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Land Administration
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Your file - Votre référence

Our file - Notre référence

August 10, 2004

Kennecott Canada Exploration Inc.
Granville Square
#354-200 Granville Street
Vancouver, B.C.
V6C 1S4

Attention: Susan Ball

Dear Ms. Ball:

Re: Land Use Permit #N2004J0024
Type of Operation: Campsite and Fuel Cache
Location: Hawk Lake Area, Keewatin, NU

Enclosed is your copy of Land Use permit number N2004J0024 authorizing your project as described in your amendment letter dated June 30, 2004, received by this office on July 15, 2004.

Your application has received a wide distribution to other Federal departments, Government of the Nunavut departments, communities in the area of your operation and concerned Inuit groups. In distributing your application the Nunavut Impact Review Board (NIRB) sought comments from these various agencies based on their area of expertise that will help ensure minimum negative impact on the environment. The issuance of this permit indicates that as a result of the NIRB environmental screening process it was decided that the potentially adverse environmental effects that may be caused by your proposal are mitigable with known technology and are not significant. The terms and conditions in the permit will, in our opinion, provide the necessary protection to the environment.

The Nunavut Impact Review Board has also recommended the following:

1. The Permittee shall ensure that all wastes generated through the course of the operation are backhauled and disposed of in an approved dumpsite. Environment Canada recommends the use of an approved incinerator for the disposal of combustible material.

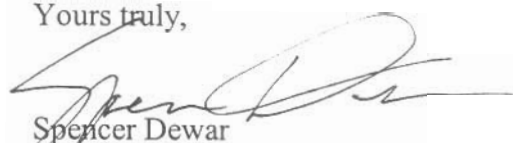
2. The Permittee shall not deposit, nor permit the deposit of chemicals, sediment, wastes or fuels associated with project into any water body. According to the Fisheries Act, Section 36(3). The deposition of deleterious substances of any type in water frequented by fish, or in any place under any conditions where the deleterious substance, or any deleterious substance that results from the deposit of the deleterious substance, may enter any such water, is prohibited.
3. In order to mitigate potential effects and minimize disturbance to migratory birds, the CWS strongly recommends that any aircraft used in conducting project activities should maintain a horizontal distance of 2 km and a vertical distance of 610 m from any observed groups (colonies) of birds.
4. The Permittee shall undertake only the research activities specified in their permit application.
5. The Permittee shall fill and recontour all sample pits with excavated sediments.

Other Recommendations:

1. NIRB would like to encourage the proponent to hire local people and services, to the extent possible.
2. NIRB strongly advises proponents to consult with local residents regarding their activities in the region and that the results of the research be presented to the community in the community's preferred language and to NIRB in the form of a written report.
3. Any amendment requests deemed by NIRB to be outside the original scope of the project will be considered a new project.

Please ensure that you adhere to the operating conditions annexed to your permit. Should you have any questions regarding any conditions of this permit, please contact our District Office at Iqaluit, phone number (867)979-4297.

Yours truly,



Spencer Dewar
Land Administrator Specialist
Land Administration

cc: RMO
NPC
NIRB



LAND USE PERMIT
NORTHERN AFFAIRS PROGRAM

PERMIS D'UTILISATION DES TERRES
PROGRAMME DES AFFAIRES DU NORD

Permit Class - Permis Catégorie

A

Permit No - N° de permis

N2004J0024

Subject to the Territorial Land Use Regulations and the terms and conditions in this permit, authority is hereby granted to:

Sous réserve du Règlement sur l'utilisation des terres territoriales et des conditions de ce permis:

Kennecott Canada Exploration Inc

Permittee - Détenteur de permis

To proceed with the land use operation described in the application of:

Est autorisé à entreprendre les travaux d'exploitation des terres décrits dans la demande de permis du:

Signature

Biplop Chatterjee

Date

August 10, 2004

Type of Land Use Operation - Genre de travaux d'exploitation des terres

Campsite and Fuel Cache

Location - Emplacement

Hawk Lake Area, Keewatin, NU Map Sheet 56K & 56L

This permit may be assigned, extended, discontinued, suspended or cancelled pursuant to the Territorial Land Use Regulations.

Ce permis peut faire l'objet d'une cession, d'une prolongation d'une cessation d'une suspension ou d'une annulation, en vertu du Règlement sur l'utilisation des terres territoriales.

Dated at

Date à Iqaluit

Engineer

Ingénieur

This

Ce 10th Day of August, 2004.

Commencement Date

Date du début des travaux August 10, 2004

Expiry Date

Date d'achèvement August 9, 2006

NOTE

REMARQUE

IT IS A CONDITION OF THIS PERMIT THAT THE PERMITTEE COMPLY WITH ANY OTHER APPLICABLE ACT, REGULATION, ORDINANCE BY - LAW OR ORDER DEFAULT HEREOF MAY RESULT IN SUSPENSION OR CANCELLATION OF THIS PERMIT.

LE DÉTENTEUR DU PRÉSENT PERMIS DOIT SE CONFORMER À TOUT AUTRE RÈGLEMENT, LOI, DÉCRET RÈGLEMENT MUNICIPAL OU ARRÊTÉ APPLICABLE. LE MANQUEMENT À CETTE OBLIGATION POURRAIT DONNER LIEU À LA SUSPENSION OU À L'ANNULATION DU PERMIS.

Canada