September 5, 2002

Mr. Lee Webber, Legal Counsel Justice Canada – N.W.T. Regional Office 3rd Floor, Joe Tobie Building 5020 – 48th Street P.O. Box 8 Yellowknife, N.W.T. X1A 2N1

BY FAX to 867-873-0625 and BY E-mail to lee.webber@justice.gc.ca

Dear Mr. Webber:

Re: Application for renewal of water licence for Nanisivik minesite (NWB1NAN9702)

In Justice Canada's second submissions on behalf of DIAND (dated August 23, 2002), point 80 states as follows:

"80. DIAND has been able to provide some information regarding the way in which security was actually dealt with under NIWA. Mr. Brian Gibson of DIAND administered deposits required by both the Northwest Territories Water Board and the Yukon Territory Water Board. He advises that, in his recollection, there was never any dispute as to who was to handle security. The boards set the amount and DIAND handled the rest. The deposits were always made payable to the Receiver General, and were always submitted to DIAND. The form, and its acceptability, were dealt with by DIAND. As far as Mr. Gibson recalls, neither the NWT board nor the Yukon board ever attempted to name a second payee. ..."

I hereby confirm that this passage is an accurate statement of the information in my possession, and of my recollection. I adopt this statement as my own.

I have been an employee of the Water Resources section at DIAND's headquarters office since 1973. In various capacities since that time I have been involved in policy and legal discussions on the application of the security provisions of the NIWA, and on the application of the security provisions of waters legislation which succeeded the NIWA. From 1985 to 1993, I handled

the administration of security deposits required by both the Yukon Territory Water Board and the NWT Water Board, pursuant to the NIWA. (When the Yukon and NWT Waters Acts came into force in 1993, responsibility for the administration of security deposits that were required to be posted under water licences issued by the NWT Water Board was transferred to the NWT Regional Office of DIAND, and I became responsible for overseeing the administration of security deposits that were required to be posted under water licences issued by the Yukon Territory Water Board. I have continued to hold this responsibility to the present day. The responsibility for administering security deposits under Nunavut water licences was originally with the NWT Regional Office, but subsequently was transferred to the Nunavut Regional Office of DIAND.)

Please feel free to forward this letter to the Nunavut Water Board, for use in the above-noted proceedings.

Yours truly,

original signed by Brian Gibson

Brian Gibson
Senior Advisor
Land and Water Management Division
Northern Environment and Renewable Resources