



August 17, 2004

Nunavut Water Board  
P.O. Box 119  
Gjoa Haven, Nunavut  
X0E 1J0

Attention: Phyllis Beaulieu  
Manager of Licencing

Dear Madam:

**RE: NORTH JAMES RIVER PROPERTY**

- **Application for a Water Licence, File Number NWB2CYG**
- **Cygnat Lake Area, Kitikmeot, Nunavut**
- **Executive Summary**

Recent exploration by Pure Gold Minerals Inc. on the North James River Project during 2004 has resulted in the identification of the Cygnat Lake gold zone. This mineralized zone consists of a series of shear zones that are hosted within felsic to intermediate volcanics and metasediments exposed along a three kilometre strike length. Gold occurs in quartz veins at two of the more prominent showings, the Black Ice and the Silver Bullet.

It is our intention to conduct further exploration on the Cygnat Lake gold zone by a series of shallow diamond drill holes. The program will consist of approximately eight holes drilled to a depth of 100 metres each. Equipment used will be a helicopter portable Hydracore drill rig capable of producing BQTW size (2.5 centimetre) core. The drill will operate 24 hours a day with two crews of two men each. A temporary tent camp will be erected on the east side of Cygnat Lake to support the drill crews and geological support staff. Both the drill sites and the camp site will create minimal disturbance during the projected three week duration of the drill program. All materials, fuel barrels and equipment will be removed at the end of the project and the site left in a clean state.

Equipment, fuel and supplies will be transported to the site by float equipped aircraft from Yellowknife. A helicopter will be used to move the drill between drill sites. Adequate safety supplies will be provided at both the camp and drill sites.

An Application for a Land Use Permit was submitted to the Department of Indian and Northern Affairs in Iqaluit for review on July 13, 2004 (file number N2004C0018) and it is anticipated this permit will be issued by late August 2004.

Should you have any further questions regarding the Application for a Water License, please contact the undersigned at 604-687-2038.

Yours very truly,

**PURE GOLD MINERALS INC.**

***“Erik Andersen”***

Erik Andersen  
Land Administrator

cc: Eugene Beukman, Pure Gold Minerals Inc. and Bard Ventures Ltd.  
Geoff Goodall

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