



March 1, 2005

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 an Amendment to Water Licence NWB2CYG0406 – Type “B”**
- **Cygnnet Lake Area, Kitikmeot, Nunavut**
- **Executive Summary**

Exploration by Pure Gold Minerals Inc. on the North James River Project during 2004 has resulted in the identification of the Cygnnet 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 five kilometre strike length. Gold occurs in quartz veins at four of the more prominent showings, the Black Ice, Silver Bullet, Grumpy and Bumpa.

It is our intention to conduct further exploration on the Cygnnet Lake gold zone by a series of shallow diamond drill holes. The program will consist of approximately ten 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 Cygnnet Lake to support the drill crews and geological support staff. Operations at the drill sites and the camp site will create minimal disturbance during the projected four week duration of the drill program from March 28 to April 30, 2005. 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 ski 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.

Land Use Permit #N2004C0018 was issued by the Department of Indian and Northern Affairs in Iqaluit on September 23, 2004 and amended by letter dated January 7, 2005.

Water Licence NWB2CYG0406 – Type “B” was issued on October 6, 2004 for two drill areas and the camp and an amending application has been filed to include two additional drill areas.

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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