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March 8th, 2005

Ms. Stephanie Briscoe
Executive Director
Nunavut Impact Review Board
P.O. Box 2379
Cambridge Bay, NU
X0B 0C0

Dear Ms. Briscoe:

RE: Feasibility Study Results on the Meadowbank Gold Project

On February 24th, 2005, Cumberland Resources Ltd. (Cumberland) issued a press release outlining the results of a recently completed feasibility study on the Meadowbank Gold Project. Cumberland had advised parties to the Nunavut Impact Review Board's (NIRB) part 5 review process being conducted on the Meadowbank project that it would release the results of this study as soon as they were available. We have further advised NIRB and other parties, including the Department of Indian and Northern Affairs Canada (INAC), that we would follow up our press release with a letter explaining how the feasibility study affects the project described in the draft Environmental Impact Statement (DEIS) submitted to NIRB late last year.

The results of the feasibility study have enabled Cumberland to make some adjustments to the project design to improve the economics of the project. In each case, except changes to tailings water discharge, these adjustments are within the scope of the project already described in the DEIS. The changes to the tailings water discharge do not affect the structures or equipment related to water use at the site. I provide more detail on the relevant portions of the feasibility study and its effects on the DEIS below.

The DEIS addresses the mine throughput (tonnage) as follows:

Section 4.11.2

An open pit mining approach to development has been selected because grades show underground mining to be uneconomical at this time. Underground mining may be an option for future extraction of the deeper portions of the Goose Island and Vault deposits, which have not yet been sufficiently defined by exploration. The size of the mining fleet takes into account the variability of the deposits and the need for flexibility to achieve a steady supply of 2.5 to 2.7 Mt per year of ore from the various sources. Diesel power was selected over electric since the latter is not well suited to the flexibility required.

The feasibility study recommends a mine throughput of 2.73 Mt per year, at the upper end of the range set out in the DEIS. Exploration will continue as indicated in the DEIS. Cumberland is optimistic that the productive mine life can be extended.

On the question of access to the mine the DEIS states:

Section 4.11.6 – (second paragraph)

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 fatal flaws have been identified. Both methods are still under consideration. A final decision will be made for the final EIS.

The feasibility study recommends a 102 kilometre long conventional (all weather) access road. This reduces on site infrastructure requirements and improves efficiencies in construction and scheduling and reduces overall operating costs. As indicated above, Cumberland still plans to outline its preferred access alternative in the final EIS.

On the question of tailings water discharge the DEIS says that water will be treated and discharged after year 5. The feasibility study is based on a tailing water discharge system designed for zero discharge. All process water will now be reclaimed for reuse in the mill to reduce the water requirements for the project. This change does not affect the equipment or structures needed for water use, treatment and discharge. It does improve the project from an environmental standpoint since no discharge of water into the receiving environment will now be required.

In conclusion, the feasibility study provides a firm economic basis for the project to proceed, pending NIRB and regulatory approvals. The changes to the project design are within the scope of the project described in the DEIS and any additional information required can be provided by Cumberland as it outlines its preferred alternatives in the FEIS. I trust that this letter has clarified the relationship between the feasibility study and the DEIS. If you have any questions, do not hesitate to contact me.

Yours truly,

CUMBERLAND RESOURCES LTD.

Craig Goodings, M.Sc.
Manager, Environmental & Regulatory Affairs

