

NIRB File No.: 05EN095 INAC File No.: N2005C0028

July 13, 2010

Honourable Chuck Strahl Minister of Indian and Northern Affairs Canada c/o Spencer Dewar Manager Land Administration Indian and Northern Affairs Canada Iqaluit, NU

Via email: spencer.dewar@inac-ainc.gc.ca

Re: <u>Application exempt from Screening pursuant to Section 12.4.3 of the NLCA:</u> Indicator Minerals Inc.'s "Darby" project

Dear Spencer Dewar:

On July 5, 2010 the Nunavut Impact Review Board (NIRB or Board) received an application for an extension to Land Use Permit # N2005C0028 from Indian and Northern Affairs Canada (INAC) for Indicator Minerals Inc.'s "Darby" project.

Please be advised that the original project proposal (NIRB File No.: 05EN095) was received by the NIRB from INAC on June 7, 2005 and was screened by the Board in accordance with Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA). On July 27, 2005 the NIRB issued the enclosed NLCA 12.4.4(a) screening decision to the Minister of INAC indicating the proposed project could proceed subject to NIRB's recommended project-specific terms and conditions.

On May 18, 2006 INAC forwarded an amendment request for Land Use Permit # N2005C0028 to NIRB for consideration, in support of Indicator Minerals Inc.'s "Darby" project. After a review of the proposal, on May 31, 2006 the NIRB re-issued the July 27, 2005 Screening Decision, as well as a letter with new terms and conditions to be applied to the proposed amendment.

On February 9, 2009 the INAC forwarded an extension request for Land Use Permit # N2005C0028 to NIRB for consideration, in support of Indicator Minerals Inc.'s "Darby" project. Again, following a review of the proposal, on February 19, 2009 the NIRB determined that the proposed extension did not significantly change the general scope of the original project activities and that the July 27, 2005 Screening Decision and the May 31, 2006 additional terms and conditions should continue to be applied to the extended Land Use Permit.

The current INAC application, the original NIRB Screening Decision Report (NIRB File 05EN095) and related file information are available from the NIRB's ftp site at the following link:

http://ftp.nirb.ca/SCREENINGS/COMPLETED%20SCREENINGS/ARCHIVE/2005_SCREENINGNOS/05EN095%20-%20Indicator%20Minerals%20Inc%20-%20Darby%20Lake/1-SCREENING/

PREVIOUSLY-SCREENED PROJECT PROPOSAL:

As previously screened by the NIRB under File No. 05EN095, the "Darby" project was a diamond exploration program located within the Kitikmeot region, approximately 195 kilometres southeast of Gjoa Haven.

The activities/components associated with this proposal included:

- Geophysical surveys (airborne and ground);
- Diamond drilling;
- Prospecting;
- Rock and soil sampling; and
- Geological mapping.

CURRENT APPLICATION:

Indicator Minerals Inc. is currently proposing to extend its INAC Land Use Permit for a period of two years to continue exploration activities.

Please note that Section 12.4.3 of the NLCA states that:

"Any application for a component or activity of a project proposal that has been permitted to proceed in accordance with these provisions shall be exempt from the requirement for screening by NIRB unless:

- (a) such component or activity was not part of the original project proposal; or
- (b) its inclusion would significantly modify the project."

After completing a review of the information provided in support of the current application, the NIRB is of the understanding that the proposed extension does not change the general scope of the original project activities, and the exceptions noted in NLCA 12.4.3(a) and (b) do not apply. Therefore, this application is exempt from screening as per Section 12.4.3 of the NLCA and the activities therein remain subject to the terms and conditions recommended in the original July 27, 2005 Screening Decision Report and the additional terms and conditions issued on May 31, 2006 (enclosed) would continue to apply to the extended Land Use Permit.

If you have any questions or concerns, please contact Kelli Gillard, Technical Advisor, at 867-983-4619 or kgillard@nirb.ca.

Best regards,

Ryan Barry

Director, Technical Services

For:

Stephanie Autut Executive Director

cc: Dennis Doulos, Indicator Minerals Inc.

Enclosure:

NIRB Screening Decision Report, File No.: 05EN095 (July 27, 2005) NIRB Letter Re Amendment, File No.: 05EN095 (May 31, 2006)

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