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IQA-N 5510-5-3 UNC

May 13, 2005

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

Dear Ms. Briscoe,

RE: Meadowbank Gold Project - Assessment of proposed 102 km All Weather Site Access Road

Upon the review of Cumberland Resources Ltd.'s submission of supplemental conformity information of April 30, 2005 Indian and Northern Affairs Canada (INAC) has concern with the continued absence of land tenure application to access the Meadowbank Gold Project.

In the Meadowbank Gold Property Project Description (March 2003) and associated applications for authorizations, access to the Meadowbank site was identified to be via a winter road permitted to Peter's Expediting Ltd. Based upon the Project Description and related applications, the Nunavut Planning Commission (NPC) determined that the project did conform to the Keewatin Regional Land Use Plan (KRLUP). The project was subsequently screened by Nunavut Impact Review Board (NIRB) and sent to a Part 5 review by the Minister Robert Nault.

Cumberland Resources Ltd. submitted a Draft Environmental Impact Statement and Conformity Review Report on April 4, 2005. In these reports, it is evident that Cumberland Resources Ltd. now proposes a 102 km all season road to the Meadowbank site. This conclusion is supported by the following report excerpts:

Draft Environmental Impact Statement, December 2004

4.10 Project Description

4.10.1.6 All-Weather Roads & Winter Roads

Mine Access Road

"The site will be accessible by land by either a winter road or an all weather road. The haulage route will begin at the storage compound in Baker Lake and enter the site southeast of the mine facilities."

4.11 Project Alternatives

4.11.6 Materials Transportation

“Two overland haulage options from Baker Lake were investigated: the use of tractor-trailer units on an all-weather road, or use of all terrain tracked or low pressure tired equipment towing trailers or sleds on a winter only road. It was concluded that transportation can be performed by either method; no environmental or technical flaws have been identified. Both methods are still under consideration. A final decision will be made for the final EIS.”

And Conformity Review Report, April 2005

Route Selection

“Cumberland has conducted a preliminary assessment of road routes... The chosen route is 102 km long and has a total of 23 water crossings, none of them with a water depth greater than 2 meters.”

INAC supports the efforts of the NIRB to conduct one environmental assessment for the entire Meadowbank project, one in which access to the site is included as a component of the scope of review. At this time, however, the department does not believe it is procedurally appropriate to include construction and operation of an *all season road* in the scope of the Meadowbank Gold Project’s environmental assessment review. INAC is of the opinion that inclusion of the all-weather road in the NIRB environmental assessment should not proceed until such time as the required authorizations have undergone due process, as is determined by the Nunavut Land Claims Agreement (NLCA). Based on the following evidence, INAC does not believe that this requirement has been fulfilled:

1. Cumberland Resources Ltd. has not applied for land tenure for either the proposed all weather road or winter road. INAC has been in discussions with Cumberland Resources Ltd. on mine site access since December 2003. On April 8, 2004 INAC wrote to Cumberland Resources Ltd. to encourage the proponent to apply and secure land tenure for site access, recognizing that eventually long term tenure to the site will be required by the proponent.
2. The NLCA requires the NPC to review all applications for project proposals to determine whether project proposals conform with the existing land use plan (NLCA s11.5.10). In the Nunavut Planning Commission’s letter of April 13, 2005 to NIRB, the commission indicated that “... *the construction and use of a 102 km all weather road, as opposed to the winter road originally proposed, is relevant to the conformity requirements of the KRLUP. The NPC’s 2003 conformity review determination was based on the road in question being constructed and used as a winter road. A conformity review of that change will be necessary when the applications to build an all-weather road are received;*”
3. The NLCA requires NPC to determine if project proposals are in conformity with the land use plan and forward proposals in conformity to NIRB for Screening (NLCA s12.3.1). The NIRB cannot screen the project until a positive conformity

determination to the land use plan is provided by the NPC.

4. Without land tenure applications for site access only project components, not including the all-weather road and associated activities at Baker Lake, can be reviewed in the current process. At this time, the project dependent on the all-weather access road to supply the mine cannot be assessed in its entirety until the road component is included as a project component. In addition, the planned Technical Meetings and Pre-Hearing Conference will only be effective if discussions on the adequacy of all portions of the project are conducted. To proceed otherwise will create a split in the assessment and approval process for the Meadowbank Gold Project.

INAC is of the opinion that the all weather road is a significant component of the project, as it facilitates transportation between the community of Baker Lake to the Meadowbank site, induces other activities along the route, and as well significantly impacts the socio-economic environment of the Kivalliq region. Despite frequent correspondence with Cumberland Resources Ltd., including discussions on April 29, 2005 with Kerry Curtis, President and CEO of Cumberland Resources Ltd. no applications for the road have been filed with this department. As a conformity review by the NPC and screening by NIRB have not been conducted for the all-weather road. INAC requests NIRB guidance on how to proceed given the addition of the all-weather road and resultant change in scope.

Should you have questions, please do not hesitate to contact Glen Stephens at (867) 975-4549, via email stephensg@inac-ainc.gc.ca .

Sincerely,

Original signed by

Bernie MacIsaac
Director of Operations

cc.

Luke Coady, Executive Director, Nunavut Planning Commission
Kerry Curtis, President and CEO, Cumberland Resources Ltd.