



## TERRAX MINERALS INC.

To:	Richard Dwyer, NWB
Location:	Gjoq Haven
From:	Joe Camvpbell
Date:	May 16, 2008

Subject: TerraX Application Re NWB Fill 2BE-NEE---

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Dear Richard,

Thank you fro your quick reply, and your letter of deficiencies (which I attach for your easy reference).

In response:

1. Find attached a project summary in English under separate cover from the application. I will forward an Inuinnaqtun version as soon as it becomes available.
2. I enclosed a cheque in the mailed original for \$60.00 dollars payable to the Receiver General. Of this amount \$30.00 was for the application fee, and #30.00 for the water usage fee. I enclose a scanned copy of the cheque receipt.
3. I have contacted Stronbow/North Arrow for a letter on the water and sewage, and it will be forwarded to you as soon as I receive it.
4. I sent the signed signature page in the original that was mailed, and I attach a .pdf version to this document.
5. I detailed our drill hole abandonment and reclamation procedures in Sections 8, 11, and 13 of the detailed project description in the KIA land access and usage permit application, and I have extracted that description for your use. In addition please note that I've included a copy of our drill hole abandonment form which is used on all drilling programs managed by GeoVector Management Inc., who will be the site managers for the program.

Thank you for your attention to this matter,

Joe Campbell  
President

Head Office  
Ph: (604) 643-1789  
Fax: (604-643-1789

1400-400 Burrard Street  
Vancouver BC  
V6C 3G2, Canada

**TerraX Minerals Inc.**  
**Technical Office**  
10 Green Street  
Suite 312, Nepean, On  
K2J 3Z6

Phone (613) 843-8109  
Cell (613) 282-4786  
Fax (613) 843-8110  
e-mail [geovector@bellnet.ca](mailto:geovector@bellnet.ca)



## **TERRAX MINERALS INC.**

### **PROJECT SUMMARY**

The proposed exploration program is a continuation of TerraX Mineral Inc.'s gold exploration that has been ongoing since 2007. The 2008 program will be carried out from mid-August 2008 until early September 2008. Future work beyond this program will be contingent on this success of the 2008 program.

Work in 2008 will consist of geological mapping and sampling, a minor ground geophysical program over known airborne anomalies to help target drill holes, and an exploration drill program consisting of approximately 800m in 7 drill holes. This drilling will be completed using a Longyear 25A drill supplied by Titan Drilling of Yellowknife, NWT. The drill will be heli-portable and therefore surface disturbance will be minimal. The drill will be transported by Matrix Helicopter Solutions of Yellowknife, NWT.

Each drill site will cover approximately 20 square meters and these areas will be returned as near as possible to their original state following completion of the program. Rock cuttings will be mixed with peat moss and buried with local soil cover to promote natural growth. A wooden stake with a metal tag will be left to mark each hole location.

The work program will be carried out by shuttling work crews from an established and permitted camp (Silvertip camp owned and operated by North Arrow Resources), located approximately 50 kilometers southwest of the work area. Therefore no camp structures (or camp permitting) will be required.

Fuel caches will be limited to 2-4 drums next to drill locations, with fuel delivered by helicopter from the Silvertip camp. All empty drums and garbage will be back-hauled to the Silvertip camp at the completion of the work. At the completion of drilling the drill and ancillary equipment will also be demobilized from the work area. It is anticipated that no equipment, fuel drums or garbage will remain in the work area following completion of the drilling.

**GEOVECTOR MANAGEMENT INC.**

10 GREEN ST., SUITE 312  
NEPEAN, ONTARIO K2J 3Z6

1564

14 05 2008

**PAY** to  
the order of

RECEIVED COMPANY

60.00

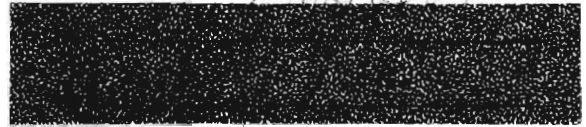
SIXTY DOLLARS

DOLLARS



**ROYAL BANK OF CANADA**  
BELLS CORNERS BRANCH  
303 MOODIE DR. "BELLS CORNERS"  
NEPEAN, ON K2H 9R4

100  
GEOVECTOR MANAGEMENT INC.



RE

NEW WATER LICENSE APPLICATION  
FOR TERRY X

⑈001564⑈ ⑆00372⑈003⑆

100⑈799⑈06⑈

NOT NEGOTIABLE / NON NÉCOCIABLE

**11. INUIT WATER RIGHTS**

Will the project or activity substantially affect the quality, quantity, or flow of water flowing through Inuit Owned Lands and the rights of Inuit under Article 20 of the Nunavut Land Claims Agreement?

