May 15, 2011

Phyllis Beaulieu Manager of Licensing Nunavut Water Board P.O. Box 119 Gjoa Haven, NU X0B 1J0

Tel: (867)–360-6338, ext. 26

RE: Canada Nickel Limited - General Water License Application

Attention: Phyllis Beaulieu, Manager of Licensing

Dear Ms. Beaulieu

Canada Nickel Limited would like to submit a General Water License Application for the Peter Lake Project. This project is located in the Rankin Inlet area of Nunavut. The following information is enclosed with this cover letter:

- 1) General Water Licence Application Form
- 2) NWB Mineral Exploration / Remote Camp SIG
- 3) Maps showing areas of work at 1;50,000 and 1:25,000 scale
- 4) Project Summary's in English and Inuktitut
- 5) A cheque in the amount of \$60.00 to cover the application fee (\$30) and the annual water use fee (\$30.00/year) for 2011.
- 6) A letter stating Alan Sexton can act as an agent for Canada Nickel

The abandonment & reclamation plan, fuel spill contingency plan, fuel management plan, NU/NT spill report form and MSDS sheets have been submitted for completeness of the file.

Regards,

Alan Sexton, M.Sc., P. Geol. Project Manager

Canada Nickel Limited

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