

INAC Nunavut Regional Office Field Operations P.O. Box 100, Iqaluit, Nunavut, X0A 0H0

Submitted via Email Our File: 2BE-CRA1015 CIDM #: 440121

February 10, 2011

Jo Price, Project Geolgist North Country Gold Corp Suite 220, 9708-45th Ave Edmonton, AB, T6E 5V8

E-mail: jop@northcountrygold.com

Re: Inspection of Water Licence 2BE-CRA1015

Ms. Price.

Please find enclosed the water licence inspection report for the above referenced licence, encompassing multiple sites, conducted between August 7 & 8, 2010. A copy of this document is to be kept on site (i.e.: main base of camp operations) for future reference and provided to the Water Resource Officer or Inspector upon request.

Please read the entire inspection report; in particular, all comments and observations with respect to any identified areas of concern and non-compliance with the water licence and the Nunavut Water and Nunavut Surface Rights Tribunal Act (herein referred to as "the Act").

Subject to the Act, you will be required to submit a response, satisfactory to the Inspector, which addresses any concerns and/or non-compliance issues identified within this report.

Any work the company undertakes to correct deficiencies noted in this report (or outstanding from previous inspections) are to documented and provided to the Inspector, as well as included in the Annual Report submitted to the Nunavut Water Board.

The water licence and inspection reports should be made available to all camp staff on site, where the licence is to be reviewed on an ongoing basis or at a minimum at the opening of your camp each year. This will ensure everyone is familiar with the requirements of the licence terms and conditions.

Should you have any concerns with respect to this report or the conditions of your water licence and require more information or clarification please contact the undersigned. Please feel free to contact our office with any questions you may have.

Sincerely,

Original signed by:

Peter Kusugak Manager of Field Operations, Nunavut Regional Office Indian & Northern Affairs Canada P.O. Box 100, Iqaluit, Nunavut, X0A 0H0 Ph: (867) 975-4295, Fx: (867) 979-6445 Email: Peter.Kusugak@inac-ainc.gc.ca