

**NIRB File No.: 11EN018**

KivIA File No.: KVRW11F03, KVL311C04

AAND File No.: N2011C0012

August 5, 2011

Joe Kaludjak
Interim President, Kivalliq Inuit Association
c/o Luis Manzo
Kivalliq Inuit Association
Rankin Inlet, NU

Via email: dirlands@kivalliqinuit.ca

**Re: Application Exempt from NIRB Screening Pursuant to Section 12.4.3 of the NLCA:
Uranium North Resources Corp.'s "Aura" project**

Dear Luis Manzo:

On August 2, 2011, the Nunavut Impact Review Board (NIRB or Board) received an application for access to Inuit Owned Lands from Kivalliq Inuit Association (KivIA); this application is in support of Uranium North Resources Corp.'s (Uranium North) "Aura" project.

Please be advised that the original "Aura" project proposal (NIRB File No.: 11EN018) was received by the NIRB from KivIA (File No.: KVRW11F03) on March 11, 2011, and from Indian and Northern Affairs Canada (INAC) on April 28, 2011 (INAC File No.: N2011C0012). The proposal was screened by the NIRB in accordance with Article 12, Part 4 of the Nunavut Land Claims Agreement (NLCA) and on May 16, 2011 the NIRB issued the enclosed 12.4.4(a) screening decision to the Minister of INAC and the President of the KivIA indicating that the proposed project could proceed subject to the NIRB's recommended project-specific terms and conditions.

The current KivIA application, the original NIRB Screening Decision Report (11EN018) and related file information are available from the NIRB's ftp site at the following link:

<http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2011/11EN018-Uranium%20North%20-%20Aura%20Project/>

PREVIOUSLY-SCREENED PROJECT PROPOSAL:

As previously screened by the NIRB (File No.: 11EN018), the "Aura" project was an early stage gold and base metals exploration program located in the Kivalliq region near Angikuni Lake,

approximately 335 kilometres (km) west of the community of Arviat. The program was proposed to commence during 2011 and continue until 2016.

The proposed project activities included:

- Prospecting, geological mapping, sampling, aerial and ground geophysical surveys;
- Exploration drilling (reverse circulation and diamond drilling);
- Helicopter supported drill program, including daily transportation of field crew to drill sites;
- Temporary tent camp facilities for a maximum of twenty (20) people near Angikuni Lake;
- Transporting supplies and fuel using cat train via 330 km overland route from Arviat to camp site;
- Using snowmobiles to evaluate and validate the overland route prior to cat train operations;
- Twin/single otter transport of supplies, fuel and personnel to camp site from Arviat or Baker Lake;
- Fuel storage at camp site (8,200 litres drill fuel, 6,150 litres generator fuel, 11,480 litres heating oil, 41,000 litres aviation fuel, 410 litres gasoline and 6000 pounds propane);
- Temporary storage of chemicals and hazardous materials on site;
- Water use for drilling purposes and camp activities;
- Disposal of sewage, greywater and waste generated from camp operations;
- Incineration of combustible waste; and
- Removal of non-combustible and hazardous waste to an approved disposal facility.

CURRENT APPLICATION:

Uranium North is currently applying for a Land Use License (Class III) to undertake the following activities on Inuit Owned Land as part of the ongoing “Aura” project. These activities had been previously screened to take place in another area as part of the NIRB’s assessment of the original project:

- Prospecting, geological mapping, sampling, aerial and ground geophysical surveys;
- Exploration drilling (reverse circulation and diamond drilling);
- Helicopter supported drill program, including daily transportation of field crew to drill sites;
- Water use for drilling purposes; and
- Removal of non-combustible and hazardous waste to an approved disposal facility.

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, the NIRB is of the understanding that the current application received from the KivIA 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 Screening Decision Report to KivIA dated May 16, 2011 (enclosed).

If you have any questions or concerns, feel free to contact Kofi Boa-Antwi, Technical Advisor, at 867-983-4609 or kboa-antwi@nirb.ca.

Sincerely,

A handwritten signature in black ink that reads "Ryan Barry". The signature is fluid and cursive, with a long horizontal line extending from the end of the name.

Ryan Barry
Executive Director

cc: Graham Gill, Uranium North (g.gill@diamondsnorth.com)
Phyllis Beaulieu, NWB (licensing@nunavutwaterboard.org)
Jeff Mercer, AAND (Jeff.Mercer@aandc.gc.ca; landsmining@aandc.gc.ca)

Enclosed: NIRB Screening Decision Report, File No.: 11EN018 (May 16, 2011)