

Ministre des Affaires indiennes et
du Nord canadien, interlocuteur fédéral
auprès des Métis et des Indiens non inscrits et
ministre de l'Agence canadienne de développement
économique du Nord



Minister of Indian Affairs and
Northern Development, Federal Interlocutor
for Métis and Non-Status Indians and
Minister of the Canadian Northern Economic
Development Agency

Ottawa, Canada K1A 0H4

JAN 20 2011

Mr. Lucassie Arragutainaq
Chair
Nunavut Impact Review Board
PO Box 1360
CAMBRIDGE BAY NU X0B 0C0



Dear Mr. Arragutainaq:

Thank you for your Screening Decision Report of February 22, 2010, regarding Weststar Resources Corporation's Ellesmere Island Coal Exploration project proposal. The report indicates that the Nunavut Impact Review Board has determined that the potential impacts to wildlife and paleontological resources are unacceptable and has recommended that the Project be modified or abandoned pursuant to section 12.4.4 (d) of the Nunavut Land Claims Agreement.

Of primary importance to the Nunavut Impact Review Board were impacts to sensitive muskoxen and Peary caribou populations and fossil sites in the Project area. The Board has indicated that Peary caribou and muskoxen use the area during calving and post-calving seasons and are sensitive to the disturbances relating to the Ellesmere Island Coal Exploration Project activities. The Nunavut Impact Review Board also noted that there are significant paleontological resources within the Project area which could be permanently impacted. Significant public concern was expressed to the Board regarding these impacts.

Under section 12.4.9 of the Nunavut Land Claims Agreement I have three decision options to consider after consultation with the Nunavut Impact Review Board: return the proposal to the proponent for modification and resubmission to the Board; refer the Project proposal for a review under Part 5 or 6, Article 12 of the Nunavut Land Claims Agreement; or inform the proponent that the Project should be abandoned.

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After reviewing the Board's Report and consultation record of our respective officials under section 12.4.9 of the Agreement, I have decided, pursuant to section 12.4.9 (a), to return the proposal to the proponent for modification and resubmission to the Board to be dealt with in accordance with section 12.4.4.

Prior to submitting a modified proposal, I encourage Weststar to carefully review the Board's Screening Decision Report and to consult with interested parties. A thorough understanding of the Board's concerns and issues of interested parties will assist Weststar in the development of a modified proposal.

Once again, I would like to thank the Nunavut Impact Review Board for its efforts in screening the Project and I look forward to working with the Board on future environmental assessments.

Sincerely,



John Duncan, PC, MP

c.c.: Mr. Mitchell Adam