



NIRB File No.: 08EN067
KIA File No.: KTL308C008
INAC File No.: N2007C0009
NWB File No.: 2BE-HG0712

January 18, 2010

Jason Rickard
MMG Resources Inc.
Suite 200, 1159 Alloy Drive
Thunder Bay, ON
P7B 6M8

Via email: Jason.rickard@mmgroupltd.com

Re: Notice of Part 4 Screening for MMG Resources Inc.'s "MolyMag Campsite" project proposal

Dear Jason Rickard:

On January 13, 2010 the Nunavut Impact Review Board (NIRB or Board) received a land use license application for MMG Resources Inc.'s (MMG or the Proponent; previously Oz Minerals) "MolyMag Campsite" project proposal from the Kitikmeot Inuit Association (KIA).

Please be advised that the original project proposal (OZ Mineral's *Canoe Lake Exploration* project proposal - **NIRB File No.: 08EN067**) was received by the NIRB from the KIA on June 11, 2008 and was screened in accordance with Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA) and on September 9, 2008 the NIRB issued a 12.4.4(a) screening decision to the President of the KIA indicating the proposed project could proceed subject to the NIRB's recommended project-specific terms and conditions.

Original Project Proposal

Original project components/activities which have been previously screened include the following:

- Diamond drilling of potential base metal showings in Canoe Lake and Surrounding areas;
- Drilling on land and potentially on lake ice;
- Helicopter use to transport crew and equipment;
- Potential movement of equipment and crew by snowmobile during the spring months;
- Installation of temporary survival and equipment shacks;
- Staking and prospecting;
- Geophysical surveys;

- Water use for drilling activities;
- Temporary fuel storage at drill sites (1or 2 diesel fuel drums,1or 2 20 pound propane bottles at each drill site); and,
- Use of High Lake Camp site.

Current Application

MMG is currently proposing to construct a campsite located in the Kitikmeot Region, approximately 175 kilometres east-southeast of Kugluktuk and approximately 40 kilometres south east of the High Lake deposits and the existing High Lake Camp. The proposed MolyMag Campsite would be located on the south shore of the James River atop an esker and would sit on Inuit Owned Land Parcel BB-68. The camp is to serve as an accommodation base to conduct an exploration program that would include diamond drilling, geophysical surveys and geological mapping. Operation of the MolyMag Campsite is proposed to take place from March 2010 to March 2012 with seasonal shutdown occurring from November to February each year.

The current license application includes the following *new* project components/activities:

- Installation of temporary campsite consisting of the following:
 - 10-12 canvas tents designed to accommodate up to 30 people for a total of 3000 person days;
 - Kitchen facilities;
 - Dry facilities;
 - Outhouses;
 - Grey water sump; and,
 - Fuel cache areas.
- Water use for drilling activities and camp
- Helicopter use to transport crew and equipment
- Airplane use to transport personnel and supplies to camp via proposed tundra airstrip (only if possible to land on esker)
- Temporary fuel storage

All documents received and pertaining to this project proposal can be obtained from NIRB's ftp site at <http://ftp.nirb.ca/SCREENINGS/ACTIVE%20SCREENINGS/08EN067-Zinifex%20Canada%20Inc%20-%20Canoe%20Lake/> including:

- *Kitikmeot Inuit Association Lands Division Application for Access to Inuit Owned Land*
- *Maps*
- *Non technical Project Proposal summary in English*
- *Non technical Project Proposal summary in Inuktitut*
- *Spill Contingency Plan*

Please note that Section 12.4.3 of the NLCA states that:

“Any application for a component or activity of a project proposal that has been permitted to proceed in accordance with these provisions shall be exempt from the requirement for screening by NIRB unless:

(a) such component or activity was not part of the original project proposal; or

(b) its inclusion would significantly modify the project.”

The NIRB is of the opinion that the current request for a land use license with KIA constitutes a component or activity that was not part of the original project proposal. Therefore the NIRB is *proposing* to re-issue the same terms and conditions as those in the attached September 9, 2008 Screening Decision, along with any new terms and conditions the NIRB considers appropriate. The NIRB is copying interested Parties and municipalities most affected by this project and we invite interested persons to comment directly to the NIRB by **January 28, 2010**.

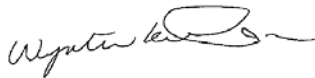
The NIRB would like parties to provide comments regarding:

- Whether the project proposal is likely to arouse significant public concern; and if so, why;
- Whether the project proposal is likely to cause significant adverse eco-systemic and socio-economic effects; and if so, why;
- Whether the project is of a type where the potential adverse effects are highly predictable and mitigable with known technology, (please provide any recommended mitigation measures); and,
- Any matter of importance to the Party related to the project proposal.

Please send your comments to the NIRB at info@nirb.ca or via fax to **(867) 983-2594**.

If you have any questions or concerns, feel free to contact me directly at (867) 983-4609 or wkuliktana@nirb.ca.

Sincerely,



Wynter Kuliktana
Assistant Technical Advisor
Nunavut Impact Review Board

cc: Distribution List
Stanley Anablak, Kitikmeot Inuit Association
Spencer Dewar, Indian and Northern Affairs Canada
Phyllis Beaulieu, Nunavut Water Board

Attachments: Comment Form
Screening Decision Report for NIRB File 08EN067 (September 9, 2008)