



P.O. Box 119
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NUNAVUT WATER BOARD
NUNAVUT IMALIRIYIN KATIMAYINGI

NWB File No: 2BE-BAF/GA

May 29, 2006

Bruce McMonnies
De Beers Canada Inc. Exploration Division
One William Morgan Drive
Toronto ON M4H 1N6
Email: bruce.mcmonnies@ca.debeersgroup.com

Re: Acknowledgement and Receipt of Water Use Fee & Administration fee for the Baffin North Central Project

Dear Mr. McMonnies:

The Nunavut Water Board acknowledges receipt on May 22, 2006 of your water use fee, cheque number 6088, for the above project. Your payment has been forwarded to DIAND in Iqaluit for processing. A receipt will be issued through their office.

Please refer to the calculation for water use fees, in the Northern Inland Waters Regulations, to ensure that the correct fee has been submitted. These regulations are on our ftp site at "nwb" / NWB Administration / NWB Waters Legislation. This is an annual fee which is required to be submitted yearly on the anniversary of the issuance of your water license, until expiry.

Please call the undersigned at (867) 360-6338 or e-mail licensingtrainee@nwb.nunavut.ca if you have any questions.

Sincerely,

Original signed by:

Richard Dwyer
Licensing Trainee

Enclosure

Cc: Jim Rogers, DIAND

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Exploration\\2BE-BAF\\2 ADMINISTRATION\\0 GENERAL CORRESPONDENCE\\060539 2BE-BAF receipt of
wuf fee & admin fee-OLAE.doc