

June 28, 2011

Project No. 1113720019

Lucassie Arragutainaq, Chairperson
Nunavut Impact Review Board
P.O. Box 1360
Cambridge Bay, NU X0B 0C0

**RE: VALE EXPLORATION CANADA INC. REQUEST FOR NUNAVUT IMPACT REVIEW BOARD
SCREENING EXEMPTION**

Dear Mr. Arragutainaq,

Vale Exploration Canada Inc. (Vale) has plans to conduct mineral exploration at the Southampton Island Project, located on the northeast side of Southampton Island approximately 65 km northeast of Coral Harbour. Vale holds prospecting permits, issued by Indian and Northern Affairs Canada (INAC) for the property. Vale is also applying for a land use permit from INAC, land and water use permit with the Kivalliq Inuit Association and a water licence with the Nunavut Water Board.

As described in Schedule 12-1 of the Nunavut Land Claims Agreement, prospecting, staking or locating mineral claims, unless it requires more than a Class B permit under the Territorial Land Use Regulations, are exempt from screening by the Nunavut Impact Review Board (NIRB). Vale is currently applying for a Class B land use permit with INAC and therefore requests written confirmation from NIRB that a screening is not required for the project. Vale has enclosed the INAC Class B land use permit application for NIRB's review.

Once NIRB determines that the Southampton Island Project is exempt from screening, Vale requests that written confirmation be provided to the Nunavut Water Board and Vale at NIRB's earliest convenience. Please forward the written confirmation of the screening exemption to Phyllis Beaulieu, Manager of Licensing at licensing@nunavuwatboard.org.

If you have any questions regarding the enclosed application, please contact me at 705-682-8412 or by email at everett.makela@vale.com. Also, Vale has authorized Golder Associates Ltd. (Golder) to communicate on our behalf with the Nunavut Water Board regarding the water licence application. Please contact Sarah Gagné with Golder in Edmonton at 780-930-8654 or by email at sarah_gagne@golder.com.

Regards,



Danielle Leger
Administrative Supervisor for,
Vale Exploration Canada Inc.

Everett Makela, P.Geo.
Principal Geologist – North America
Vale Exploration Canada Inc.

CC: Sarah Gagné, Golder Associates Ltd.
Nunavut Water Board
Encl: Southampton Island Project, INAC Class B land use permit application
Agent Authorization

