



BHP Billiton World Exploration Inc.

***Facsimile Communication***

**Date:** Thursday, December 19, 2002  
**To:** Louise Siusangnark, Repulse Bay HTO  
**Cc:**  
**Facsimile Number:** 867 462-4335  
**From:** Jeremy Howe  
**Subject:** **Information & questions regarding proposed drill program near Repulse Bay**

**FAXED**

**TOTAL NUMBER OF PAGES INCLUDING THIS HEADER:** 3

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**OUR DIRECT FAX NUMBER IS: (604) 683-4125**

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The past couple of years BHP Billiton Diamonds Inc. has been doing mineral sampling in the area from Repulse to Committee Bay. As a result of that work, last spring the company staked claims over the area and this spring is considering a possible drill program to the north and east of Repulse Bay Hamlet. The object is to test for the presence of the rocks associated with diamond formation. Perhaps up to 20 holes would be drilled and most would be short. For that reason and to make moving by helicopter easier, the drill rig would probably be quite small. The program is expected to take up to 40 days, with the crew of 6-9 people staying in Repulse Bay and flying out daily to the rig by helicopter. This work should be performed in the early spring as a few of the targets are beneath lakes and are better approached from setups on the lake ice.

If interesting rocks are found as a result of this work, it's likely that a second phase of drilling would be started in mid summer to get a larger and more reliable rock sample. The work would be identical except that the drill would be slightly larger and the depth of holes increased.

Under territorial regulations, drilling work of this type is very common in Nunavut and the NWT and causes little, if any, disruption to the land.

This early, small scale, stage of exploration does not usually give a lot of economic boost to the community, except from the purchase of meals and accommodation at the local inn. There are also few immediate opportunities for local employment since the positions are limited to certified drillers,

pilots or geologists. If the work leads to a discovery however, then job positions and training possibilities for local people increase as the work expands.

I've included a map to show the areas we are most interested in but should stress that the dots showing possible drill sites are only guess work at this point since we have not yet received all of our sample results. The shaded area will probably become the section where most of the drilling would be done. The closest possible drill setups might be only 7 kilometers from town but none of them are within the hamlet watershed.

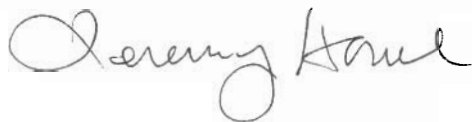
As you know, in order to work in Nunavut, exploration companies must be granted land use and water licences from the Nunavut Water Board and the regional Inuit Association (KIA in this case). We are about to submit applications for those licences but it's important to first get input from the local community to make sure that the plan does not cause any problems.

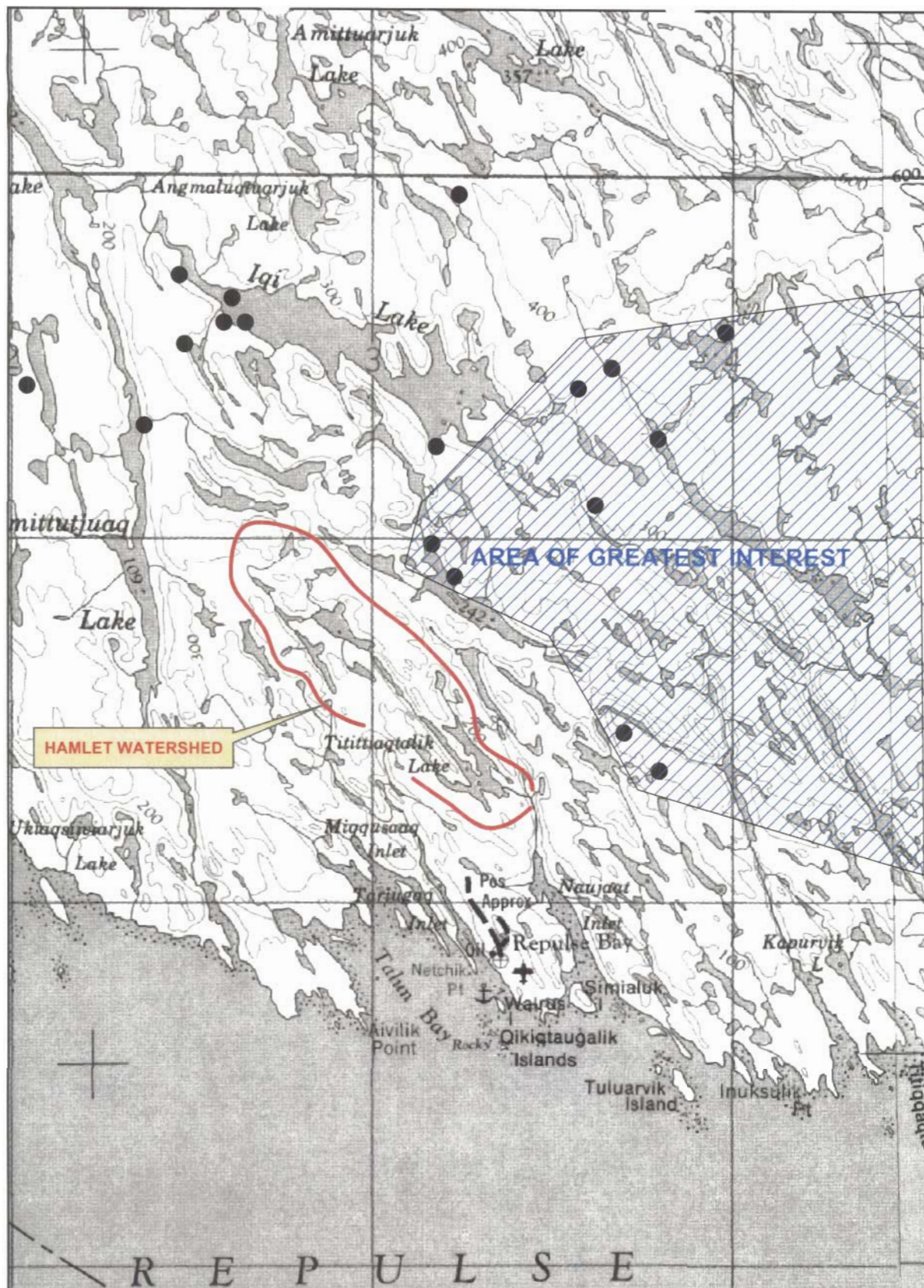
In that regard, we are wondering if there are any local issues we ought to know about in planning this drill program. This would include:

- Sensitive hunting and fishing areas
- Sensitive historic sites, traditional campsites
- Caribou calving times (and are there calving sites nearby)
- Caribou migration routes and times
- Spawning times and rivers for fish (especially char)
- Any other concerns or recommendations that the HTO might have

Tomorrow will be my last day in the office before the Christmas holidays so I wonder if you could fax me a list of any concerns that come up at tonight's meeting. That way I may be able to quickly answer at least some of the questions you might have. We can arrange to discuss the rest after New Years – I'll call you then.

A merry Christmas and New Years

A handwritten signature in cursive script, appearing to read "Jeremy Haul". The signature is written in dark ink on a light background.



## REPULSE BAY

- Possible drill site