes.

7. I have read the affidavit of Michael Judson as well as the First Report of the Monitor. I acknowledge the danger to public safety that an abandoned mine site presents. I further acknowledge the general references to environmental hazards. It is my understanding that there is an imminent threat to the Applicant's assets in the event that funding is not secured to continue the CCAA process including continued dewatering of the Caribou Mines. However, I am of the belief that the closure of the respective mine sites will present no immediate environmental danger and I believe that government departments will be able to respond appropriately well before any such public environmental hazard crystallizes.

8. Neither DNR nor DENV nor Business New Brunswick, officials of which I have consulted is able or willing to contribute to an extension of the CCAA stay period through the injection of DIP funding. DNR does not oppose the motion requesting an extension so long as sufficient sources of funding are identified. Lacking such funding it would be the intention of the Province to commence the reclamation process.

SWORN TO BEFORE ME at the)
City of Fredericton, County of York)
Province of New Brunswick this)
19th day of March, 2009)
)
)
)
A Commissioner of Oaths)
Being a Solicitor)


Samuel K. McEwan