

NIRB File No. 11EN009

KIA File No.: KTL311C006 INAC File No.: N2011C0009

April 12, 2011

Honourable John Duncan Minister of Indian and Northern Affairs Canada Executive Offices 10 Wellington St. Gatineau, QC, K1A 0H4

Via email: duncan.j@parl.gc.ca; minister@inac-ainc.gc.ca

Re: <u>Extension Request for NIRB Screening of Shear Diamonds (Nunavut) Corp.'s</u>
"Carat Property Exploration" Project Proposal

Dear Honourable John Duncan:

Pursuant to Section 12.4.5 (b) of the Nunavut Land Claim Agreement (NLCA), the Nunavut Impact Review Board (NIRB) hereby requests more time to screen the project proposal referenced above (INAC File No. N2011C0009, NIRB File 11EN009).

On February 18, 2011 the NIRB received Shear Diamonds (Nunavut) Corp.'s (Shear or the Proponent) "Carat Property Exploration" directly from the Proponent. On February 25, 2011 the NIRB sent out correspondence advising parties that a referral for screening would be required from Government departments/agencies or Regional Inuit Associations responsible for authorizing the proposed project works or activities. On March 14, 2011 the NIRB received a request from the Kitikmeot Inuit Association (KIA) to screen this project proposal. The NIRB assigned this project proposal file number 11EN009 and commenced the Part 4 screening.

On March 4, 2011, the above application was distributed to a Land Advisory Committee by Indian and Northern Affairs Canada (INAC), with a request for comments; on its own this Class B INAC Land Use Permit application would be exempt from NIRB screening pursuant to NLCA Schedule 12-1(2), however as the application now forms part of a project proposal currently undergoing NIRB Screening, the NIRB must also report its recommendations to INAC in association with this application. The NIRB is not able to provide a screening decision within the 42 day period required for INAC application N2011C0009 as per Section 12.4.5 of the NLCA and therefore requires additional time to screen the project proposal. It is anticipated that the screening process will be completed by April 29, 2011.

If this request is approved, NIRB understands that the authorizing agency will inform the Proponent, stakeholders and interested Parties on the extension.

If you have any questions or concerns, please do not hesitate to contact our office.

Sincerely,

Stephanie Autut, Executive Director Nunavut Impact Review Board

cc: Allison Rippin Armstrong, Shear Diamonds (Nunavut) Corp. Michelle Tanguay, Shear Diamonds (Nunavut) Corp. Stanley Anablak, Kitikmeot Inuit Association Phyllis Beaulieu, Nunavut Water Board Jeff Mercer, Indian and Northern Affairs Canada