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NUNAVUT WATER BOARD

NUNAVUT IMALIRIYIN KATIMAYINGI

File: NWB2MEL0507 Type "B"

July 20, 2005

Email: mbalog@comaplex.com

Mark Balog
V.P. Exploration
Comaplex Minerals Corporation
910, 1015 – 4th Street S.W.
Calgary, Alberta
T2R 1J4

RE: Amendment 1 to NWB2MEL0507 Type "B"

Dear Mr. Balog:

Please find attached Amendment 1 to License NWB2MEL0507 Type "B" issued to Comaplex Minerals Corporation by the Nunavut Water Board (Motion # 2005-22) pursuant to its authority under Article 13 of the *Agreement between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in Right of Canada* and the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*. The terms and conditions of the original Licence related to water use and waste disposal remain an integral part of this approval.

Sincerely,

Philippe di Pizzo
Executive Director

Enclosure: Licence No. NWB2MEL0507 Type "B"-Amendment 1

cc: Jim Rogers, DIAND Iqaluit
Scott Stewart, DIAND Inspector
Tongola Sandy, Kivalliq Inuit Association
Josee Gallipeau, Nunavut Wildlife Management Board
Colette Spagnuolo, Environment Canada
Earle Baddaloo, GN-DOE
Derrick Moggy, Department of Fisheries and Oceans
Tania Gordanier, Department of Fisheries and Oceans

LICENCE AMENDMENT No. 1

Licensee:	Comaplex Minerals Corporation
License No:	NWB2MEL0507 Type "B"
License Issued:	February 17, 2005
Effective Date:	July 20, 2005

Pursuant to its authority under Article 13 of the *Agreement between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in Right of Canada* and the *Nunavut Waters* and the *Nunavut Surface Rights Tribunal Act*, the Nunavut Water Board hereby grants the following license amendment.

The License, issued February 17, 2005, shall be amended to include the following terms and conditions, with respect to the use of water and the deposit of waste, to allow Comaplex Minerals Corporation additional water use requirements for drilling operations and to construct a water crossing, for an all-season road, over an intermittent stream immediately north of the Meliadine West Gold Project camp associated with the Tiriganiaq Gold Deposit.

In accordance with S.55.1 of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act (NWNSRTA)* and Article 13 of the *NLCA*, public notice of the application was given and interested persons were invited to make representations to the NWB. In reviewing the concerns expressed by interested persons during this period, the NWB has included, among these terms and conditions, the requirement to submit a revised Spill Contingency Plan and an Abandonment and Reclamation Plan.

In addition, the Licensee shall provide as-built plans and drawings of the construction of the water crossing referred to in the License amendment application within ninety (90) days of completion of the project. These plans and drawings shall be stamped by an Engineer.

PART A: SCOPE, DEFINITIONS & ENFORCEMENT

1. Scope

Amend Item 1(a)

- a. This Licence allows the use of water and the disposal of waste associated with the camp operations, the drilling program and the installation of a single bridge crossing in construction of on an all-weather road between the campsite and the Tiriganiaq Gold Deposit, with respect to an undertaking classified as Mining and Milling at the Meliadine Lake Project, located approximately 25 km northwest of Rankin Inlet within the Kivalliq Region, Nunavut (camp located at latitude 63°01'30"N, longitude 92°10'20"W);

2. Definitions

Insert the following definitions:

“Engineer” means a professional engineer registered to practice in Nunavut in accordance with the Engineering, Geological and Geophysical Act (Nunavut) S.N.W.T. 1998, c.38, s.5;

“Modification” means an alteration to a physical work that introduces a new structure or eliminates an existing structure and does not alter the purpose or function of the work, but does not include an expansion;

Insert Item 3

3. Enforcement

- i. Failure to comply with this Licence will be a violation of the *Act*, subjecting the Licensee to the enforcement measures and the penalties provided for in the *Act*;
- ii. All inspection and enforcement services regarding this Licence will be provided by Inspectors appointed under the *Act*; and
- iii. For the purpose of enforcing this Licence and with respect to the use of water and deposit or discharge of waste by the licensee, Inspectors appointed under the *Act*, hold all powers, privileges and protections that are conferred upon them by the *Act* or by other applicable law.

