

April 12, 2011

Phyllis Beaulieu
Manager of Licensing
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU
X0B 1J0

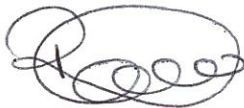
Dear Ms. Beaulieu;

Re: Water License No: 1AR-NAN0914, Nanisivik Mine
Annual Water Report and Annual Geotechnical Inspection

Please find enclosed copies of the *2010 Annual Water Quality Monitoring Report* and the *2010 Annual Geotechnical Inspection* report for Nanisivik Mine. These reports are submitted in fulfillment of requirements under License 1AR-NAN0914.

As always, should you have any questions or comments you can contact me directly by telephone at (416) 363-4798 ext. 271 or by email at bcarreau@breakwater.ca.

Best regards,



Robert Carreau

Vice President,

CANZINCO LTD.

