Ministre des Affaires indiennes et du Nord canadien et interlocuteur fédéral auprès des Métis et des Indiens non inscrits

Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians

Ottawa, Canada K1A 0H4

NOV 0 .5 2007

Your file: 2AM-DOH0713

Mr Thomas Kabloona Interim Chair Nunavut Water Board PO Box 119 GJOA HAVEN NU X0B 1J0

Facsimile: (867) 360-6369

Dear Mr. Kabloona:

Thank you for your letter received September 20, 2007, conveying water licence no. 2AM-DOH0713 for the Doris North Gold Mine Project, and the Nunavut Water Board's reasons for decision. I thank the Nunavut Water Board for its work in the development of this licence.

I have approved the licence effective immediately and a signed copy is enclosed. A copy of this letter is being sent to the project proponent, Miramar Hope Bay Ltd. and to the Kitikmeet Inuit Association, the designated Inuit organization, to inform them of my approval of the project's water licence as required by the Nunavut Waters and Nunavut Surface Rights Tribunal Act. I have also instructed the Nunavut regional office of Indian and Northern Affairs Canada to consult with Miramar on the form and posting of security in the amount of \$11.714 million to be held by the Government of Canada in accordance with section 70 of the Act and section 12(3) of the Regulations.

The issue and amount of security was an important concern in my consideration of this licence. You received written submissions from departmental officials (August 24, 2007), which dealt with my authority to hold and apply water licence security. Under the legislative framework for water licensing in Nunavut, the Government of Canada cannot hold cocurity, nor can I draw against the Board ordered security, for any purpose other than those specifically authorized in the Act.

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I recognize the challenge of anticipating the costs of reclamation for resource development projects like the Dorio North gold mino. It is possible that the landowner may seek from the proponent an additional or landowner Local Officials from Initial and Northern Affairs Canada will be pleased to participate in any discussions of reclamation security and welcome opportunities to work with proponents, landowners, and the Board on this issue so critical to sustainable development in Nunavut

I thank the Water Board again for its efforts and energies in the development of the Duris Nurth project's water licence and look forward to the economic benefits this mine will bring to the people of Nunavut.

Sincerely,

Chuck Strahl

Encl: Doris North Gold Mine Project Water Licence no. 2AM-DOH0713

c.c.: Mr. Tony Walsh

Mr. Donald Havioyak



NUNAVUT WATER ROARD WATER I ICENCE

Pursuant to the Nunavut Waters and Nunavut Surface Rights Tribunal Act and the Agreement Detween the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in right of Canada, the Nunavut Water Board, hereinafter referred to as the Doard, hereby grants to

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	RAMAR HOPE BAY LTD.
(Licensee)	
300 889 HARBOURSIDE DRIVE MORTH VANCOUVER D.C. V7P 301 (Mailing Address)	
-	
hereinafter called the Licensee, the right to alter, divert or otherwise use water or dispose of waste for a period subject to restrictions and conditions contained within this Licence:	
Licence Number/Type:	2AM-DOH0713 Type "A"
Water Management Area:	07
Location:	KITIKMEOT REGION, NUNAVUT
Purpose:	MINING AND MILLING AND ASSOCIATED USES
Description:	MINING AND PROCESSING
Quantity of Water not to be	
Exceeded:	480,000 CUBIC METRES ANNUALLY
Date Licence Issuance:	September 19, 2007
Expiry of Licence:	September 30, 2013
This Licence issued and recorde annexed conditions.	d at Baker Lake. Numavut includes and is subject to the
1.60_	Church Attl
Thomas Kabloona,	APPROVED Minister of Indian and
Nunavut Water Board VChair	BY: Northern Affairs Canada
DATE LICEN	CE APPROVED: NOV 5, 2007