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**VIA EMAIL:** lpayette@nirb.nunavut.ca

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February 10, 2009

Nunavut Impact Review Board P.O. Box 1360 Cambridge Bay, Nunavut X0B 0C0

Attn: Leslie Payette

Manager of Environmental Administration

**Dear NIRB Board Members:** 

RE: AREVA's Kiggavik Project Proposal

Forum Uranium Corporation is a Canadian based energy company with a focus on the acquisition, exploration and development of Canadian uranium projects in the Athabasca Basin, Saskatchewan and the Thelon Basin, Nunavut. Forum is pleased to offer this letter in support of AREVA's Kiggavik Project, a proposed uranium ore mining and milling operation located in the Kivalliq region of Nunavut approximately 80 km west of the community of Baker Lake. The Kiggavik Project is estimated to have an operational life of 17 years based on studies to date. It is currently anticipated that pre-operational construction would require 3 years while post-operational decommissioning would require an additional 5 years. The Project is expected to employ 400-600 people during operations. Further discoveries in adjacent lands, such as those explored by Forum, will only add years to the operational life of the mine, extending the benefits of the Project to the region and its inhabitants.

The Kiggavik Project has substantial potential to contribute to economic development in Nunavut. Expenditures over the Project lifetime will amount to several billion dollars, and AREVA is proposing measures to maximize the economic benefits to the region. Local employment will be facilitated by preferential hiring for people in the Kivalliq region, and there will be employee fly in/fly-out pick-up points at each of the seven communities in Kivalliq. AREVA will also provide extensive on-the job training and recognizes the need for a broad based education and training strategy to prepare people

for employment. Local business development will be facilitated; there will be opportunities for existing businesses to expand, and for new businesses to form, in response to Project needs for goods and services. The experience Kivalliq workers and businesses will gain in meeting the needs of the Project will enhance their capacity to realize economic benefits from any other new mining projects in the Kivalliq region or elsewhere in Nunavut.

It has been Forum's experience that the local communities are supportive of mining activity in the area. Forum has conducted community consultation sessions in the Kivalliq region since 2006 to support our own exploration activities in the area. In community sessions in Baker Lake, Chesterfield Inlet and Rankin Inlet, the response to Forum's proposed uranium exploration activities adjacent to the Kiggavik deposits were well received. Local attendees were pleased to be consulted before any work commenced, were anxious to reap the economic benefits of the activity and were also very mindful of potential environmental impacts. When Forum conducted exploration in the field during the past two summers we were able to employ several people from Baker Lake. It was a pleasure for us to utilise the local workforce and be able to contribute to the local economy by using local services. Our experience to date has been very positive, and proof that mining is the future of this region. It also reflects the excellent and thorough consultation efforts of AREVA, who have done extensive consultations with the seven communities in the Kivalliq region.

Economic development in the north is increasingly being done with an improved understanding of impacts, respect for the unique culture of the Inuit, and local social and economic benefits in mind. The capacity to ensure that mineral resource extraction benefits Inuit communities increases with every project proposed and developed. Based on the work completed to date, and AREVA's many years of successful experience in northern Saskatchewan, Forum believes that the Kiggavik Project can be carried out safely, that all potential environmental effects can be mitigated, and that substantial benefits to the people of the Kivalliq region can be realized. The mining industry is committed to achieving these outcomes through well developed projects such as the Kiggavik Project, and we look forward to the work ahead.

Sincerely,

Signed, "Rex Grant"

Rex Grant Community Relations Manager Forum Uranium Corp.

Cc: Rick Mazur, President & CEO, Forum Ken Wheatley, VP, Exploration, Forum