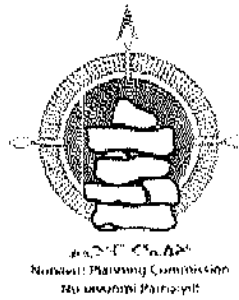


April 29, 2008



Phyllis Beaulieu
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU
FAX (867) 360-6369

Luis Manzo
Director of Lands
Kivalliq Inuit Association
P.O. Box 340
Rankin Inlet, Nunavut X0C 0G0
Fax # (867) 645-2348

Leslie Payette
Nunavut Impact Review Board
P.O. Box 1360
Cambridge Bay, NU
FAX (867) 983-2574

**Nunavut Water
Board**
APR 29 2008
Public Registry

Dear Ms. Beaulieu, Mr. Manzo, Ms. Payette,

**Re: KIA File # KVL308C09 Angilak Project – Exploration- - Iron Oxide Copper
Gold and Uranium**

The NPC has completed its review of the above noted project proposal. It conforms to the Keewatin Regional Land Use Plan (KRLUP), subject to the attached.

By this letter and additional enclosures, the NPC is forwarding the project proposal with this determination to NIRB for screening.

The applicant has undertaken to comply with the attached requirements. The authorizing agencies to which this letter is addressed are responsible under the *Nunavut Land Claims Agreement* to implement any of the attached requirements by incorporating the requirements directly, or otherwise ensuring that they must be met, in the terms and conditions of any authorizations issued.

My office would be pleased to discuss with these agencies how best to implement these requirements and to review any draft authorizations that the agencies wish to provide for that purpose.

And, this conformity determination applies only to the above noted applications as submitted. Therefore, the proponent must ensure other applications for a permit under

this project proposal not listed above are forwarded to NPC for a conformity determination against the KRLUP, and notify the NPC immediately if any material to the project proposal is changed before authorizations are issued.

Yours truly,



Bobby Suluk
Regional Planning Co-ordinator, NPC

Cc: Mr. John Robbins, Kivalliq Energy Corporation
Jeffery Howell, INAC

Attachments

Application # KIA File KVL308C09 Angilak Project Exploration Iron Oxide Copper Gold & Uranium

**NUNAVUT PLANNING COMMISSION
APPLICATION TO DETERMINE CONFORMITY
WITH THE KEEWATIN REGIONAL LAND USE PLAN**

All applicants for a project proposal shall comply with the requirements listed below. The relevant sections of the plan are noted in each requirement

GENERAL

- 2. Environmental Protection:** s2.4.9: The applicant undertakes to prevent any new occurrences of pollution, garbage and contamination at the site of the development.

Yes

No

- 3. Removal of Fuel Drums:** s2.4.9: The applicant undertakes to remove all drums safely from the site and dispose of the drums in a safe manner.

Yes

No

- 4. New Site Restoration and Clean Up:** s2.4.15 and Appendix 2, s1: The applicant undertakes to clean up the site and restore the site to its natural condition to the greatest extent possible.

Yes

No

- 5. Old Site Restoration and Clean Up:** s2.4.10: The applicant undertakes to clean up the site and restore the site to its original condition to the greatest extent possible, including any work required due to the applicant's action prior to this application.

Yes

No

- 6. Low Level Air Flights:** s5.4.4 and Appendix 2, s3: Will the applicant avoid low-level flights?

Yes

but . . .

No

- i. If not, explain why such flights are or may be absolutely necessary.

Low level flights will only
be flown when weather requires

so for safety, low level flights will
be flown during airborne geophysical
surveys. These surveys will only be flown
if wildlife are not present. If caribou,
moose or bears enter the area during
the survey, the survey will cease
until they have moved safely away.

If such flights are or may be absolutely necessary, will they avoid disturbance to people and wildlife?

☒ Yes

☐ No

if not, explain why it is not possible to avoid such disturbance.

7. **Caribou Protection Measures.** s2.4.6 and Appendix 3: Will the applicant comply with the Caribou Protection Measures outlined in section 2.4.6 and in Appendix 3?

☒ Yes

☐ No

8. **Caribou Water Crossings:** s2.4.6 and map: Will the applicant avoid, between May 15 and September 1, to construct any camp, cache any fuel or conduct any blasting within 10 km of any Designated Caribou Water Crossing identified on the certified Caribou Protection Map?

☒ Yes

☐ No

ARCHEOLOGY

9. **Reporting of Archaeological Sites:** s4.4.3 and Appendix 3, s2 and s8: Will the applicant immediately report the discovery of all suspected archaeological sites to the Department of Culture, Language, Elders and Youth (GN)?

