

December 5, 2016

Ms. Stephanie Autut
Executive Director,
Nunavut Water Board
P. O. Box 119
Gjoa Haven, Nunavut
X0B 1J0

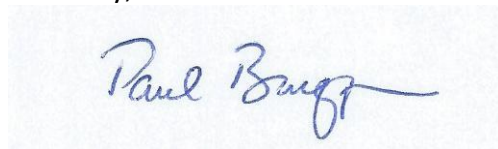
Dear Ms. Autut:

Pursuant to Part D, Article 8(d) and (e) of Water Licence 1BR-CUL1118, please find appended 2 paper copies of a report by **exp** Services Inc. entitled "2016 Tailings Dam Examination, Cullaton Lake Gold Mine". A third electronic copy has been e-mailed to you concurrent with this release.

Summarized, the consultant recommends continued annual visual surveillance of the Tailings Pond No. 1 spillway for erosion and Station 940-20 for artesian conditions. As in the past these will be addressed during the annual site visit.

Should you have any questions regarding this report or any other Cullaton Lake matter, please don't hesitate to contact the undersigned.

Sincerely,

A handwritten signature in blue ink, reading "Paul Brugger", is shown on a light blue background.

Paul Brugger
Site Manager, Cullaton Lake

Attachments: As Stated

Cc Walter Baumann: Closure Manager, Eastern Canada Sites
Ian Parsons, Water Resources Coordinator, Indian and Northern Affairs Canada