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NUNAVUT WATER BOARD NUNAVUT IMALIRIYIN KATIMAYINGI

August 27, 2003

NWB File #: NWB1MEA

Honourable Robert D. Nault
Minister of Indian and Northern Affairs
Ottawa Ontario K1A 0H4

Dear Mr. Nault:

You may be aware that Cumberland Resources Ltd. recently submitted a water licence application to the Nunavut Water Board ("NWB") for the development of the Meadowbank Gold Project, a gold deposit located approximately seventy kilometers north of my home community of Baker Lake, Nunavut, where I was born, raised and a permanent resident.

This application is currently being processed as per the requirements of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the Nunavut Land Claims Agreement and will likely require NWB hearings during or after the environmental assessment of the project.

As with any project of this nature and magnitude, there will be significant public concerns and wide ranging opinions about the project –both for or against - from the Nunavut public in general and Baker Lake residents in particular. These views and opinions will be expressed not only during environmental or water licensing hearings but through many other forums or avenues such as local and regional media.

Since 1996, you or other Ministers have placed their trust in me as Chair of the NWB, and I am extremely honoured by your confidence in my ability to lead this board. You expect, and I have assured you, that I will be personally committed to the full respect of all principles of administrative law such as procedural fairness and natural justice, and I expect the same from my fellow board members. I can also say without hesitation that I am determined to keep an unbiased, open and balanced view of all applications and projects before the NWB, and that I have stayed and will remain clear of any material conflict as required by law.

Still, I am concerned about the perception by some members of my community that in the future I could be seen as biased or in conflict in relation to Cumberland's project. Unfortunately, perception is often as harmful as reality. While my personal integrity is not at issue and no concerns were expressed so far about my participation, I remain apprehensive about the possibility that someone will raise the issue sometime during the NWB process. Therefore, to avoid the risk of procedural difficulties, or worst, a legal challenge to a decision of the NWB, I believe it would be in the best interest of the Board and the public to personally declare conflict and to withdraw immediately from the review of this application. To ensure continuity in the processing of this application, I asked Mr. Robert L. Hanson, Vice-Chair of the NWB, to take over the functions of Chair of the NWB during any discussion and hearing related to this file.

Once again, I thank you for your support of the Board.

Yours truly,

Thomas Kudloo
Chairperson

c.c. NWB board members
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