



P.O. Box 119
GJOA HAVEN, NU X0B 1J0
TEL: (867) 360-6338
FAX: (867) 360-6369

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NUNAVUT WATER BOARD
NUNAVUT IMALIRIYIN KATIMAYINGI
OFFICE DES EAUX DU NUNAVUT

File No.: 2BE-ARC0813/TR/B2/H2

December 6, 2010

Kris Raffle
APEX Geoscience Ltd.
#200, 9797- 45 Avenue
Edmonton, AB T6E 5V8
E-mail: kraffle@apexgeoscience.com

RE: Submission of the 2006, 2007 and 2008 Annual Reports, and Revised Spill Contingency Plan Type “B” Licence No. 2BE-ARC0813

Dear Mr. Raffle:

The Nunavut Water Board (“NWB”) reviewed the following documents submitted by Apex Geoscience Ltd. on behalf of Alix Resources Corp. as required under the terms and conditions in Licence No. 2BE-ARC0813:

1. 2006 and 2007 Annual Reports dated December 6, 2008
2. 2008 Annual Report dated March 31, 2009; and
3. Plan entitled “Spill Contingency Plan, Arcadia Property” dated March 31, 2009.

2006 and 2007 Annual Reports

The 2006 and 2007 annual reports were received December 10, 2008 and were distributed to the public on June 17, 2008. No comments have been received to date. The internal review noted that no activities were carried out for the 2006 and 2007 periods and as such no water was used or waste deposited. The licensee should be aware that, even in cases where no activities were carried out during a particular year, the annual report still needs to be filled with the Board no later than March 31st of the year following the calendar year being reported as opposed to December 10, 2010, the date on which the 2006 and 2007 reports were filed.

2008 Annual Report

The Nunavut Water Board (NWB/Board) received 2008 annual report on April 2, 2009. The Board acknowledged receipt and distributed to interested parties and persons for information purposes only on July 30, 2010. To date, no comments have been received. An internal review of the document noted that although a combined volume of 25 cubic metres of water per day is allowed for domestic and drilling purposes, under Part C, Item 1 in the licence, the 2008 annual report indicated that a combined volume of 450 cubic metres is allowed, and a combined volume of 305 cubic metres was used.

The Licensee is reminded that the Annual Report for 2009 is outstanding and should be submitted no later than December 31, 2010. In addition, an addendum to the 2008 Annual Report should be submitted together with the 2009 Annual Report to clarify the apparent discrepancy between the volumes of water allowed for under the licence and the values provided in the 2008 Annual Report.

Spill Contingency Plan

The Nunavut Water Board received the revised plan on April 2, 2010. An internal review of the of the Plan determined that it is mostly consistent with the applicable terms and conditions in the licence, Part H, Item 2. The licensee should, however, include the following items in the annual review of the Plan:

- a. The physical address of Alex Resources Corp.; and
- b. The contact information for INAC's Manager of Field Operations (**Ph. 867-975-4295**) in sections 3.1, 4.0 and in Table 2. Please note that in the event of a spill, INAC's Manager of Field Operation should also be contacted.

Should you have any questions, please feel free to contact the undersigned at 867-360-6338 ext. 25 or by email at sjoseph@nunavutwaterboard.org.

Yours truly,

Original Signed By:

Sean Joseph
Technical Advisor
Nunavut Water Board

Cc: Distribution List – Kitikmeot Region