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NUNAVUT WATER BOARD NUNAVUT IMALIRIYIN KATIMAYINGI

August 1, 2000

By telecopier: (780) 424-7378

Mr. Bill Danyluk Mine Manager, Lupin Mine Echo Bay Mines Ltd. 1210 Manulife Place, 10180 – 101 Street Edmonton, Alberta T5J 3S4

Subject: Licences NWB1LUP0008 and NWB1ULU0008

Dear Mr. Danyluk:

I acknowledge receipt of a copy of your letter of July 27, 2000 addressed to Mr. David Milburn, Manager of the Water Resources Division at DIAND, regarding the abovementioned licences.

Regarding compliance with Schedule II, Part III of both the Lupin and Ulu Licences as to the due date for the provision of security deposit, the Nunavut Water Board does not have jurisdiction over compliance to the terms and conditions of a licence, and I do not have authority to acknowledge that EBM will not be treated as being out of compliance. Consequently, I shall treat your letter as an application for amendment to both licence and immediately forward your request to the Board.

Similarly, on the issue of the provision of the security to the Minister of DIAND instead of the Licensing Administrator as stipulated in both licences, I do not have the authority to modify the licences, and I will consequently treat your request as an application for amendment that will be presented to the Board for consideration.

By copy of this letter and your correspondence to the distribution list, we are hereby giving all parties the opportunity to express their concerns to the Board before a decision is rendered. Written submissions shall be received no later than 5 p.m. on Friday August 4, 2000.

Sincerely,

Original signed by:

Philippe di Pizzo Executive Director

c.c. Distribution List

Ulu & Lupin – August 1, 2000

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|--|---|--|---|
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