

Aug 19, 2008

Phyllis Beaulieu Manager of Licensing Nunavut Water Board P.O. Box 119 Gjoa Haven, NU X0B 1J0

By e-mail: licensing@nunavutwaterboard.org

Dear Ms. Beaulieu

Re: 2BE-MSX0712 Amendment Application- Muskox Project - Silvermet Inc.

On behalf of the KIA, I have reviewed the above application for amendment of the current Muskox Project water licence held by Silvermet Inc.

Silvermet wishes to amend their water licence to allow for kitchen and dry buildings to be within 31m of the normal high water mark.

Based on my review of the application and considering the KIA's view on appropriate protective setback distances, I believe all grey water should be pumped to a sump at least 31m from the high water mark of the lake. In addition, any petroleum products or hazardous materials such as heating fuel used for the dry or kitchen buildings should not permitted within a 31m setback from the lake.

Please contact us if you have any questions.

Sincerely,

Kevin Tweedle Lands and Water Technician Kitikmeot Inuit Association Mail: P.O. Box 360,

Kugluktuk, Nunavut, X0B 0E0

Phone: (867) 982-3310 Fax: (867) 982-3311