July 30, 2007

Phyllis Beaulieu Manager of Licensing **Nunavut Water Board** Gioa Haven, NU X0B 1J0

2AM-DOH / Miramar Hope Bay Ltd. / Doris North Project / Type A Licence Application / Indian and Northern Affairs Canada Doris North Mine **Reclamation Cost Estimate**

Indian and Northern Affairs Canada is providing a reclamation cost estimate to the Nunavut Water Board for Miramar Hope Bay Ltd.'s proposed Doris North Project. The department recommends that this reclamation cost estimate be considered by the Board at the project's upcoming Type A licence application public hearings scheduled to take place in Cambridge Bay, Nunavut from August 13-15, 2007.

The reclamation cost-estimate is divided into two (2) components, land-related liability and water-related liability. Indian and Northern Affairs Canada recommends that the project's total reclamation liability be set at \$12,325,067, with an allocation of \$6,206,298 for land-related liability costs and \$6,118,768 for water-related liability costs. Justifications for Indian and Northern Affairs Canada's reclamation cost estimate for the proposed Doris North Project are provided in the attached reclamation cost estimate report prepared by Brodie Consulting Ltd on behalf of this department and dated July 2007.

Please contact Jim Rogers, Manager of Water Resources, to discuss any questions or concerns regarding the foregoing. Jim can be contacted by telephone at (87) 975-4550 or by email at rogersji@inac-ainc.gc.ca.

Sincerely,

Original Signed by Michael Nadler

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C.C.

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