NO

If yes, has the applicant entered into an agreement with the Designated Inuit organization to pay compensation for any loss or damage that may be caused by the alteration. If no compensation agreement has been made, how will compensation be determined?

**12. CONTRACTORS AND SUB-CONTRACTORS (name, address and functions)**

Titan Drilling 326b Old Airport Rd, Yellowknife NT - Drilling company  
Matrix Helicopter Solutions Inc., #8 Yellowknife Airport, Yellowknife NT - Helicopter company  
GeoVector Management Inc, 10 Green Street, Suite 312, Ottawa, ON - Project managers

**13. STUDIES UNDERTAKEN TO DATE (list and attach copies of studies, reports, research, etc.)**

Technical Report on the Gold and Diamond Potential of the Needle Lake Property, western Nunavut, Canada, Apex Geosciences Ltd, November 2007

**14. THE FOLLOWING DOCUMENTS MUST BE INCLUDED WITH THE APPLICATION FOR THE REGULATORY PROCESS TO BEGIN**

Supplementary Questionnaire (where applicable: see section 5) ☒ Yes ☐ No If no, date expected \_\_\_\_\_

Inuktitut and/or Inuinnaqtun/English Summary of Project ☐ Yes ☒ No If no, date expected July 1, 2008

Application fee of \$30.00 (Payee Receiver General for Canada) ☒ Yes ☐ No If no, date expected \_\_\_\_\_

Water Use fee of \$30.00 (unless otherwise indicated in Section 9 of the *NWT Waters Regulations*; Payee Receiver General for Canada)

☒ Yes ☐ No If no, date expected \_\_\_\_\_

**15. PROPOSED TIME SCHEDULE (unless otherwise indicated, the NWB will consider the application for a five (5) year term)**

☐ one year or less (or) ☒ Multi Year

Start Date: July 1, 2008 Completion Date: July 1, 2010

Joe Campbell

Name (Print)

PRESIDENT

Title (Print)

Joe Campbell

Signature

May 15, 2008

Date

For Nunavut Water Board office use only

APPLICATION FEE Amount: \$ \_\_\_\_\_ Pay ID No.: \_\_\_\_\_

WATER USE DEPOSIT Amount: \$ \_\_\_\_\_ Pay ID No.: \_\_\_\_\_

## **APPENDIX A DETAILED PROJECT DESCRIPTION**

1. Work in 2008 will consist of geological mapping and sampling, a minor ground geophysical program over known airborne anomalies to help target drill holes, and an exploration drill program consisting of approximately 800m in 7 drill holes. The mapping, sampling and geophysical programs will help in determining the best location for follow-up exploration programs and drilling. The drilling program will be extensions along a known Au mineralized drilled in 1990, and also in an areas defined as containing Au mineralization from prospecting and mapping carried out in 2007 by TerraX.

The 2008 program will take approximately 3 weeks to complete and it is hoped that the work will expand known Au zones and add additional Au mineralized zones for future follow-up programs. Currently there are no long term development plans for the project area, and future work will be contingent on successful results from the 2008 exploration program.

2. The proposed exploration program is a continuation of TerraX Mineral Inc.'s gold exploration that has been ongoing since 2007. TerraX's program is a continuation of work carried out by Kaminak Gold Corporation in 2005 and 2006. The 2008 program will be carried out from mid-August 2008 until early September 2008.

3. Proposed drill sites are indicated on the attached property map. Each drill site will cover approximately 20 square meters and these areas will be returned as near as possible to their original state following completion of the program. A wooden stake with a metal tag will be left to mark each hole location. The total disturbed areas for the 7 drill holes will be much less than 1 hectare.

