

NIRB File No.: 12MN043

April 18, 2013

Sabha Safavi Project Manager, Canada MMG Resources Inc. Level 26, 1177 West Hastings Street Vancouver, BC V6E 2K3

Sent via email: sabha.safavi@mmg.com

RE: <u>Submission of an Updated Project Description Prior to Initiation of the Public Scoping Process for MMG.'s Izok Corridor Project</u>

Dear Sabha Safavi:

On April 16, 2013, the Nunavut Impact Review Board (NIRB or Board) received correspondence from MMG Resources Inc. (MMG) requesting that the Board allow an opportunity for an updated project description to be filed for MMG's Izok Corridor project proposal (the Project) prior to initiating the public scoping process and development of Environmental Impact Statement Guidelines (EIS Guidelines) for this NIRB Review (NIRB File No.: 12MN043). MMG has indicated that it is currently initiating a process to further develop and evaluate project design options that could potentially improve the economic viability of the Project, including: changes to the mining schedule and production rates; improvements to the execution plan (including additional modularization); and possible addition of the Hood property to the Scope of the Project.

All information pertaining to the NIRB's Review of the Izok Corridor project, including MMG's April 16, 2013 letter to the NIRB, can be accessed online via the Board's public registry at the following location: <a href="http://ftp.nirb.ca/02-REVIEWS/ACTIVE%20REVIEWS/12MN043-MMG%20IZOK%20CORRIDOR/2-REVIEW/">http://ftp.nirb.ca/02-REVIEWS/ACTIVE%20REVIEWS/12MN043-MMG%20IZOK%20CORRIDOR/2-REVIEW/</a>

The Board acknowledges that it is in the best interest of all parties to have a sufficient level of detail regarding proposed project activities, components and development schedules prior to initiating the public scoping process and development of EIS Guidelines for the Project. The NIRB also agrees that ensuring a sufficient level of detail regarding the potential changes to the scope of the Project would be best facilitated through an update to the project description provided to the NIRB for screening on September 4, 2012. To this end, the NIRB commits to awaiting the submission of an updated project description by MMG prior to initiating the public

scoping process, including the scheduling of community scoping sessions and the distribution of a draft Scope of the Project for public comment.

The NIRB will require that MMG's updated project description clearly highlight all changes to the proposed project activities, components and development schedule from those set out in the original project description as submitted to the NIRB on September 4, 2012. The NIRB also requests that MMG provide an anticipated date for submission of an updated project description to the NIRB as soon as possible, to ensure the Board remains prepared to initiate the Review for the Project as expeditiously as possible. In the interim, the NIRB will continue to develop its work plan and community engagement strategy for the Board's Review of the Izok Corridor Project.

Upon receipt of MMG's updated project description, the NIRB will undertake a preliminary review of the extent of the changes to the Scope of the Project and will subsequently provide an update to the Minister of Aboriginal Affairs and Northern Development (the Minister) to allow an opportunity for any additional direction to be provided by the Minister as may be necessary regarding the scope of the NIRB's Review of the Project. Barring the identification of any significant changes to the Scope of the Project, the NIRB anticipates initiating the public scoping process and scheduling of community scoping meetings following the acceptance of the updated project description by the NIRB.

If you have any questions or require additional clarification regarding the NIRB's Review of the Izok Corridor Project, please contact Catherine Braun Rodriguez, Technical Advisor, at <a href="mailto:crodriguez@nirb.ca">crodriguez@nirb.ca</a> or (867) 983-4607.

Sincerely,

Ryan Barry

Executive Director

Ryan Barry

Nunavut Impact Review Board

cc: The Honourable Bernard Valcourt, Minister of Aboriginal Affairs and Northern Development

Scott Trusler, MMG Resources Inc. Troy Hey, MMG Resources Inc.

Damien Côté, Nunavut Water Board

Izok Corridor Distribution List