



KENNECOTT CANADA EXPLORATION INC.

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April 5, 2004

NUNAVUT WATER BOARD
P.O. Box 119
Gjoa Haven, Nunavut
X0B 1J0



Attention: Rita Becker, Licensing Administrator

Re: Annual Report: Water License NWB2BRO0203– Brodeur Peninsula, Nunavut

Dear Rita:

The following is the report for the 2003 work season on our Brodeur Property on Baffin Island.

A camp established during 2002 near the Jackson River was slightly enlarged to accommodate an extra 6 people. The camp was occupied from July 3 to August 16, 2003. The camp area in total is approximately 100m x 50m with frame tents, helicopter pad, fuel storage and incinerator toilet. A 2000 gallon holding tank for water was filled from the stream and average usage was approximately 500 gallons per day. The water was pumped by hose and the intake was covered with a mesh screen. No sewage was discharged into the river system. All gray water is being discharged into a sand bar near the camp. No spills of chemicals or fuel occurred.

The camp has been left intact as it is intended to be used during the 2004 field season. Upon completion of all exploration efforts the camp will be abandoned and the water lines removed. The camp area will then be cleaned and all non-combustible materials removed.

Surface surveys consisted of limited till sampling and drilling in three areas. Ten diamond drill holes, with a total combined depth of 914 meters, were drilled during the 2003 field season. The location the holes drilling are given in table one. The drill processed less than 50 cubic meters/day of local runoff water from small gutters nears the drillholes.

If you have any questions or require any further information, please let me know.

Yours truly,
KENNECOTT CANADA EXPLORATION INC.

Susan Ball
Project Geologist: Land, Community, and Business

INTERNAL	
PC	cho
MA	
FO	
LA	gf
BS	

TA1	
TA2	
RC	
ED	
CH	
BRD	
EXT.	file

Hole number	UTM Easting	UTM Northing	Azimuth	Dip	Total_Depth
DDH03TUW01	465485	8136500	0	90	140.82
DDH03TUW02	465485	8136500	298	50	194.77
DDH03TUW03	465587	8136422	0	90	137.16
DDH03TUW04	465614	8136490	0	90	76.2
DDH03TUW05	465867	8136401	0	90	117.96
DDH03BN01	495850	8127768	0	90	67.05
DDH03BN02	493067	8126664	0	90	43.28
DDH03MCB01	443759	8093980	0	90	38.71
DDH03MCB02	443789	8094425	0	90	65.84
DDH03NAN01	463902	8136015	0	90	32.92

Table 1: Drillhole locations for drillholes drilled during the 2003 field season.
(Locations are UTM's in NAD27 datum zone 16).