



March 30, 2011

Mr. Ian Rumbolt  
Water Resource Officer  
INAC  
P.O. Box 100  
Iqaluit, NU X0A 0H0  
Tel: (867) 975-4548  
Fax: (867) 979-6445

Dear Mr. Rumbolt:

**Re: Water Use Inspection Report Lic No. 2BE-CAN0608 (expired) dated July 30, 2010**

Thank you for the inspection report. Since most of the previous work was carried out before the project became part of North Arrow's portfolio, I had to make some inquiries.

There never was a camp located at N67° 27' 56", 111° 07' 56" W. Perhaps there was an initial plan for this as a potential site but I don't know for sure. Strongbow did however have a fly camp at the location shown on the maps provided in their final report plan and your inspector is correct in assuming it was in the same area as the "historical camp".

Strongbow never did set up a permanent camp and Strongbow personnel who worked out of the fly camp location in the summer of 2006 informed me that they did a complete cleanup of all fuels or materials they brought in with them. They did not burn anything and brought all garbage including human waste back to Yellowknife. The woody debris and other items indicated in your report with the exception of the stakes with flagging are historic. Stakes with flagging are most likely station markings from geophysical surveys carried out in 2008 by Minerals and Metals Group. They had an option on our property but never set a camp up there as they worked out of their existing High Lake camp. The flagging is biodegradable and it is neither practical nor customary to remove survey grid pickets.

Strongbow also informed me that they did not have any fuel caches. The fuel you located would have been for Temex Resources Corp. which is based in Toronto. I know they had a regional diamond exploration program in the area years ago.

I hope this helps clarify that North Arrow does not have any outstanding issues of non-compliance with its expired license.

Regards,

**North Arrow Minerals Inc.**

A handwritten signature in blue ink, appearing to read "Gord Clarke", is shown on a light blue background.

Gord Clarke  
Vice-President, Exploration

cc. Peter Kusugak- peter.kusugak@inac-ainc.gc.ca  
cc. Phyllis Beaulieu- licensing@nunavutwaterboard.org  
cc. David Gale- dgale@strongbowexploration.com