The work program will be carried out by shuttling work crews to the Silvertip camp. Building of a camp on the project area was considered, but utilizing a currently permitted camp in the area provided advantages in terms of cost, and reduced environmental impact. Therefore no camp structures (or camp permitting) will be required. Under the current plan there is no requirement for establishing trails, or any manmade structures. Based on extensive reconnaissance exploration programs carried out in the past, there are no known caribou calving or other denning areas on the property, and no known carving stone or archaeological sites.

4. There will be no structures erected on the project area. Drills and ancillary equipment will be removed from the property on completion of the drill program.

5. This drilling will be completed using a Longyear 25A drill supplied by Titan Drilling of Yellowknife, NWT. The drill will be heli-portable and therefore surface disturbance and ground pressure will be minimal. The drill will be transported by Matrix Helicopter Solutions of Yellowknife, NWT utilizing a small Bell Jet Ranger or Astar.

The mapping, sampling and ground geophysical surveys will be carried out on foot, with crews placed on the ground by helicopter. Ground disturbance for these programs will be negligible.

6. Fuel caches will be limited to 2-4 drums next to drill locations, with fuel delivered by helicopter from an established and permitted camp (Silvertip camp owned and operated by North Arrow Resources), located approximately 50 kilometers southwest of the work area.

7. See attached fuel spill contingency plan.

8. At the completion of the drilling program the drill and ancillary equipment will be demobilized from the work area. All empty drums and garbage will be back-hauled to the Silvertip camp at the completion of the work. It is anticipated that no equipment, fuel drums or garbage will remain in the work area following completion of the drilling.

Litter and other garbage will be collected from each drill site and transported from the property by helicopter. Diesel, Jet-B fuel and oils and greases used for the drill equipment will be temporarily stored on site during the drilling. All these potentially hazardous materials will be removed at the completion of the drill program. Sumps containing rock cuttings (sludges) are not expected to create an acid rock drainage problem. As a precaution, all sumps will be rehabilitated by burying with natural soils and mixing rock cuttings with peat moss to promote natural regrowth. All sites will be inspected and signed off by the drilling company and the project manager (see attached drill site rehabilitation check sheet).

9. All personnel and equipment will be transported by Matrix Helicopter Solutions of Yellowknife, NWT utilizing a small Bell Jet Ranger or Astar. Daily transportation will be from the North Arrow Resources Silvertip camp. All materials transported to the site, and the surface and core samples will also be helicopter transported from the property.

10. The project area contains typical lowland tundra environment, with low lying wet muskeg interspersed with low relief rocky to till covered hills. There is no esker environment on the property. There are no major waterways or fish migratory route, and the small creeks and ponds in the work area are shallow, irregular and subject to seasonal flow, and therefore are poor fish habitat. The area is a suitable terrain for typical tundra fauna, but based on extensive reconnaissance exploration programs carried out in the past, and a review of available information, there are no known caribou calving or other denning areas on the property, and no known carving stone or archaeological sites.

11. Impacts to flora will be minimal, restricted to the actual drill sites (surface disturbance) and the sumps for rock cuttings (burial). In total the footprint of these areas will be much less than 1 ha (a few 10s of square meters). These areas will be rehabilitated by burying with natural soils and mixing rock cuttings with peat moss to promote natural regrowth.

Water usage will also be minimal, and return water from the drills will be stored in sumps to prevent entry into natural water systems. There will be negligible impact on water and fauna from the proposed work.

12. Rehabilitation costs will be minimal and no cost analysis has been done.

13. The drill will be dismantled into its main components and flown out to the Silvertip camp or to a storage site designated by the drilling contractor. All drill sites will be inspected for soil contamination. Any remaining waste will be taken to the Silvertip camp to be burned if possible or to be flown out to an approved municipal discharge. Sludge sumps will be filled and leveled. A layer of peat moss will be spread on top and slightly fertilized to promote natural growth. As much as possible, drill sites will be restored immediately after the drill has been moved to the next site and sumps have drained enough to be leveled. All drill sites will be inspected for soil contamination. Photos of drill sites prior to drilling will be taken. Monitoring will be done during occupancy and photos taken. Once the sites have been abandoned and rehabilitated they will again be documented with photos.