☒ Yes

No

PARTICULAR ACTIVITIES

23. Code of Good Conduct for Land Users: *Appendix 2*: The applicant undertakes to adhere to the Code of Good Conduct at all times.

☒ Yes

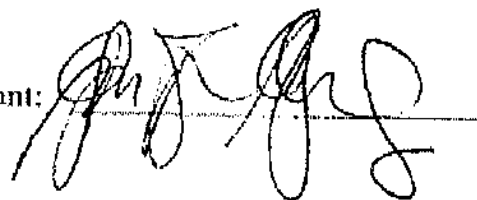
No

Allison Riepin Armstrong on behalf of
Kivalliq Energy Corp. (name of applicant), certify that the information
have given in this application is true and correct and hereby make the above
undertakings which form part of my application for a project proposal within the meaning
of the Nunavut Land Claims Agreement.

Date

April 29/08

Signature of Applicant:



Keewatin Regional Land Use Plan
Appendix G
Code of Good Conduct for Land Users

1. The landscape of each camp and other land use sites will be restored to its original condition to the greatest degree possible. Water quality will be preserved, and no substances that will impair water quality will be dumped in water bodies. When possible and feasible, old sites will be restored to the natural state.
2. All land users shall assist communities and governments) in identifying and protecting archaeological sites and carving-stone sites, as required by law.
3. Generally, low-level flights by aircraft at less than 300 metres should not occur where they will disturb wildlife or people. If such flights are necessary, they should only take place after consultation with the appropriate communities. All land users are responsible for reporting to the land managers any illegal or questionable low-level flight.
4. All activities on the land will be conducted in such a fashion that the renewable resources of the area in question are conserved.
5. Whenever practicable, and consistent with sound procurement management, land users will follow the practice of local purchase of supplies and services.
6. Land users will establish working relationships with local communities and respect traditional users of the land.
7. During the caribou calving, post-calving and migrating seasons, land use activities should be restricted to avoid disturbing caribou, in general, and activities will be governed more specifically by caribou protection measures such as those contained in Appendix FL.
8. Artifacts must be left where they are found. All land users are responsible for reporting to the location of, or any removal or disturbance of, artifacts to CLEY.
9. The mining industry is encouraged to assist in identifying local carving-stone deposits and report any discoveries to KIA. Industry is also encouraged to identify and report old waste sites that need to be cleaned up.
10. All land users shall obey the laws of general application applying to land use.

KIA Sample Land Use Plan Caribou and Muskox Protection Conditions

35. The Permittee is given permission to conduct the approved land use operations between May 15 and July 15, provided that when caribou and muskox cows are approaching the area of operation, the Permittee shall cease blasting, overflights by aircraft at any altitude less than 300 meters above ground level, and the use of snowmobiles and ATVs (all-terrain vehicles) outside the immediate vicinity of the camp. Other activities shall also be suspended if the caribou approach the immediate vicinity of the specific operation and the monitoring work (described in another clause) indicates that there is stress on the animals.
36. During the presence of caribou and muskox within sight and sound of camp, all personnel will remain quietly in camp.
37. The Permittee may resume activities prior to July 15 if the caribou and muskox cows have ceased to use the area for calving and post-calving.
39. The Permittee shall not locate any operation so as to block or cause substantial diversion to migration of caribou.
40. The Permittee shall cease activities that may interfere with migration or calving, such as airborne geophysics surveys or movement of equipment, until the migrating caribou have passed.
41. The Permittee shall not conduct any operation within 5 km of any "Designated Crossing" as outlined on the map annexed to this Land Use Permit.

From KIA Land Use Permit BHP 1970141

KIVALLIQ INUIT ASSOCIATION

APPLICATION FOR ACCESS TO INUIT OWNED LAND

Office use only

Category <i>LUH III</i>	Application No: <i>KVL308009</i>	Accepted By: <i>Utturua</i>	Date Accepted: <i>March 27/08</i>
----------------------------	-------------------------------------	--------------------------------	--------------------------------------

To be completed by all applicants

1. Applicant's name and mailing address (Full name, no initials or abbreviations) Kivalliq Energy Corporation Suite 1440 - 625 Howe Street Vancouver, BC, V6C 2T8	Telephone # (604) 646-4520
	Fax # (604) 646-4526
2. Head Office address [Same as above]	Telephone # Same as above
	Fax no. Same as above
3. Field supervisor and address if different from above Craig Finnigan, same as above	Telephone # Same as above

4. Other personnel list (Subcontractors or contractors to be used)
Drilling - Major Drilling
Expediting - Discovery Mining, M&T Enterprises, Eskimo Point
Geovector Management - geological consulting
Great Slave Helicopters or Nunasi
Air Tindi, Ken Borek, Malsnippi

Total no. of personnel: 10-15 No. of person days: approximately 2520

5. Location of activities by map coordinates. Attach ORIGINAL maps and sketches.

MAX Latitude	Degrees 62°	41'	5.7"	MAX Longitude	92°	36'	2.7"
MIN Latitude	Degrees 62°	29'	60"	MIN Longitude	93°	30'	0.0"

Map Sheet No: 65 J10-11 Inuit Land Parcel No: RI-30

Coordinate of camp (if applicable) The camp is located on Crown Land.

