



November 9, 2006

VIA EMAIL and COURIER

Mr. Philippe di Pizzo
Executive Director
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU X0E 1J0

File No: NUN 1560-01

Dear Mr. di Pizzo:

Re: Water Licence Application for the Kiggavik Sissons Project – AREVA Resources Canada Inc.

Please accept the enclosed Water Licence application for the exploration of uranium in the Baker Lake area within the Kivalliq region, along with the required fee (\$30.00), supplementary questionnaire, Spill Contingency Plan, Environmental Procedures Plan, Abandonment and Restoration Plan, maps and summary of the project.

As you are aware, Water Licence # 2BE-SIS0607 currently allows for a camp on "care and maintenance" at the Kiggavik site. This application is for the exploration of uranium including geophysics, soil sampling, mapping and diamond drilling, as well as for an environmental baseline field program. These activities would be based out of the Kiggavik camp in 2007, with the possibility of establishing a new camp elsewhere within our lease area for the 2008 field season. The location of the new camp will be confirmed in consultation with KIA staff, other agencies, and the community of Baker Lake.

The diamond drilling and environmental baseline programs have not yet been finalized and specific drill targets remain to be confirmed. Prior to any drilling activities, notification will be provided along with the locations of the drill targets and other pertinent information. As well, the scope of the environmental baseline program will be forwarded when the program has been finalized in consultation with the community of Baker Lake.

If you have any further questions or require any additional information, please do not hesitate to contact me at (306) 343-4596 or (867) 793-2000. Thank you in advance.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Barry McCallum', is written over a faint, larger blue ink signature that is partially obscured.

Barry McCallum
Manager, Nunavut Affairs
Email: barry.mccallum@areva.ca

06-011-NUN

Enclosure