

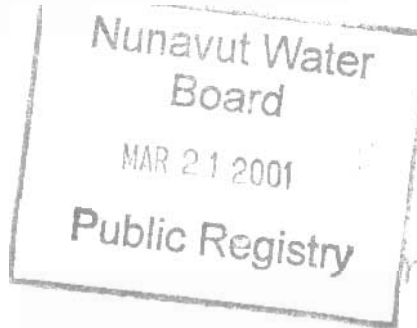


ASHTON MINING (NORTHWEST TERRITORIES) LTD.

March 12, 2001

VIA COURIER

Rita Becker, Licensing Administrator  
Nunavut Water Board  
P.O. Box 119  
Gjoa Haven, Nunavut  
X0B 1J0



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Dear Rita:

**RE: APPLICATION FOR A WATER USE AND WASTE WATER DISPOSAL PERMIT**

Please find enclosed an application for a Water Use and Waste Water Disposal Permit, and a cheque for \$30.00 to cover the applicable fees. Ashton Mining (Northwest Territories) Ltd. prepared this application at the request of the Caledonia Mining Corporation and the required Caledonia signature is on the form.

If you have any questions regarding the application please do not hesitate to contact me at (604) 983-7764.

Sincerely,

Ashton Mining (Northwest Territories) Ltd.

David Willis  
Land Administrator