PART C: CONDITIONS FOR THE USE AND PROTECTION OF WATER

Amend Item 1 The Licensee shall obtain water for domestic use from Meliadine Lake, up to a maximum of 5 cubic metres per day. Water for use in drilling operations shall be obtained from local lakes and adjacent water sources, up to a maximum of 125 cubic meters per day.

Insert Item 8 The Licensee shall not deposit sediments into any water body.

Insert Item 9 The Licensee shall implement effective sediment and erosion control measures as required to prevent entry of sediment into the watercourse resulting from surface disturbances and shall be required to undertake corrective measures to mitigate impacts on surface drainage resulting from the Licensee’s operations.

Insert Item 10 The Licensee shall construct the timber bridge as described within the *Supplemental Technical Information Required for Water Crossings (linear/bridge/culverts)* submitted with the Application on March 2, 2005.

The construction details are summarized under Item 7 of the *Supplemental Technical Information* document.

- Insert Item 11 The Licensee shall locate stream crossings to minimize approach grades. Approaches shall be stabilized during construction and upon completion of the project, to control runoff, erosion and subsequent siltation to any water body.
- Insert Item 12 Mechanized clearing is not licensed within thirty (30) metres of the normal high water mark of any water body in order to maintain a vegetative mat for bank stabilization.
- Insert Item 13 The Licensee shall not cut any stream bank or remove any material from below the ordinary high water mark of any water body unless authorized by the NWB.
- Insert Item 14 The Licensee shall ensure that all fill material used is from an approved source and shall be free of contaminants.
- Insert Item 15 To minimize impacts on surface drainage, the Licensee shall prepare all sites in such manner as to prevent rutting of the ground surface.
- Insert Item 16 Licensee shall not utilize any equipment or vehicles in the course of this undertaking unless the ground surface is in a state capable of fully supporting the equipment or vehicles without rutting or gouging. Overland travel of equipment or vehicles shall cease if rutting occurs
- Insert Item 17 Equipment storage holding areas should be located on gravel, sand or other durable land in order to minimize impacts on surface drainage.
- Insert Item 18 The Licensee shall designate an area for the deposition of excavated and stockpiled materials that is at least thirty (30) metres above the ordinary high water mark of any water body.

PART E: CONDITIONS FOR CAMPS, ACCESS INFRASTRUCTURES and OPERATIONS

- Insert Item 5 The Licensee shall design and construct the all-weather road bridge, in addition to that described in the amendment application dated March 2, 2005, so that stormwater runoff from the bridge deck is directed into a retention pond or vegetated area to remove suspended solids, dissipate velocity and prevent sediment and other deleterious substances from entering the watercourse.

PART G: CONDITIONS APPLYING TO SPILL CONTINGENCY PLANNING

Under Part G, Item 1, the Licensee is required to annually review the approved Spill Contingency Plan and modify the Plan as necessary to reflect changes in personnel, operations and/or technology. The NWB requires that the Licensee shall, within sixty (60) days of the issuance of this amendment, submit for the approval of the Board, a revised Spill Contingency Plan prepared in accordance with the “*Guidelines for Contingency Planning, January 1987*”, that shall include but not be limited to the following:

- i. The current Plan addresses incidents occurring during the transportation of products between Rankin Inlet and the Comaplex Minerals Corporation exploration site. The Purpose/Scope of the Plan needs to be expanded to include day to day operations at the site along with the use and storage of petroleum products/chemicals, the exploration drilling operations and the addition of the all season road and the response to spills associated with its use;
- ii. A more detailed site description that includes all infrastructures associated with the project (camp, drilling, road use, aircraft etc.), fuel storage and spill kit locations (including GPS coordinates), transportation routes and a discussion of sensitive habitat potentially affected;
- iii. A fuel/chemical inventory is to be included in the Plan that describes the volume, containers used and the types and locations of storage used at the project;
- iv. A description of the Spill response equipment and materials available for use at the project site is required within the plan. These equipment, supplies and spill kits must be available to handle potential spills based on the products, containers and storage facilities used at the site. An empty container (or secondary containment) capable of handling a spill from the largest containment unit at the site should be available for response;
- v. A description of how contaminated soils and materials will be managed following a spill event and, if transported off site to an approved disposal location, the approval given by the recipient;
- vi. When reporting a spill to the NWT Spill Report Line, the Water Resources Inspector in Iqaluit should also be contacted at 867-975-4298;
- vii. Include with the emergency contact information, the Environment Canada contact number in Iqaluit of 867-975-4644 and the addition of the Env. Canada 24 hour Emergency pager number, 867-920-5131;
- viii. Include other relative emergency contact numbers for KIA, fire, police, hospital and other clean-up specialists that may be required;
- ix. A copy of the NWT Spill Report Form is to be included within the Plan to

