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NIRB File No.: 08EN052
AAND File No.: N2008C0026
KIA File No.: KVL308C09
NWB File No.: 2BE-ANG

July 28, 2011

The Honourable John Duncan
Minister of Aboriginal Affairs and Northern Development
c/o Jeff Mercer, Manager Land Administration
Aboriginal Affairs and Northern Development Canada
Iqaluit, NU

Via email: Jeff.Mercer@aandc.gc.ca and landsmining@aandc.gc.ca

**Re: Application exempt from Screening pursuant to Section 12.4.3 of the NLCA:
Kivalliq Energy Corporation's "Angilak" project**

Dear Jeff Mercer:

On June 28, 2011 the Nunavut Impact Review Board (NIRB or Board) received an application from Aboriginal Affairs and Northern Development Canada (AAND) for an extension to Land Use Permit N2008C0026 for Kivalliq Energy Corporation's "Angilak" project proposal. Upon receiving the current extension application, the NIRB undertook a preliminary completeness check and found that the proposal did *not* contain sufficient information to permit the NIRB to assess the scope of the request against the previously screened project activities; therefore on June 29, 2011 and again on July 18, 2011 the NIRB requested submission of the outstanding 2010 annual report (due March 31st of each year). The requested information was received by the NIRB office by email on July 26, 2011.

Please be advised that the original project proposal (NIRB File No.: 08EN052) was received by the NIRB from the Kivalliq Inuit Association (KIA) on March 27, 2008 and was screened by the Board in accordance with Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA). On July 31, 2008 the NIRB issued the enclosed NLCA 12.4.4(a) screening decision to the Minister of Indian and Northern Affairs (INAC) indicating the proposed project could proceed subject to NIRB's recommended project-specific terms and conditions.

On May 5, 2009 the NIRB received an amendment request from INAC for the above mentioned project. After a thorough assessment of the amendment request, the NIRB determined that the application was exempt from further screening as per Section 12.4.3 of the NLCA, and reissued the enclosed screening decision report on May 8, 2009.

On May 20, 2010 the NIRB received an extension and amendment request from INAC for the above mentioned project. After a thorough assessment of the extension and amendment request, the NIRB determined that the application was exempt from further screening as per Section 12.4.3 of the NLCA, and reissued the enclosed screening decision report on June 1, 2010.

The current AAND application, the original NIRB Screening Decision Report (08EN052) and related file information are available from the NIRB's ftp site at the following link: <http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2008/>.

PREVIOUSLY-SCREENED PROJECT PROPOSAL:

As previously screened by the NIRB (File No. 08EN052), the "Angilak" project was located within the Kivalliq region, approximately 300 kilometres (km) from Rankin Inlet. The Proponent indicated that it intended to conduct exploration activities for IOCG (Iron Oxide Copper Gold) and uranium on Inuit Owned Land and Crown Land.

The activities/components associated with this proposal included:

- Temporary camp construction for 10-14 people;
- Exploration activities – prospecting, mapping and geophysical surveys both ground and airborne;
- On land and on-ice exploration drilling of up to 25 drill holes;
- Project supported by helicopter for transportation of field crews and movement of drill;
- Fuel storage and transportation of 70 drums diesel, 5 drums gasoline, 100 drums aviation fuel, 10 x 100 lb propane tanks;
- Chemical and hazardous waste storage;
- Water use for domestic (camp) purposes and drilling purposes;
- Production of wastes;
- Incineration of combustible waste;
- Use of 'Pacto' toilets and incineration of sewage waste.

The activities/components associated with the previous amendments included:

- 2009: change to camp location;
- 2010: add one (1) diamond drill.

CURRENT APPLICATION:

Kivalliq Energy Corporation is proposing to extend its land use permit for one additional year to continue the following activities:

- Exploratory drilling;
- Fuel caching;
- Upgrading camp infrastructure; as well as
- Applications have been submitted to the Nunavut Research Institute (pending NPC conformity determination and NIRB screening) to begin baseline research.

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 in support of the current application, the NIRB is of the understanding that the proposed extension 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, please contact Tara Arko, Assistant Technical Advisor, at 867-983-4611 or tarko@nirb.ca.

Sincerely,



Ryan Barry
Executive Director

cc: Jeff Ward, Kivalliq Energy Corporation at info@kivalliqenergy.com
Allison Rippin Armstrong, Kivalliq Energy Corporation at ar_enviro@yahoo.ca
Tracey McCaie, AAND

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