

NIRB File No.: 08EN052 INAC File No.: N2008C0026

June 1, 2010

Honourable Chuck Strahl Minister of Indian and Northern Affairs Canada c/o Spencer Dewar, Manager Land Administration Indian and Northern Affairs Canada Iqaluit, NU

Via email: Spencer.Dewar@inac-ainc.gc.ca

Re: Application exempt from NIRB Screening pursuant to Section 12.4.3 of the NLCA:

Kivalliq Energy Corporation's land use permit amendment/extension request with

INAC for its "Angilak" project

Dear Spencer Dewar:

On May 17, 2009 the Nunavut Impact Review Board (NIRB) received an application from Indian and Northern Affairs Canada (INAC) for Kivalliq Energy Corporation's (KEC) "Angilak" project. This application involves a one-year extension and an amendment to INAC Land Use Permit N2008C0026 to include the use of a second drill for exploration purposes.

Please be advised that the original "Angilak" project proposal was received by the NIRB on March 27, 2008 from Kivalliq Inuit Association (KIA), and screened in accordance with Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA). On July 31, 2008 the NIRB issued a 12.4.4(a) screening decision to the Minister of INAC allowing the proposed project to proceed subject to project-specific recommended terms and conditions in the enclosed Screening Decision Report.

On April 23, 2009 KEC applied to INAC for an amendment to this Land Use Permit which was required to change the location of the exploration camp. Upon receipt of the amendment application from INAC, NIRB confirmed that the proposed activities had previously been screened and were therefore exempt from further screening pursuant to Section 12.4.3 of the NLCA, and remained subject to the NIRB's July 31, 2008 Screening Decision to the Minister of INAC.

The current application and original file information (NIRB File No.: 08EN052) are available from the NIRB's ftp site at the following link:

ftp://ftp.nirb.ca/SCREENINGS/COMPLETED%20SCREENINGS/ARCHIVE/2008_SCREENINGS/08EN052-Kivalliq%20Energy%20Corporation/1-SCREENING/

Please note that Section 12.4.3 of the NLCA states that:

"Any application for a component or activity of a project proposal that has been permitted to proceed in accordance with these provisions shall be exempt from the requirement for screening by NIRB unless:

- (a) such component or activity was not part of the original project proposal; or
- (b) its inclusion would significantly modify the project."

After completing a review of the information provided, the NIRB is of the understanding that the application received from INAC does not change the general scope of the original project activities, and the exceptions noted in NLCA 12.4.3(a) and (b) do not apply. Therefore, this application is exempt from screening as per Section 12.4.3 of the NLCA and the activities therein remain subject to the terms and conditions recommended in the original July 31, 2008 Screening Decision Report (enclosed).

If you have any questions or concerns, feel free to contact Li Wan, Technical Advisor, at (867) 983-4606 or lwan@nirb.ca.

Best regards,

Stephanie Autut Executive Director

Cc: Jeff Ward, Kivalliq Energy Corporation (<u>ar_enviro@yahoo.ca</u>)

Brian O'Mara, INAC (<u>Brian.OMara@inac-ainc.gc.ca</u>)
Phyllis Beaulieu, NWB (<u>licensing@nunavutwaterboard.org</u>)

Luis Manzo, KivIA (dirlands@kivalliginuit.ca)

Enclosed: NIRB Screening Decision Report, File No. 08EN052 (July 31, 2008)