Water Resources Division Nunavut Regional Office Indian and Northern Affairs Canada Iqaluit, NU X0A 0H0 File 9545-2-2FERG, CIDMS 228134

Monday, July 7, 2008

Richard Dwyer Licence Administrator Nunavut Water Board Gjoa Haven, NU X0B 1J0

Re: 2BE-FER0712, Starfield Resources Inc., Ferguson Lake Project, Kivalliq Region, Approval Request to Conduct Land Based Drilling within 30 Metres of a Water Body

Dear Mr. R. Dwyer,

Please be advised that Indian and Northern Affairs Canada (INAC) has completed a review of the Starfield Resources Inc. May 27, 2008 approval request to conduct land based drilling operations within 30 metres of the normal high water mark of an unnamed creek. This request was submitted to the Nunavut Water Board in accordance with Part F, Item 1 of water licence 2BE-FER0712. Starfield Resources Inc. requests permission to drill a total of seven (7) drill targets in close proximity to a freshwater source for mineral exploration purposes. The approval request includes maps of the creek's location and the proposed drill targets, and a description of mitigation measures intended to protect the creek's water quality.

The following comments and recommendations are provided for consideration by the Nunavut Water Board during its review of this approval request.

- INAC supports the proponent's approval request to conduct land based drilling within 30 metres of the identified unnamed creek provided that all other licence terms and conditions are complied with. The mitigation measures described by the proponent are appropriate for the protection of the creek's water quality.
- The proponent's Annual Reports should identify the coordinates of each drill target situated within 30 metres of the normal high water mark of the unnamed creek and their respective waste disposal locations.



Indian and Northern Affairs Canada requests notification of any changes in the proposed project, as further review may be necessary. Please contact me should you have any questions or comments with regards to the foregoing. I can be reached by telephone at (867) 975-4555 or email at AbernethyD@inac-ainc.gc.ca.

Regards,

Original signed by

David W. Abernethy Regional Coordinator

Carbon copy: Kevin Buck, Manager of Water Resources – INAC, NRO