

March 30, 2006

Mr. Philippe di Pizzo
Executive Director,
Nunavut Water Board
P. O. Box 119
Gjoa Haven, Nunavut
X0B 1J0

Dear Mr. di Pizzo:

Re: NWB1CUL0207 Licence Amendment No. 1
Shear Lake Encapsulated Waste Rock Contingency Plan

Pursuant to Part F, Item 6 of NWB1CUL0207 Licence Amendment No.1, please find appended 2 paper copies of a Contingency Plan to address the possibility of the Shear Lake Encapsulated Waste Rock passive treatment system clogging and the remediation / mitigation of sediments contaminated with level in excess of CCME guidelines. A third electronic copy has been e-mailed to you concurrent with this release.

With respect to providing a Contingency Plan for the possibility of permafrost not re-aggrading into the waste rock, Barrick hereby respectfully requests that this requirement be deleted from the license, on the grounds that URS Norecol, Dames & Moore recommended providing an oxygen and water limiting barrier based on encapsulation with fine grained material. The presence of permafrost is discussed by URS as an "added benefit" and has not been incorporated into their design criteria.

If you have any questions or wish to discuss this matter further, please do not hesitate to contact me.

Sincerely,

[Original signed by]

Paul Brugger,
Site Manager, Cullaton Lake

Cc Bill Ferdinand, Director, Environment, Health and Safety, North America region

Cullaton Lake Gold Mines Ltd.

Shear Lake Encapsulated Waste Rock Seepage Treatment Contingency Plan

The Shear Lake Encapsulated Waste Rock was constructed in 2001 to contain approximately 1,000m³ of ARD rock previously located east of the Shear Lake Zone portal. Construction records indicate the rock was placed on a 1m thick compacted till pad and covered with covered with 2m of additional low permeability material, which was also compacted. The facility was designed to limit water and oxygen contact with the ARD rock, based on the compacted materials used. The possibility of permafrost migrating into the ARD rock was recognized as an added benefit to permanently stabilizing the material¹.

Should seepage re-occur and downstream impacts become evident, Barrick has committed to installing a passive treatment system utilizing limestone or dolomite in an oxic environment to encourage metal precipitation prior to the seepage entering the local watershed². The effectiveness of this type of system can be reduced due to the buildup of precipitates. Should this occur, the following contingency plan will be implemented:

1. The limestone and sediments contaminated with metals in excess of CCME guidelines will be collected and buried at a depth immediately above the permafrost elevation in the covered tailings portion of the Tailings Pond.
2. Removed material will be replaced with fresh limestone or dolomite.

¹ Assessment of Closure Options and Impacts, Shear Lake Zone Waste Rock Dump, Cullaton Lake Mine, Nunavut, March 2003, URS Norecol Dames and Moore Inc.

² Email letter to Ms. Gladys Joudrey, Nunavut Impact Review Board, August 19, 2003