

21 January 2010

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

RE: Licence 2BB-MEL0914: Request for licence amendment: Increase allowable water use from 90 m³/day to 290 m³/day

Dear Ms. Beaulieu;

Comaplex Minerals is requesting an amendment to its water licence, 2BB-MEL0914, to increase the allowable quantity of water used per day from 90 m³ to 290 m³. This request results from measuring direct and indirect water use at the camp and the drills.

The preamble to our water licence states:

"...the Licensee shall employ accurate means of measuring water from these and any other approved water sources including sources proximal to drill rigs."

And clause B-6 of our water licence states:

The Licensee shall, within fourteen (14) days following issuance of the Licence, provide to the NWB and Inspector, details on how and when the Licensee will achieve compliance on outstanding issues raised in the August 13, 2008 Inspectors Direction.

Comaplex wrote to the Board on 12 August 2009 in regards to this requirement. On August 1st, the inspector was on site and the outstanding issue regarding the recording of water use was resolved. At the time a water meter was already installed on the camp water supply and the inspector allowed Comaplex until August 21st to install water meters on the drills. On August 12th, meters were installed on the drills. It was also agreed to record water use by the drills until October 1st or the end of the drilling season, whatever came first. The average daily water use over the period of record would serve as an average going forward, especially during winter drilling when the recording of water use is not practical.

Three drills operated during August and September and the recorded average daily water use was 53 m³/day/drill.

With the licence renewal, water use was noted to include both direct and indirect use, something we did not anticipate. The original application was based on direct use only. As a result, Comaplex's daily water use exceeded our allowable limit of 90 m³/day. We are therefore requesting to increase our allowable water use to 290 m³/day. This is sufficient to supply the camp and 5 drills simultaneously.

As you will note, this request has also been sent to the Nunavut Impact Review Board for screening with the understanding they will forward it to the Nunavut Planning Commission for a conformity check.

Yours sincerely

John Witteman

Cc. Kelly Gillard, Nunavut Impact Review Board