



September 18, 2006

Mr. Philippe di Pizzo
Executive Director
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU X0B 1J0

Dear Mr. di Pizzo:

Re: High Lake Project – Water License Application for Mine Production

Wolfden Resources Inc. (Wolfden) plans to develop a producing mine at their High Lake property in the Kitikmeot. The High Lake Project (“Project”) consists of a base metal mine at High Lake, supported by a dock facility at Grays Bay on the Coronation Gulf, and a 53 km all-season road extending between the mine and the dock. The project also includes the operation of an airstrip north of High Lake.

Please find attached Wolfden’s application package for a Water License, for water taking and waste disposal related to mining, milling and camp use. This application package includes the following documents:

- **Project Summary** translated into Inuktitut and Innuinaqtun;
- **Water License Application Form** and attached tables and figure;
- **Supplementary Questionnaire for Mine Development**;
- **Project Description Supporting Regulatory Applications**, which provides a comprehensive description of the proposed development; and
- a **Cheque** for the application fee.

Wolfden intends to submit their *High Lake Project Proposal* to the Nunavut Impact Review Board (NIRB) in late October along with the remaining applications (see Attachment 1). The information concerning the predicted environmental effects of this particular undertaking, including proposed mitigation measures and management plans (e.g., Emergency Response and Contingency Plan, Water Management Plan) will be included in the *High Lake Project Proposal*. At this time, Wolfden wishes to initiate the approvals process through submission of several key regulatory applications, of which this is one.

If you have any questions concerning the material that is included in the application package, please contact myself at (807) 346-1668, or Ms. Kathleen Wood, Gartner Lee Limited, who is working on Wolfden's behalf, at (867) 633-6474 ext 41.

Yours truly,

A handwritten signature in cursive script that reads "Andrew Mitchell".

Mr. Andrew Mitchell
Project Manager, Wolfden Resources

cc: Stephanie Briscoe, Nunavut Impact Review Board
John Begeman, Wolfden Resources Inc.
Kathleen Wood, Gartner Lee Limited
Glenda Fratton, Gartner Lee Limited

Encl.

Attachment 1. Authorizations Required for the High Lake Project

Activity	Regulator	Type of Permit
Grays Bay storage – laydown and temporary storage of equipment and supplies at Grays Bay	INAC	Land Use Permit
Establish winter road from Grays Bay to High Lake in January 2009	KIA	IOL Land Use License
	INAC	Land Use Permit
Construct all-season road between Grays Bay and High Lake	KIA	Land Use License; Commercial Lease
	INAC	Land Use Permit; Surface Lease
Road construction, including installation of culverts and bridges at various creek crossings	Transport Canada – Navigable Waters Protection Program	Approval of Works (if deemed navigable)
Construction of dock facilities at Grays Bay	Transport Canada	Dredging Permit
Quarrying required for construction of road, camp, mill foundations etc.	KIA	Quarry Concession Permit
	INAC	Quarrying permit
Construct and operate mine and associated infrastructure	INAC	Amendment of Surface Lease 76M/7-1-4
Construct and operate mine and associated infrastructure	KIA	Commercial Lease
Dock Facility – construction and operation	INAC	Surface lease(s)
Water taking and waste disposal related to mining, milling and camp use	NWB	Water License Type A
Fisheries Act Authorization (letter)	DFO	Various components for which DFO will make HADD determinations
Explosive storage, handling and detonator storage	Natural Resources Canada (NRCan)	Magazine Permit
	Mine Health and Safety /WCB	Permit to store detonators