



30 July 2009

Richard Dwyer
License Administrator
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU
X0A 1J0

Dear Mr. Dwyer:

**RE: NUNAVUT WATER BOARD WATER LICENSE NWB2BE-DUB0812
URANIUM NORTH RESOURCES CORP. – SOUTH BAKER/DUBAWNT
PROPERTY, NU**

I am in receipt of the Technical Review Memorandum, accompanied by a cover letter dated 8 July 2009 addressed to you, written by Andrea Cull, Water Management Specialist, INAC. Ms. Cull's memorandum outlines three deficiencies in the original 2008 Annual Report submitted to NWB by Uranium North with respect to the above-referenced water licence for their South Baker/Dubawnt Property, NU. The purpose of this letter is to provide additional information respecting the three deficiencies and these are listed below as per Ms. Cull's memorandum.

One thing noted when the submitted 2008 Annual Report was reviewed subsequent to receipt of Ms. Cull's memorandum, the original pdf 2008 Annual Report appears to have had some information cut off during the creation of the pdf from the original MS Excel file. The original file has been re-pdf'd and this additional information is now clear. The cut-off information included the selections in several of the pull-down answer menus on pages 2 and 3 of the NWB Annual Report form. Those selections that were cut-off are:

- 1) On Page 2 - Under the heading "Revisions to the Abandonment and Restoration Plan", the answer selection of "AR plan submitted and approved – no revision required or proposed did not appear on the original pdf.
- 2) On Pages 2 - Under the heading "Results of the Monitoring Program including:", the answer selections of "Details attached" did not appear on the original pdf for the GPS co-ordinate information for water sources and waste deposit locations.
- 3) On Page 3 – Under the heading "Any other details on water use or waste disposal requested by the Board by November 1 of the year being reported", the answer selection of "No additional sampling requested by an Inspector or the Board" did not appear on the original pdf.
- 4) On Page 3 – Under the heading "Any responses or follow-up actions on inspection/compliance reports", the answer selection of "No inspection and/or compliance report issued by INAC" did not appear on the original pdf.



Part B: Item 2, (a) of the water licence requires a summary report of the water use and waste disposal activities and, as per Item 2 (b) (see below), a list of unauthorized discharges and a summary of follow-up actions taken.

Uranium North's 2008 Annual Report did not include any information on unauthorized discharges or related follow-up actions as no unauthorized discharges occurred.

With respect to a summary of the water use and waste disposal activities, all activities proceeded as per Uranium North's Abandonment and Restoration Plan, South Baker Project, Nunavut dated March 7, 2007. Water meters were not installed however accurate approximation quantities were listed on the original NWB Annual Report for this water licence. In future water meters will be installed and daily records kept of water usage at all water source locations.

Part B: Item 2, (e) requires a summary of all information requested and results of the Monitoring Program. According to Part J, Item 8 the licensee shall include in the Annual Report all data, monitoring results and information required by Part J of the water licence.

On page one of Uranium North's 2008 Annual Report the average cubic metre quantities were provided for actual used domestic and drilling water on a daily basis. The domestic use was off-property at the Tukto Lodge Outpost Camp. As stated for item Part B: Item 2, (a), above, water meters were not installed however in future water meters will be installed and daily records kept of water usage at all water source locations. These records will be submitted as part of all future Annual Reports for the various regulatory bodies.

The Annual Report included a table that listed the locations (in UTM's) of all water sources and all waste deposit locations.

No sampling of water or waste was performed during the 2008 exploration program. No additional monitoring requirements have been requested by INAC Land Use or Water Resource Inspectors.

Mitigation measures as described in Uranium North's Abandonment and Restoration Plan, South Baker Project, Nunavut dated March 7, 2007 were followed

Part B: Item 2, (d) requires a description of all progressive and or final reclamation work undertaken, including photographic records of site conditions before, during and after completion of operations.

Progressive reclamation work as described in the A&R Plan was carried out.

Site photographs were not gathered during the 2008 exploration program. The practice of gathering photographic records of site conditions before, during and after completion of operations will be instituted during all future exploration programs conducted on the property. As well all 2008 drill sites will be revisited and site inspections performed along with photographing the current condition of each site. As well a written record will be gathered describing each old and each future work site.



I wish to advise that upon taking up my position with Uranium North I was disappointed to learn that Uranium North's management did not ensure that the company in charge of the 2008 exploration program, MPH Consulting Limited, took the necessary steps to follow the requirements of the various permits and licences and Uranium North's stated intentions as put forward in the original land use applications. The importance of the information that is to be supplied is significant for various agencies in the North to obtain from exploration companies working on the land.

In future all efforts will be taken to ensure that Uranium North personnel, contractors and consultants will be fully versed in the contents of the permits, licences and related land use documents, including the requirements of gathering the necessary data during all future exploration programs. A record-keeping procedure is being instituted. Uranium North will ensure the intentions as stated in the original land use applications and issued permits/licences are followed fully.

Should you have any questions or concerns relating to this Annual Report do not hesitate to contact the undersigned.

Yours truly,

URANIUM NORTH RESOURCES CORP.

A handwritten signature in black ink, appearing to read "Allan Armitage", is written over a horizontal line. Below the signature, the text "Allan Armitage, Ph.D., P.Geol." and "Vice President of Exploration" is printed.

Allan Armitage, Ph.D., P.Geol.
Vice President of Exploration

c.c.: Andrea Cull, Water Management Specialist, INAC, Iqaluit, NU
Kevin Buck, Water Resources Manager, INAC, Iqaluit, NU
Peter Kusugak, Field Operations Manager, INAC, Iqaluit, NU