



**Kit Resources Ltd.**

700 West Pender Street  
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V6C 1G8

Phone: 604 331-1818  
Facsimile: 604 684-3123

December 20, 1999

Mr. Phillippe diPizzo  
Executive Director  
Nunavut Water Board  
Box 119  
Gjoa Haven, NU, X0E 1J0


Dear Mr. diPizzo,

**Re: Kinross Gold Corporation to act as Operator**  
**George Lake: NWB2GEO9702**  
**Goose Lake: NWB2GOO9801**

In July 1999, Kit Resources Ltd. ("Kit") and Kinross Gold Corporation ("Kinross") signed an Option Agreement whereby Kinross can acquire a 70% interest in the six properties included in the George Lake Project by completing certain exploration expenditures over the next five years. As such, Kinross Gold Corporation or Kinross Gold USA Inc are, by legal agreement, responsible for and authorized to undertake all activities, which would otherwise be performed by Kit.

This letter also serves to confirm that Kinross will act as operator for all activities on the above noted properties and will be responsible for carrying out and administering all work on the properties, on behalf of Kit. Kinross will also be responsible for obtaining and maintaining all necessary permits and licenses which are required to conduct the work. Mary Barraco, Manager of Compliance and Permitting for Kinross Gold USA (801-517-1064) will co-ordinate the permitting process, while Rod Thomas will be the Exploration Project Manager. Jane Howe (604-951-3052) will continue to be involved in the permitting process in a advisory role. If you have any questions please do not hesitate to contact either Jane or Mary, directly.

Sincerely,  
**Kit Resources NWT Ltd.**  
**Kit Resources Ltd.**

  
W. Robert Gilroy  
President & Chief Operating Officer

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