

16 April, 2013

Ryan Barry
Executive Director
Nunavut Impact Review Board
PO Box 1360
Cambridge Bay, Nu X0B 0C0

via email: rbarry@nirb.ca

Dear Mr. Barry,

IZOK CORRIDOR PROJECT: NIRB REVIEW PROCESS

Thank you again for taking the time to meet with MMG Resources Inc. (MMG) following the Minister's announcement that the Izok Corridor Project will undergo a "Part 5" review by the Nunavut Impact Review Board (NIRB). MMG is very pleased with this decision and looks forward to working with the NIRB and the Parties during the review process. MMG appreciates the efforts that the NIRB put into the screening that ultimately led to the Part 5 decision.

We understand that the NIRB process begins with issuance of a scope of project for review by the Parties followed by the development of environmental impact statement (EIS) guidelines. As the scope of project and EIS guidelines would be based on the Izok Corridor Project Proposal submitted to NIRB in August 2012, I would like to bring to your attention that MMG has recently identified some additional project design options with potential to improve the economic viability of the project. The project design options currently under consideration include:

1. Changes to the mining schedule and production rates;
2. Improvements to the execution plan, including additional modularization;
3. Possible addition of the Hood property to the mining resources (see attached map).

MMG is currently initiating a process to further develop and evaluate these options so that they can be considered for incorporation in the feasibility design. We would like to emphasize that the key project components identified in the project proposal will remain and that any changes to the project footprint associated with the revised project execution plan will be located in close proximity to the current mine plan. Furthermore, all development associated with an updated Izok Corridor Project design, including the potential addition of the Hood property, will be located within Nunavut.

As there is a strong likelihood that the project design will be adjusted or additional alternatives included, MMG respectfully requests that the NIRB not initiate the scoping process nor issue a scope of project until MMG submits an update to the project description.

In addition to completing the engineering work necessary to develop and evaluate these options, MMG will be consulting with stakeholders, in particular the Kitikmeot communities, on these potential changes prior to submitting the project description update to the NIRB. This is consistent with MMG's commitment to thorough consultation and keeping stakeholders informed.

We understand and appreciate that the NIRB and the Parties are working diligently to run an efficient review process and MMG wants to ensure effective use of the Board's and the public's time in considering the Izok Corridor Project. To that end, MMG believes it is important for MMG and the Parties to develop a shared understanding of the revised project design and implementation strategy prior to initiation of the NIRB scoping process.

Thank you in advance, for considering this request. Please do not hesitate to contact me if you require additional information.

Kind regards,



Sabha Safavi

Project Manager – Canada

T +1 778 373 5607
M +1 604 417 5589
F +1 778 373 5598
E sahba.safavi@mmg.com

cc Damien Cote, Executive Director, Nunavut Water Board
Troy Hey, General Manager Stakeholder Relations, MMG
Scott Trusler, Manager Approvals, Izok Corridor Project

Attach: Hood Exploration Map

