

P.O. Box 119 SGJOA HAVEN, NU X0B 1J0 Tel: (867) 360-6338 FAX: (867) 360-6369 בב" בעב" החבה החבה העומציים ושמנותוציות אמדושמציות העומציים ושמנותוציות אמדושמציות העומציים שמנות העומציים ליינים ליינ

File: 2BE-GEO0210 Part I, Item 1

December 12, 2007

Mr. Dan Russell, P.Geo. Dundee Precious Metals Inc. Royal Bank Plaza, South Tower Suite 3060, 200 Bay Street Toronto, ON M5J 2J1

E-mail: drussell@dundeeprecious.com

Subject: Submission of Abandonment and Restoration Plan under transferal of Licence

2BE-GEO0210

Dear Mr. Russell:

The Nunavut Water Board ("NWB") would like to acknowledge receipt of the above document under Part I, Item 1 of Licence 2BE-GOO0510 on July 6, 2007. The document was distributed for review, with a comment submission deadline of August 13, 2007. No major concerns were expressed by the Parties.

The Abandonment & Restoration Plan is designed to be a stand alone document specific to a particular camp. After review it was found that the Plan was most suited to the Goose Lake camp and exploration activities. The proponent is requested to submit for approval in sixty (60) days of the date of this letter, an Abandonment & Restoration Plan designed specifically for George Lake camp and its associated exploration drilling.

The Plan is also to include additional information within Section 3.2.2 of the Plan, where it was indicated that incinerator ash will be deposited in a sump. Part D, Item 4 of NWB License 2BE-GEO0510 requires all hazardous waste to be backhauled and disposed of in an approved waste disposal facility. If the Licensee is to be depositing these ash residues within a sump for final disposal, appropriated characterization of the materials should be carried out. The Plan should therefore be updated to indicate testing of the waste ash to ensure it is not hazardous prior to disposal.

Should you have any further questions, please feel free to contact Phyllis Beaulieu, Manager of Licensing, by telephone, or by email at licensing@nunavutwaterboard.org.

Yours truly,

Original signed by:

Don Carr Hearing Coordinator

Cc: Kitikmeot Distribution List