

P.O. Box 119 GJOA HAVEN, NU XOB 1J0 TEL: (867) 360-6338 FAX: (867) 360-6369 ຼ໑৯° ΔL~ሊትና ቴ∩Lትዣ NUNAVUT IMALIRIYIN KATIMAYINGI NUNAVUT WATER BOARD OFFICE DES EAUX DU NUNAVUT

File No: 2BE-BLU----

April 16, 2008

Abraham Drost
Managing Director
Alyris Gold Corporation
P.O. Box 10195
Thunder Bay, ON P7B 6T7
Email: ADrost@alyris.ca

<u>Subject: Alyris Gold Corporation – Blue Caribou Project – New License Type "B"</u>

Dear Mr. Drost:

The Nunavut Water Board (NWB) acknowledges receipt of your application for a new water license on January 3, 2008 for water use and waste disposal associated with exploratory drilling operations for the Blue Caribou Project, in the Kitikmeot region. The application can be obtained from our ftp site at the following link: http://nunavutwaterboard.org/ftp/ or by contacting our office. The application consists of the following documents:

- cover letter dated December 18, 2007, received on January 3, 2008
- water license application form, received January 3, 2008
- supplementary questionnaire, received April 7, 2008
- maps, received January 3, 2008
- project summary in English and Inuktitut, received January 3, 2008
- Spill Contingency Plan, received April 7, 2008
- MSDS Sheets, received April 7, 2008
- AR Plan, received April 7, 2008
- Letter from Dundee Precious Metals dated March 29, 2008
- Application to Record Claims

We undertook a preliminary review of your application and conclude that it meets the requirements of section 48(1) of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* ("Act"). This said, I must inform you that the NWB reserves the right to request additional information and studies pursuant to sections 48(2) of the Act or, alternatively, issue guidelines for the provision of information pursuant to section 48(3) of the Act.

The NWB Technical Advisor assigned to your application may be in touch with you to clarify any technical details related to your application.

However, before your application can be processed further by the NWB, it is subject to sections 38(1) to 38(5) of the Act and therefore must first be reviewed by the **Nunavut Planning**Commission (NPC) to determine its conformity with an approved land use plan. By copy of this letter to the NPC, we are formally asking our sister board to undertake this determination and inform the NWB of its decision.

Pursuant to Section 13.7.3 of the Nunavut Land Claims Agreement this application is of a class that does not require a public hearing, and is therefore exempt from screening by the Nunavut Impact Review Board, as per Schedule 12-1 of the NLCA. We are consequently requesting **NPC to forward the application back to the NWB** when its determination is complete.

Finally, by copy of this letter to the distribution list and the enclosed notice of application sent to the council of the municipality or municipalities most affected by your application, we invite interested persons to make representations directly to the NWB within 30 days from the date of this letter. Please note that a Spill Plan & an Abandonment & Restoration Plan was also received with the application and requires review. The NWB may provide additional procedural instructions once the application has been reviewed.

Sincerely,

Original signed by:

Phyllis Beaulieu Manager of Licensing

Enclosure: Notice of Application

cc: Distribution List - Kitikmeot