

## **KIGGAVIK PROJECT SUMMARY**

### **Re: Amendment Request**

The Kiggavik Project is a uranium surface exploration project located approximately 80 kilometres west of Baker Lake. The project consists of the Kiggavik site to the north and Sissons to the south. This uranium exploration project was initially started in 1975 by the previous operator, Urgangesellschaft Canada Ltd., and several mineral deposits were discovered between 1977 and 1988. AREVA Resources Inc (formerly COGEMA Resources Inc.) became the project operator in 1993, conducting exploration activities from 1993 to 1997. The project had been under care and maintenance from 1997 until 2007 when licenses and permits were granted for the project by INAC, NWB and KIA to conduct further exploration activities and environmental baseline studies.

Applications to renew approvals received by INAC and NWB to allow for continued operation in the 2008 field season were submitted in December 2007. INAC extended the current Land Use Permit (N2006C0037) to April 9, 2009 and the NWB issued water licence No. 2BE-KIG0812 for a four (4) year period expiring December 31, 2012. The KIA Land Use Permit expires January 3, 2009.

The 2008 field program is relatively similar to the activities conducting during the 2007 program; consisting of diamond drilling and environmental baseline studies to improve the understanding of the project site and the known mineral deposits. The drilling program will attempt to conduct approximately 5000 metres of exploration drilling at the Bong and Granite area; 2,000 metres of feasibility drilling at Kiggavik and 7,000 metres at Sissons. The intent of the project is to gather information required to determine whether these deposits can be safely and economically extracted and processed, while protecting the environment. A program of prospecting, geological mapping and geophysical surveys will also be carried out throughout the lease areas to identify potential for additional mineral deposits and to further evaluate known potential areas.

In 2008, diamond drilling will continue at the Kiggavik site, however drilling will largely focus on the Sissons site at reduced grid spacing and exploration drilling at areas of potential mineralization. Environmental baseline studies will continue to be carried out in the areas of aquatics, terrestrial, wildlife assessment, hydrological and hydrogeological assessments to update the current database and address data gaps.

To achieve the desired drilling rates the drilling program increased from one (1) rig to three (3); in addition the Project is utilizing a new drilling contractor and different rigs then used during the 2007 field season. Upon commencement of the 2008 field season it was noted that the rigs are using more water than used last year and the volumes applied for in the NWB application process may have been underestimated, therefore an amendment request has been submitted to the NWB for an increase of allowable drilling water from 105 cubic meters to 300 cubic meters. This should be more than adequate for the 2008 field season and will allow for flexibility in planning the drilling programs over the next couple of years.

In anticipation of receiving an approval for the amendment request, the Project will employ measures to minimize water usage and ensure regulatory compliance is achieved.