correspond to the reference made to it (Sec. B1 references the form but it is not included in the Plan;

If the revised Plan referred to above is not approved by the Board, the Licensee shall make the necessary revisions and resubmit the Plan within thirty (30) days following notification from the Board.

PART H: CONDITIONS APPLYING TO ABANDONMENT AND RESTORATION

Under Part H, Item 2, the Licensee is required to annually review the approved Demobilization and Restoration Plan and modify the Plan as necessary to reflect changes in personnel, operations and/or technology.

The addition of the all-weather road and water crossing is a significant change to the operations and therefore the NWB requires that the Licensee, within sixty (60) days of the issuance of this amendment, submit for approval a revised Abandonment and Restoration Plan as a stand alone document, prepared in accordance with applicable sections of the "*Guidelines for Abandonment and Restoration Planning for Mines in the Northwest Territories (1990)*".

This revision is to include, but not be limited to the following:

- i. Provide the Company information including contact names, phone numbers and addresses and the person responsible for activities at the site;
- ii. Inclusion of the reclamation requirements for the all-weather road and intermittent stream crossing at the unnamed stream that drains into Meliadine Lake ;
- iii. A location map and a site map should be included with description of the camp, including location, facilities and storage locations for all petroleum products and chemicals; GPS coordinates should also be included to show the location of the camp and exploration area with respect to other communities;
- iv. An inventory of all petroleum products and chemicals located at the site;
- v. How contaminated soil and materials, if discovered, will be handled, treated and disposed of properly, either on-site or at an approved, registered facility; and
- vi. A description of the abandonment and restoration activities planned, for all components of the project, for both seasonal and final shutdown of the exploration program (winterization, storage of fuel at caches, etc.) including a schedule for for the activities.

PART I: CONDITIONS APPLYING TO THE MONITORING PROGRAM

Insert Item 7	The Licensee shall monitor all activities for signs of erosion and shall implement and maintain sediment and erosion control measures prior to the undertaking to prevent entry of sediment into any water body.
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Insert Item 8 The Licensee shall obtain and provide a digital photographic record of the water crossing before, during and after construction has been completed.

Insert Part J:

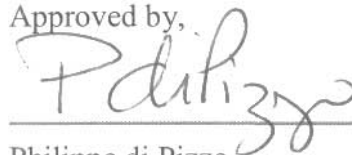
PART J: CONDITIONS APPLYING TO MODIFICATIONS

1. The Licensee may, without written consent from the Board, carry out Modifications to the water supply and waste disposal facilities provided that such Modifications are consistent with the terms of this License and the following requirements are met:
 - i. the Licensee has notified the Board in writing of such proposed Modifications at least sixty (60) days prior to beginning the Modifications;
 - ii. such Modifications do not place the Licensee in contravention of the License or the Act;
 - iii. the Board has not, during the sixty (60) days following notification of the proposed Modifications, informed the Licensee that review of the proposal will require more than sixty (60) days; and
2. the Board has not rejected the proposed Modifications.
3. Modifications for which all of the conditions referred to in Part G, Item 1 have not been met can be carried out only with written approval from the Board.
4. The Licensee shall provide as-built plans and drawings of the Modifications referred to in this License within ninety (90) days of completion of the Modification. These plans and drawings shall be stamped by an Engineer.

All remaining terms and conditions of the License NWB2MEL0507 Type 'B' dated February 17th, 2005 still apply.

This License Amendment issued and recorded at Gjoa Haven on July 20, 2005.

Approved by,



Philippe di Pizzo
Executive Director