NOTE: Please specify projection, datum, and digital format. Please provide the data as an Arc Info cover, ArcView

Revised AUGUST 2004

Shape file or an .E00 file.

6. Periods of operation; including periods of seasonal shut down and periods for restoration.

March through to end of October each year

7. Period of access required (up to one or two years for licenses, depending on license level, up to five years for residential/recreational leases and level I and II commercial leases, and up to forty years for level III commercial leases)	Start date	Completion Date
	3 1 / 0 3 2008	3 0 / 1 1 2013

8. Other rights, licenses, permits or leases related to this application. Provide proof of rights or indicate if in the process of applying for rights.

<input type="checkbox"/> NTI Subsurface Right	<input type="checkbox"/> NRI Research License	<input type="checkbox"/> CWS Permit
<input checked="" type="checkbox"/> DIAND Subsurface Right	<input type="checkbox"/> RWED Tourism License	<input type="checkbox"/> Other
<input checked="" type="checkbox"/> NWB Water License	<input type="checkbox"/> Explosives Permit	Specify: _____

A water licence application has been submitted to the Nunavut Water Board and a land use permit application has been submitted to DIAND.

9. TYPE OF LAND USE ACTIVITY

Check off the appropriate land use activities.

Mining/Oil & Gas

<input checked="" type="checkbox"/>	Staking and Prospecting
<input checked="" type="checkbox"/>	Exploration (geophys-grd/air)
<input checked="" type="checkbox"/>	Drilling (diamond/ice, etc)
<input type="checkbox"/>	Mine (open pit, underground)
<input type="checkbox"/>	Bulk fuel storage
<input type="checkbox"/>	Other: _____

Construction:

<input checked="" type="checkbox"/>	Camp
<input type="checkbox"/>	Building
<input type="checkbox"/>	Winter road
<input type="checkbox"/>	All Season road
<input type="checkbox"/>	Quarrying
<input type="checkbox"/>	Other: _____

Tourism:

<input type="checkbox"/>	Tourism facility
<input type="checkbox"/>	Outfitting
<input type="checkbox"/>	Other: _____

Municipality:

<input type="checkbox"/>	Bulk Storage
<input type="checkbox"/>	Residential Building
<input type="checkbox"/>	Commercial Building
<input type="checkbox"/>	Other: _____

Research:

<input type="checkbox"/>	Wildlife/fish/birds/marine
<input type="checkbox"/>	Survey (grd/aerial/collars)
<input type="checkbox"/>	Collection of species
<input type="checkbox"/>	Research Station
<input type="checkbox"/>	Other: _____

Other:

<input type="checkbox"/>	Commercial harvest
<input type="checkbox"/>	Recreational Camp
<input type="checkbox"/>	Other: _____

Water Use

10. TYPE OF WATER USE

Select the kind of project for which you will use the water, and the type of water use

Undertaking

Water Use:

<input type="checkbox"/>	Advanced Exploration
<input checked="" type="checkbox"/>	Exploration Drilling
<input type="checkbox"/>	Industrial
<input type="checkbox"/>	Mine Development
<input type="checkbox"/>	Power
<input type="checkbox"/>	Remote/Tourism
<input type="checkbox"/>	Other:

<input checked="" type="checkbox"/>	To Obtain Water
<input type="checkbox"/>	To Modify the bed or bank of water course
<input type="checkbox"/>	To Alter the flow of, or store water
<input type="checkbox"/>	To Cross the Watercourse
<input type="checkbox"/>	To Divert the Watercourse
<input type="checkbox"/>	Flood Control
<input type="checkbox"/>	Other

11. QUANTITY OF WATER INVOLVED

Please include the quantity of water will use during the Land Use activity

Quantity of water to be used:	1,000	m ³ /year
Quantity to be returned:		m ³ /year

12. WASTE

Describe the type of waste produced by the activity

<input type="checkbox"/>	Bulky Items/Scrap metals
<input type="checkbox"/>	Grey water
<input type="checkbox"/>	Hazardous
<input type="checkbox"/>	Sewage
<input type="checkbox"/>	Sludge
<input checked="" type="checkbox"/>	Solid waste
<input type="checkbox"/>	Waste Oil
<input checked="" type="checkbox"/>	Other: Drill water