14. It is anticipated that this work program will cost approximately \$700,000. The project area is far removed from any Nunavut community and will likely be serviced and supplied from Yellowknife (base for both the drilling and the helicopter contractors). The work will be of a very short duration (3 weeks) so training opportunities will be severely limited. The work will be carried out by independent contractors hired by TerraX and will largely require highly skilled technical (drillers and helicopter pilots/engineers) and scientific experience (geologists and geophysicists). It is anticipated that these roles will take up the majority of the approximately 10 short term positions. There may be a requirement for 2-3 field hands and core samplers, and these could be sourced from communities in Nunavut. TerraX will encourage its contractors to maximize Inuit contribution.

**DRILL SITE CLEAN - UP CHECK SHEET**

Hole Number: \_\_\_\_\_

Date: \_\_\_\_\_

**CHECK IF SATISFACTORY, X IF UNSATISFACTORY**

Casing/Rods removed or cut off and capped at ground level or: \_\_\_\_\_  
Hole plugged and cemented if aquifer intersected: \_\_\_\_\_

All anchors removed: \_\_\_\_\_

All material and equipment removed from drill site: \_\_\_\_\_  
All litter removed from drill site: \_\_\_\_\_

All rock cuttings contained in a proper sump: \_\_\_\_\_  
Sumps covered with soil, peat and contoured: \_\_\_\_\_

Drill collars contoured and available soil and organics returned: \_\_\_\_\_

No fuel, oil, grease spillage or: \_\_\_\_\_  
All fuel, oil, grease spillage properly absorbed: \_\_\_\_\_

Dirty ice, snow and/or soil removed to sump: \_\_\_\_\_

Vegetation cut to ground level: \_\_\_\_\_

Sumps covered and contoured \_\_\_\_\_

Collar picket in place with metal tag: \_\_\_\_\_

**COMMENTS ON OVERALL CLEAN - UP:**

**Further actions required if clean-up is unsatisfactory:**

\_\_\_\_\_  
\_\_\_\_\_

**Site Specific Comments:**

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
**Foreman**

\_\_\_\_\_  
**Site Manager**





P.O. Box 119  
GJOA HAVEN, NU X0B 1J0  
TEL: (867) 360-6338  
FAX: (867) 360-6369

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NUNAVUT IMALIRIYIN KATIMAYINGI  
NUNAVUT WATER BOARD  
OFFICE DES EAUX DU NUNAVUT

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**NWB File No: 2BE-NEE----**

May 16, 2008

TerraX Minerals Inc.  
Suite 312, 10 Green Street  
Ottawa ON K2J 3Z6  
E-mail: [geovector@bellnet.ca](mailto:geovector@bellnet.ca)

Re: Application Acknowledgement for the Needle Lake Project

Dear Madame/Sir:

The Nunavut Water Board acknowledges receipt on May 14, 2008 of your new water license application, for the Needle Lake Project.

We undertook a preliminary review of your application and conclude that it does not contain sufficient information for the NWB to evaluate the qualitative and quantitative effects of the use of water or the deposit of waste on water. Specifically, we are asking you to provide the following:

- Inuinnaqtun & English summary of the project
- \$30.00 administration fee in payable by cheque or credit card
- Letter of understanding from licensee, Strongbow Exploration Inc., of the camp that the Strongbow Exploration Inc is responsible for water use and waste disposal of the camp.
- The signature page of the application requires signing to be either faxed or e-mailed
- Additional detail on the Abandonment & Restoration of drill sites.

We understand the Inuinnaqtun version of the summary may not be available until July; however, we will send out the application for 30 day distribution as soon as we receive the English Summary, and additional detail on Abandonment & Restoration of the drill sites.

Please call the undersigned at (867) 360-6338 or email at [licensingadmin@nunavutwaterboard.org](mailto:licensingadmin@nunavutwaterboard.org) if you have any questions.

Sincerely,

***Original signed by:***

Richard Dwyer  
Licensing Administrator