



December 31, 2009

Andrew Keim
Water Resource Officer
INAC Nunavut Regional Office
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Iqaluit, Nunavut
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VIA: Electronic Mail

Re: Inspector's Direction, August 30, 2009 Superseded December 15, 2009

Dear Mr. Keim,

Uravan Minerals Inc. (Uravan) is in receipt of Superseded Inspector's Direction (the "Direction") dated December 15, 2009.

With respect to the Direction, Uravan would like to make the following clarifications:

1. Uravan has remediated the Sand Lake site with respect to contaminated soil due to fuel leakages. This remediation activity has been documented in prior communication to the offices of INAC and is in compliance with the August 30, 2009 Direction. However, final clean up and remediation of the site cannot happen prior to May 15, 2010, as the Direction requires, due to the ground being frozen and snow covered at this time of year. Therefore, final clean up and additional remediation (if required) of the Sand Lake site can only be accomplished once winter break-up is complete and after the Caribou Protection Measures are off, i.e. subsequent to July 15, 2010.
2. As indicated in Uravan's November 13, 2009 update, four (4) 45 gallon drums containing contaminated soil collected from the Sand Lake site have been removed from the site and disposed at the designated waste disposal site in Baker Lake. An additional 3 drums containing contaminated soil have been placed in an upright position inside the containment berm (i.e. Raymac INSTA-BERM) at the site and 2 drums containing contaminated soil are in an upright position on top of stacked building material at the site.
3. About 87 fuel drums have been placed inside the containment berm at the Sand Lake site. An additional 22 drums of fuel were not placed inside the containment berm as they were "frozen-in". These fuel drums are non-leaking and were left in their "frozen-in" state as opposed to potentially causing damage.

In accordance with the Direction, Uravan plans to remove the remaining fuel drums, contaminated soil drums and building material currently stored at the Sand Lake site ahead of the Caribou Protection Measures commencing on May 15, 2010.

With respect to final remediation of the site, this task cannot be completed by May 15, 2010 for the reasons stated in Paragraph 1 above. Uravan would request that the Direction be amended to reflect this reality. Alternatively, Uravan proposes the final remediation of the site be completed prior to July 31, 2010, in lieu of the May 15, 2010 date as currently required in the Direction. A Report of Compliance can then be submitted to the Inspector by August 1, 2010. Please confirm if this is an acceptable alternative.

Uravan requests that this communication and all prior communications with respect to the Direction be posted on INAC's ftp site for full viewership.

Sincerely,

Ian Fraser
Senior Geologist
Uravan Minerals Inc.
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