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Nunavut Regional Office  
P.O. Box 100  
Iqaluit, NU, X0A 0H0

Your file - Votre référence

January 12, 2006

Our file - Notre référence  
IQA-N 9545-1-1BOSG UNC

Terri L. Maloof  
Manager, Environmental Auditing & Permitting  
Miramar Hope Bay Ltd.  
300 - 889 Harbourside Drive  
North Vancouver, B.C. V7P 3S1

Dear Ms. Maloof:

**Re: Pending Expiration Dates for Boston Gold Water Licence Security**

Under the Nunavut Water Board assignment of the water licence NWB1BOS0106 and the Kitikmeot Inuit Association land use permit 195C058 for the Boston Gold Project, Miramar Hope Bay Joint Venture is required to maintain a security with the Receiver General of Canada and the Kitikmeot Inuit Association. The total security requirement is to ensure that abandonment and reclamation occurs without liability to the people of Nunavut and Canada.

Although the Nunavut Water Board determines the amount of the security under the water licence, the Minister of the Department of Indian Affairs and Northern Development (INAC) determines the type of security instruments that are acceptable and the Nunavut Regional Office of INAC holds the securities. In the case of your securities, the amount also includes the amount of security required under the land use permit from the Kitikmeot Inuit Association.

Some of your security instruments have expired, will soon expire or require confirmation of automatic renewal. Also the securities need to be in the name of or refer to the Water Licence Holder. The Securities known to the Nunavut Regional Office of Department of Indian Affairs and Northern Development are:

- Irrevocable Standby Letter of Credit Number LOC #LGHCV990180 from the HSBC Bank of Canada for Miramar Mining Corp with the beneficiary as the Receiver General for Canada for the Department of Indian Affairs and Northern Development and the Kitikmeot Inuit Association for an amount of \$1,100,000.00 (Canadian Dollars- One million one hundred thousand only) under water licence NWB1BOS9801 and the Kitikmeot Inuit Association land use permit 195C058. The most recent amendment (Amendment #6), dated December 1, 2004, included a change of the land permit number to #KTL399CO29 and it expired on December 22, 2005.

- Irrevocable Standby Letter of Credit Number LOC #LGHCV990186 from the HSBC Bank of Canada for Miramar Mining Corp with the beneficiary as the Receiver General for Canada for the Department of Indian Affairs and Northern Development and the Kitikmeot Inuit Association for an amount of \$600,000.00 (Canadian Dollars- Six hundred thousand only) under Water Licence NWB1BOS9801 and the Kitikmeot Inuit Association land use permit 195C058. The most recent amendment (Amendment #6), dated December 1, 2004, included a change of the land permit number to #KTL399CO29 and it expired on December 22, 2005.

Would you provide letters of amendment which:

- confirm renewal or provide new expiration dates for the Letters of Credit,
- reference the renewed water licence number of NWB1BOS0106 and the Kitikmeot Inuit Association land use permit KTL399CO29 for the Boston Gold Project
- has the name of the applicant as to match the water licence or notes that the applicant represents the licensee of Hope Bay Joint Venture; and
- ensures the beneficiary is the Receiver General of Canada and the Kitikmeot Inuit Association.

Please send the signed letters confirming renewal and changes to:

Regional Director  
Nunavut Region  
Department of Indian and Northern Affairs  
Building 969, Qimugjuk Building  
Box 2200  
Iqaluit, NU X0A 0H0  
(Attention: Manager, Water Resources)

Please provide copies to the Land Manager of the Kitikmeot Inuit Association and to the Executive Director, Nunavut Water Board in Gjoa Haven, NU.

If you have any questions or comments, please contact me at (867) 975-4550.  
Thank-you.

Sincerely

Original Signed

Jim Rogers  
Manager, Water Resources

cc. Philippe di Pizzo, Nunavut Water Board  
Jack Kaniak, Kitikmeot Inuit Association