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**BREAKWATER RESOURCES LIMITED**

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*via Email*

June 16, 2003

Mr. Philippe di Pizzo  
Executive Director  
Nunavut Water Board  
P.O. Box 119  
Gjoa Haven, NU X0E-1J0

Dear Mr. di Pizzo:

**Re: *Final* response to comments on Phase II Environmental Site Assessment (ESA II) and Human Health and Ecological Risk Assessment (HHERA)**

As per the review schedule provided by the Nunavut Water Board ("NWB") in correspondence dated June 02, 2003, please accept this letter and the identified attachments, as CanZinco Ltd's "*final*" response to comments on the above captioned reports. The comments, which we are responding to, were contained in the following submissions:

- Acres International ("Acres"), Ramli Halim, June 6, 2003, with attachment: Dillon Consulting Ltd. ("Dillon"), Bryan Leece and Ulysses Klee, June 3, 2003, (consultants for the NWB).
- Government of Nunavut ("GN"), Susan Hardy, June 9, 2003.
- Indian and Northern Affairs Canada ("INAC"), Michelle McChristie, June 10, 2003.

In putting together this response, we have asked our consultants, Jacques Whitford Environmental Ltd. (JWEL) and Gartner Lee Limited (GLL) to review the above submissions and provide us directly with their technical comments. You will find these attached hereto and you may consider these as part of CanZinco's collaborative response. We believe you will find that we have considered all the comments brought forward and we are hopeful that we have adequately addressed these to the satisfaction of the Board.

There is however, one technical issue, which we would like to offer specific comment on, although it has been included by both GLL and JWEL in the attachments. This issue being the recurring comments on the validity and the consequence of using the 1985 geochemical soil survey as background data. Although I believe the issue is adequately addressed in the attachments, I wish to offer further support and emphasis to what has been stated.

The 1985 soil geochemistry was conducted under the direction of Mr. Ron Sutherland and Mr. Doug Dumka, both professional geologists during the exploration campaign at Nanisivik. Successful exploration at Nanisivik was largely responsible for extending the originally forecast 12 year mine life to more than 26 years. Soil geochemical sampling was critical in providing accurate targets for secondary exploration activities (including trenching and drilling) which are by nature, demanding on financial resources. It is essential therefore, that the data is accurate and reliable. And it is this accuracy and reliability which makes it suitable for inclusion in both the ESA and the HHERA. If the soil

geochemistry was broadly biased (by mining activity contamination) this would have led to unreliable secondary exploration targeting. Based on exploration success at Nanisivik, this was not the case.

I have contacted Mr. Dumka who has continued to work for Strathcona Mineral Services (the former operator of Nanisivik Mine until Breakwater bought the property in 1996) and he is in the process of compiling historic documentation to support the 1985 data. This documentation will be forwarded to the Board as it is received and will include the original surface plans with geochemical results from an area approximately 4 times the area included in the ESA (i.e. continued blanket sampling to a limit of 10 kilometres west and 6 kilometres east of the existing ESA boundaries). We expect that this additional information will provide further confirmation that the decision to include the data in our submissions was the correct one.

In closing, we would like to reiterate that we have considered all input brought forward as part of this review and we have attempted to address all reviewers' comments. As always, should you or any of the reviewers wish to discuss this or other matters relating to the Nanisivik closure, please feel free to contact me directly at 416-363-4798.

Yours sincerely,  
*Original signed by:*

Robert Carreau  
Corporate Manager, Environmental Affairs  
Breakwater Resources Ltd.

cc. Bill Heath, Vice-President CanZinco Ltd.