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FRASER MILNER CASGRAIN LLP

Nunavut Water
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Public Registry

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July 11, 2001

SENT BY FAX

Nunavut Water Board
 P.O. Box 119
 Gjoa Haven, NU
 X0B 1J0

Attention: Mr. Philippe di Pizzo

Dear Mr. di Pizzo:

**Subject: Echo Bay Mines Ltd. ("EBM")
 Nunavut Water Board ("NWB")
 Water Licence No. NWB1LUP0008 (the "Licence")
 Our File: 125822-706 DRT**

We have been retained by EBM in respect to its application to amend the security amount stipulated in the Licence (the "Application"). We understand the Application has been set down for a hearing before the NWB on August 9, 2001 (the "Hearing").

The letter dated May 30, 2001 and signed by Ms. Becker on behalf of the NWB states that the NWB will accept written comments and concerns with regard to the Application up until June 29, 2001. We ask that you fax or courier to the attention of the writer all written comments and concerns received by the NWB in respect to the Application.

The NWB Rules of Practice and Procedure for Public Hearings (the "Rules"), at section 3.1, state as follows:

A Party who intends to rely on a Document in a Hearing shall file the Document on the Public Register at least 15 days before the date of the Hearing in order that it may be distributed to other Parties.

On behalf of EBM, we take the position that pursuant to section 3.1 of the Rules, any document not filed at least 15 days before the Hearing cannot be relied upon at the Hearing by any party. Moreover, only those persons who filed written comments or concerns with the NWB on or

Echo Bay Mines Ltd. ("EBM")

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Mr. Philippe di Pizzo

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before June 29, 2001 are entitled to participate at the Hearing. Please confirm with the writer whether or not the NWB agrees with our interpretation of the Rules.

The letter dated May 30, 2001 and signed by Ms. Becker on behalf of the NWB states that the NWB will be retaining the services of Brodie Consulting Ltd. as an independent expert to review the Application. We are of the view that there exists an apprehension of bias in respect to Mr. Brodie's participation and accordingly, we are of the view that he cannot be considered an independent expert and he ought not to be allowed to participate in the Application or the Hearing. On behalf of EBM, we reserve the right to cross-examine Mr. Brodie on this issue and to make further submissions in this regard either at the Hearing or prior to. That said, we wish to advise you that EBM will be contacting you directly in order to arrange a meeting between Mr. Brodie and the following experts who have been retained by EBM:

1. Nuna Logistics: Court Smith, Vice President.
2. EBA Engineering: Brent Murphy, Manager of N.W.T. Mining Services.
3. University of Alberta: Dr. Dave Sego, Professor Dept. Civil & Environmental Engineering.

We are optimistic that if Mr. Brodie and the experts retained by EBM have a chance to discuss the technical aspects of the Application, they will be able to resolve many if not all of the outstanding issues. Any issues left outstanding will likely be simplified for the benefit of all those involved.

I look forward to receiving your response and if you have any concerns, please do not hesitate to contact me at the number indicated above.

Yours truly,

FRASER MILNER CASGRAIN LLP

Martin Ignasiak

MKJ:slh

cc Echo Bay Mines Ltd.
Attention: Mr. Bill Danyluk
(by fax)

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FAX COVER PAGE

Date	July 11, 2001	Client/Matter #	125822-706 MKI
To	Nunavut Water Board		
Attention	Philippe di Pizzo		
Fax Number	(867) 360-6369		
From	Martin Ignasiak	I.D. Number	
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No. of pages (including cover page)	<u>3</u>		

Comments:

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