

Rio Tinto Exploration Canada Inc.  
#354-200 Granville Street  
Vancouver, B.C. V6C 1S4  
Canada  
T + 1 (604) 696-3400  
F +1 (604) 696-3401

28 March 2012

AANDC Nunavut Regional Office  
P.O. Box 100  
Iqaluit, Nunavut X0A 0H0

Re: Compliance Plan LICENCE NUMBER: NWB2ARN0507 -Type "B"

Attn: Melissa Joy, Water Resource Officer

Regarding your recent correspondence for the Arnak property water license NWB2ARN0507 we have some questions and comments noted below.

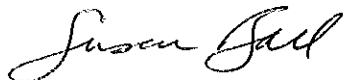
Can you clarify under what terms a final closure report is required for water licences? While the requirement for an annual report is clear in the permit document, we do not see the requirement for a final report outlined in the Terms and Conditions for the Licence. Additionally, are there guidelines that outline what shall be contained in the final report?

Addendums to the Abandonment and Restoration Plan and Spill Contingency Plan filed in 2005 are attached to this letter.

We expect to be in a position to provide documentation of fuel and waste storage areas and their removal/remediation as per the final plan filed under LUP2004H0033 once we have located the relevant files from our company archives. If this final plan cannot be located, we will put in a request for copy from AANDC Land Use Division

We are agreeable to removal of the metal debris noted in the inspection report, to be completed after seasonal thaw. Do inspectors have any documentation indicating more precisely what the debris might consist of and/or scale of the 'large' debris?

Regards,



RIO TINTO EXPLORATION CANADA INC.  
Susan Ball  
Land Manager  
Direct Line 604-696-3449