Describe:

13. LAND USE PERMIT

Select Land Use Permit Issued

<input checked="" type="checkbox"/>	DIAND	yes	If not, date expected	Application submitted
<input checked="" type="checkbox"/>	Kivalliq Inuit Association	yes	If not, date expected	
<input type="checkbox"/>	Commissioner	yes	If not, date expected	
<input type="checkbox"/>	Department of Environment	yes	If not, date expected	

14. IMPACT

Predicted environmental impacts of undertaking and proposed mitigation measures (direct, cumulative impacts)

Describe: During all activities, every effort will be made to avoid disturbance to wildlife. Denning and nest sites will be avoided and the locations recorded. All archaeological sites will be respected and reported immediately. There will be no discharge of any kind in to any water bodies. Sumps at the drill sites will be located a minimum of 31 m from the normal high water mark of any water body. Effects from this program are minimal and temporary. See the attached Spill Contingency Plan and Abandonment and Reclamation Plan for more information.

NPC conformity check - This project has not yet been screened.

NIRB Screening- This project has not yet been screened.

<input type="checkbox"/>	Yes
<input type="checkbox"/>	No

If not, date expected Will be screened.

Proposed Time Schedule

☒ Same as the Land Use

☐ Check for **Annual Work**, specify the days of operation. [Leave unchecked for multi year work]

Start day

Completion date

15. On a separate page, provide a **NON-TECHNICAL** project summary. This should include a non-technical description of the project proposal, no more than 300 words, in English and Inuktitut (Inuinaktun, in the West Kitikmeot). The project description should outline the project activities and their necessity, method of transportation, any structures that will be erected, expected duration of activity and alternatives considered. If the proposed activity fits into any long-term developments, please describe the projected outcome of the development for the area and its timeline.

16. Attach a detailed project description as outlined in APPENDIX A.

17. Land Use Application Fees:

☐ Land Use License I
Inuit \$ 0.00
Non-Inuit \$100.00

☐ Land Use License II \$100.00

☒ Land Use License III \$500.00

☐ Commercial Lease I \$1000.00

☐ Commercial Lease II \$2500.00

☐ Commercial Lease III \$5000.00

☐ Residential/Recreational Lease
Inuit \$ 0.00
Non-Inuit \$ 250.00

☐ Right of Way Agreement \$500.00

☐ Exemption Certificate \$0.00

☐ Marble Island Tourism
Inuit \$ 0.00
No-Inuit \$10.00

Land use fees: # of hectares used @ \$50.00/hectare = 2 hectares = \$100.00

Note: The land use fee is for the amount of land used on an annual basis.

18. Water Application Fees:

Water License Application type:

- ☐ For Land Use License Class I
the corresponding *Water Application fee* is \$50.00 per
year plus \$ 1 for Water use charge, *Volumetric fee*,
Total \$51 every year
- ☐ For Land Use License Class II the
corresponding *Water Application fee* is
\$250.00 every 2 years plus \$ 1 for Water use charge,
Volumetric fee, Total \$251.00 every year
- ☒ For Land Use License III
The corresponding *Water Application fee* is \$500.00
every 2 years and \$26.35/1000m³ for Water Use charge
Volumetric fee. Total \$526.35 every year
- ☐ For Commercial Lease I
The corresponding *Water Application fee* is \$50.00 and
\$ 26.35 /1000m³ for Water use charge, *Volumetric fee*.
Total \$76.35 every year
- ☐ For Commercial Lease II
The corresponding *Water Application fee* is \$500.00
and \$ 26.35 /1000m³ for Water use charge, *Volumetric fee*.
Total \$526.35 every year
- ☐ For Commercial Lease III,
The corresponding *Water Application fee* is \$5000.00
and \$ 26.35 /1000m³ for Water use charge, *Volumetric fee*.
Total \$5026.35 every year

Water Use Fee [Volumetric fee]: # volume water use (m³) * \$26.35/1000m³ = \$26.35 - total \$526.35

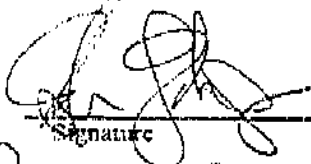
Note: The water application type is related to the Land use application type. A water Protection fee will be charge according to the type and stage of the development project.

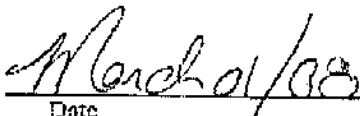
19. a) The Applicant request a Certificate of Exemption ☐

OR

b) The Applicant agrees to be bound by terms and conditions to be attached to the Inuit Land User License or Lease ☒

Sign name in full:


Signature
for John Robins


Date