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NUNAVUT IMALIRIYIN KATIMAYINGI
NUNAVUT WATER BOARD
OFFICE DES EAUX DU NUNAVUT

File No: 2BB-MEA0507 Type “B”

July 20, 2006

Roger March, P.Geo.
Senior Project Geologist
Cumberland Resources Ltd.
#950-505 Burrard Street
Vancouver, BC V7X 1M4
E-mail: rmarch@cumberlandresources.com

RE: Amendment 1, Licence 2BB-MEA0507 (previously NWB2MEA0507) Type “B”

Dear Mr. March:

Please find attached Amendment 1 to License 2BB-MEA0507 Type “B” issued to Cumberland Resources Ltd. by the Nunavut Water Board (**Motion #: 2006-35**) pursuant to its authority under Article 13 of the *Agreement between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in Right of Canada* and the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*. The terms and conditions of the original Licence related to water use and waste disposal remain an integral part of this approval.

Sincerely,

Original signed by:

Philippe di Pizzo
Executive Director

/dh

Enclosure: Licence No. **2BB-MEA0507 Type “B”-Amendment 1**

cc: Jim Rogers, INAC
Peter Kusugak INAC Inspector
Luis Manzo, Kivalliq Inuit Association
Erin Calder, Nunavut Wildlife Management Board
Colette Spagnuolo, Environment Canada
Earle Baddaloo, GN-DOE
Tania Gordanier, Department of Fisheries and Oceans
Carson Gillis, NTI
Doug Sitland, CGS

LICENCE AMENDMENT No. 1

Licensee:	Cumberland Resources Ltd.
License No:	2BB-MEA0507 Type “B”
License Issued:	April 21, 2005
Effective Date:	July 20, 2006

In accordance with S.55.1 of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act (NWNSRTA)* and Article 13 of the *Nunavut Land Claim Agreement (NLCA)*, public notice of the application was given and interested persons were invited to make representations to the NWB.

After reviewing the submission of the Applicant and representations made by interested persons, the NWB, having given due regard to the facts and circumstances, the merits of the submissions made to it and to the purpose, scope and intent of the *NLCA* and of the *NWNSRTA*, decided to waive the requirement to hold a public hearing and furthermore to delegate its authority to approve the application to the Chief Administrative Officer pursuant to S. 13.7.5 of the *NLCA* and S. 49(a) of the *NWNSRTA*, and determined that pursuant to its authority under Article 13 of the *Agreement between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in Right of Canada* and the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*, the Nunavut Water Board hereby grants the following license amendment.

The License issued April 21, 2005 shall be amended to include the following terms and conditions to allow Cumberland Resources Ltd. to undertake construction and operation of a Bulk Fuel Storage Facility, with a nominal capacity of approximately five (5) million litres, at the Meadowbank Property located in the Kivalliq Region, Nunavut.

PART A: SCOPE, DEFINITIONS & ENFORCEMENT

Amend

1. Scope Item a This Licence entitles Cumberland Resources Limited (“CRI” and the “Licensee”), to use of water and dispose of waste for an undertaking classified as Mining and Milling at the Meadowbank Exploration Project, located approximately 70 km North of the Hamlet of Baker Lake within the Kivalliq Region, Nunavut (latitude 65°00’75’’N and longitude 96°04’39’’W). This Licence allows for the following mineral exploration activities: prospecting; geological mapping, geophysical surveys, diamond drilling, fuel vault installation, airstrip construction, baseline data collection, camp operation; trenching and the installation of a Bulk Fuel Storage Tank with a nominal capacity of five (5) million litres.

