



AANDC, Nunavut District Office
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December 10, 2012

Mr. Michael England
CEO and President
Alix Resources Corp.
Suite 1220, 789 West Pender St.
Vancouver BC V6C 1H2
Email: mike@alixresources.com
mike@engcom.ca

Re: 2BE-ARC0813 Failure to Provide Required Information

Mr. England,

On August 14th, 2012 I submitted to you an inspection report of the Arcadia Project, Nunavut Water Licence No. 2BE-ARC0813. This report outlined specific actions that were required by specific dates. While I received a prompt response from Mr. Newman on your behalf, I have received no further communication on this file.

As per the inspection report: "You are required to prepare a plan to address the cleanup and remediation of these sites and the remaining conditions of your licence and the Abandonment and Remediation Plan, and to submit this plan to the Inspector by November 1, 2012 for approval. The plan must be specific, outlining each area of non-compliance, the steps that will be taken to address them, and a proposed timetable for implementation."

You are now more than 30 days overdue.

In my correspondence of August 18th to Mr. Newman (and copied to you), you were to provide a complete list of coordinates from the drill program to Mr. Newman and to me. You are to submit this by **December 15, 2012**.

While Mr. Newman gave me the impression that some work would be carried out this fall, no plan was approved to do so. Much of this work cannot be carried out over the winter, as an assessment is required of the contamination which resulted from the careless handling of hydrocarbons and drill salts. This must be assessed by a *qualified person* after the snow has melted.

I will extend your deadline for submission of the plans to **January 31, 2013**. At this time you are required to me submit the following:



1. A plan, including timelines, to assess contamination of the sites identified, to be prepared by a qualified person. This person must have experience assessing hydrocarbon and salt contamination and must be able to demonstrate their credentials. I would recommend consulting with me as to whether the person is a 'qualified person' prior to contracting them.
2. A plan which outlines each instance of non-compliance (listed in the Inspection Report, including the submission of annual reports), and the **actions** that will be taken and **dates** on which each non-compliance will be addressed.
3. To the NWB (and copied to me): An application for renewal of the Licence, as there is no way in which the planning and remediation of these sites can be completed prior to the April 30, 2013 expiry. The plan prepared under item 2 above should also accompany this application.

Failure to provide the requirements outlined above by January 31, 2013 *WILL RESULT* in the issuance of a direction under the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* (s. 87).

Sincerely,

Eva Paul

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CC: Phyllis Beaulieu, Manager of Licensing – Nunavut Water Board
Grant Newman, Kikiak Contracting - kikiak_gn@netkaster.ca