



October 18, 2012

Phyllis Beaulieu  
Nunavut Water Board  
P.O. Box 119  
Gjoa Haven, Nunavut  
X0B 1J0

**Re: NWB Licence 2BE-ANG0813 Renewal Application**

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Attached please find a NWB Application for Water Licence Renewal pertaining to Kivalliq Energy Corporations NWB Water Licence 2BE-ANG0813.

Exploration out of the Angilak property has been run out the New Yat Lake Camp (Nutaag Camp) since March 2010. Nunavut Water Board Licence 2BE-ANG0813 was issued to Kivalliq Energy Corporation on August 5, 2008 and was amended on January 25, 2010 to allow the relocation of its exploration camp to its current location. On July 16, 2010 licence No. 2BE-ANG0813 was amended to increase the daily water use to 100 cubic metres to accommodate additional drills.

To date, we have conducted approximately 85,000 metres of diamond and reverse circulation drilling under water licence 2BE-ANG0813. Exploration activities to be conducted under a renewed licence are consistent with those undertaken in 2012. No change in water usage is contemplated under Kivalliq Energy's 2012 Application for a Water Licence Renewal.

Regards,

  
Andrew Berry  
Chief Operating Officer  
Kivalliq Energy Corporation