November 15, 2007

Ms. Phyllis Beaulieu Manger of Licensing Nunavut Water Board P.O. Box 119 Gjoa Haven, NU X0B 1J0

Dear Ms. Beaulieu

**RE:** Annual Geotechnical Inspection

**Lupin Mine** 

Water License No. NWB1LUP0008

Phyllis, I am enclosing two paper copies and one electronic copy on CD of a report entitled "Zinifex Canada, Lupin Operation, 2007 Geotechnical Inspection, Perimeter Tailings Dams" for your records as per Part D – Conditions Applying to Waste Disposal, Item 6g, Annual Geotechnical Inspections of Water Licence NWB1LUP0008 for the Lupin Mine.

A summary of the engineer's recommendations and actions planned to follow up are attached.

If you have any questions concerning this report, please do not hesitate to contact me. I may be reached by phone at 807-346-1668 or 807-251-6722 or by e-mail at andrew.mitchell@zinifex.com

Sincerely,

For: ZINIFEX CANADA INC.

andrew Mitchell

Andrew Mitchell, P.Geo.

Manger, Environmental Affairs

AM/ Encl

CC: Dave Honstein, NWB

John Begeman, Zinifex Canada Aaron MacDonell, Zinifex Canada Zinifex Canada Inc.

401-1113 Jade Court Thunder Bay Ontario Canada P7B 6M7

Telephone 807 346 1668 Fax 807 345 0284 Email info@zinifex.com

zinifex.com



Zinifex Limited ABN 29 101 657 309

Freshwater Place Level 29 2 Southbank Boulevard Southbank Victoria Australia