

NIRB File No.: 06EN054, 08EA038 INAC File No.: N2006J0017 NWB File No.: 2BE-KAZ0609

September 1, 2010

Thomas Kabloona Chairperson, Nunavut Water Board c/o Phyllis Beaulieu, Manager of Licensing Nunavut Water Board Gjoa Haven, NU

Vía E-mail: licensing@nunavutwaterboard.org

Re: <u>Application exempt from Screening pursuant to Section 12.4.3 of the NLCA:</u> Aurora Energy Resources Inc.'s "Baker Lake Basin" project

Dear Phyllis Beaulieu:

On August 13, 2010 the Nunavut Impact Review Board (NIRB or Board) was forwarded an extension request from the Nunavut Water Board (NWB) for Aurora Energy Resources Inc's (Aurora) Type B Water Licence (NWB File No.: 2BE-KAZ0609) associated with its "Baker Lake Basin" project. On August 16, 2010 the Nunavut Planning Commission completed its assessment of the project proposal and issued a letter of positive conformity to the Keewatin Regional Land Use Plan (KRLUP).

Please be advised that the original project proposal (NIRB File No. 06EN054) was received from INAC on May 26, 2006 and screened by the Board in accordance with Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA). On August 17, 2006 the NIRB issued a NLCA 12.4.4 (a) screening decision to the Minister of Indian and Northern Affairs Canada (INAC) indicating that the proposed project could proceed subject to the NIRB's recommended project-specific terms and conditions.

On March 28, 2008 the NIRB was forwarded an extension request from INAC for the Land Use Permit associated with the "Baker Lake Basin" project. As the proposed extension represented an amendment to the original project as screened by the Board, the NIRB assigned the project a new file number, **08EA038** and screened the project in accordance with Part 4, Article 12 of the NLCA. On May 16, 2008, the NIRB issued the enclosed NLCA 12.4.4 (a) screening decision to the Minister of INAC indicating that the proposed project could proceed subject to new terms and conditions.

On June 29, 2010 the NIRB received an extension application from INAC for the Land Use Permit N2006J0017 in support of Aurora's reclamation activities associated with its "Baker Lake Basin" project. Following a preliminary review, the NIRB confirmed that the application was exempt from further screening as per the Article 12.4.3 of NLCA, and reissued previous screening decision reports on July 6, 2010 to the Minister of INAC allowing the proposed project to proceed.

The current NWB application, the previous INAC application and the original NIRB Screening Decision Reports (06EN054 and 08EA038) and related file information are available from the NIRB's ftp site at the following link:

http://ftp.nirb.ca/SCREENINGS/COMPLETED%20SCREENINGS/ARCHIVE/2008_SCREENINGS/08EA038-Pacific%20Ridge%20Exploration%20Ltd/1-SCREENING/.

PREVIOUSLY-SCREENED PROJECT PROPOSAL:

As previously screened by the NIRB under File No. 08EA038, the "Baker Lake Basin" project was located within the Kivalliq region, approximately 65 kilometres (km) southeast of the Hamlet of Baker Lake. The Proponent indicated that it intended to conduct uranium exploration activities.

The activities and components associated with the original proposal included:

- Exploration program supported by helicopter and fixed-wing aircraft
- Exploration program to include prospecting, rock sampling, geological mapping, radiometric surveying and ground based magnetic surveying
- Diamond drill program (use of two drill rigs)
- Establishment of camp facilities (20 personnel)
- Use of water and generation of wastes
- Abandonment and reclamation of project area

CURRENT APPLICATION

Aurora is currently proposing to extend its Type B Water Licence for a period of one year (to September 19, 2011) in order to complete reclamation work as outlined in its Final Closure and Reclamation Plan.

Please note that Section 12.4.3 of the NLCA states that:

"Any application for a component or activity of a project proposal that has been permitted to proceed in accordance with these provisions shall be exempt from the requirement for screening by NIRB unless:

- (a) such component or activity was not part of the original project proposal; or
- (b) its inclusion would significantly modify the project."

After completing a review of the information provided in support of the current application, the NIRB is of the understanding that the proposed extension does not change the general scope of the original project activities, and the exceptions noted in NLCA 12.4.3(a) and (b) do not apply. Therefore, this application is exempt from screening as per Section 12.4.3 of the NLCA and the activities therein remain subject to the terms and conditions recommended in the original May 16, 2008 Screening Decision Reports (enclosed).

If you have any questions or concerns, please contact Li Wan, Technical Advisor, at 867-983-4606 or lwan@nirb.ca.

Best regards,

Stephanie Autut Executive Director

cc: John Stephen Ash, Aurora Energy Resources Inc

Spencer Dewar, Indian and Northern Affairs Canada

Enclosed: NIRB Screening Decision Report, NIRB File No.: 08EA038 (May 16, 2008)