Definitions

- Insert **“Bulk Fuel Storage Tank”** means the facility, constructed to contain a nominal capacity of approximately five (5) million litres of diesel fuel and all associated infrastructure, as described in the Amendment Application dated May 1, 2006 and all supporting documentation;
- Insert **“CCME”** means the Canadian Council of Ministers of the Environment’
- Amend **“Spill Contingency Plan”** means the Plan developed to deal with unforeseen petroleum and chemical events that may occur during the exploration operations conducted under the Licence;

PART B: GENERAL CONDITIONS

- Insert Item 9 It is the responsibility of the Licensee to ensure that any documents or correspondence submitted by the Licensee to the Board have been acknowledged by the Manager of Licensing.
- Insert Item 10 This Licence is not assignable except as provided in Section 44 of the *Act*.

PART D: CONDITIONS APPLYING TO WASTE DISPOSAL

- Amend Item 2 No open burning or on-site land filling of domestic waste is permitted unless otherwise approved by the Board.

PART E: CONDITIONS FOR CAMPS, ACCESS INFRASTRUCTURES AND OPERATIONS

- Amend Item 4 With respect to access road, pad construction or other earthworks, the deposition of debris or sediment into any water body is prohibited. These materials shall be disposed of at least thirty (30) metres above the ordinary high water mark of any water body in such a fashion as to prevent erosion and sedimentation of any surrounding water body.
- Insert Item 8 The Licensee shall ensure that the construction and operation of the Bulk Fuel Storage Tank meets, at a minimum, all applicable legislation and industry standards. Industry standards include, but should not be limited to the following:
- i. *Environmental Code of Practice for Aboveground Storage Tank Systems Containing Petroleum Products, 1994; CCME; and*
 - ii. *National Fire Code, 1995.*

Insert Item 9 In addition to Item 8 and where there is no contravention with the codes, the Licensee shall ensure that construction of the Bulk Fuel Storage Tank, dispensing station and drainage control structures follow the Specification Report, Project No. 06-1413-009, prepared by Golder Associates Ltd., April 28, 2006, signed and stamped by an Engineer.

Insert Item 10 The Licensee shall submit for Board review, within 90 days of the final construction of the Bulk Fuel Storage Tank, a report prepared and signed by the Engineer responsible for supervision of the construction that shall include, but not be limited to the following:

- i. The Approval for construction issued by the Fire Marshall;
- ii. As-built drawings (signed and stamped);
- iii. A summary of the construction including the documentation of field decisions that deviate from construction drawings and specifications:
and
- iv. Any data used to support these decisions.

PART J: CONDITIONS APPLYING TO THE MONITORING PROGRAM

Amend Item 4 Prior to the discharge of any wastewater collected in the trenched sumps or the constructed Bulk Fuel Storage Tank secondary containment, the Licensee shall collect a representative sample and have it analysed for the following:

Total Suspended Solids	Total Arsenic	Total Cadmium
Total Ammonia	Total Chromium	Total Copper
Total Cobalt	Total Iron	Total Manganese
Total Nickel	Total Lead	Total Zinc
pH	Conductivity	Oil and Grease
BTEX (Benzene, Toluene, Ethylene and Xylene)		

Insert Item 9 The Licensee shall, within six (6) months following completion of the Bulk Fuel Storage Tank construction, submit to the Board for approval a plan for the environmental monitoring of the Bulk fuel Storage Tank. The Plan is to include, but not be limited to the following:

- i. An assessment of performance;
- ii. Location, environmental setting and the potential for leaks or seepage that could impact water;
- iii. An assessment of the need for, and if required, the design for installation, monitoring and maintenance of vertical Groundwater Monitoring Wells to be installed in accordance with the *Environmental*

- Code of Practice for Aboveground Storage Tank Systems Containing Petroleum Products, 1994; CCME; and*
- iv. Recommended sampling for ongoing monitoring of the integrity of the secondary containment.

All remaining terms and conditions of the License 2BB-MEA0507 Type ‘B’ dated April 21, 2005 still apply.

This License Amendment issued and recorded at Gjoa Haven on July 20, 2006.

Approved by,

Original signed by:

Philippe di Pizzo
Executive Director