From: GordanierT@DFO-MPO.GC.CA Sent: Tuesday, April 25, 2006 9:19 AM

To: Tech2@nwb.nunavut.ca; licensing@nwb.nunavut.ca

Cc: MoggyD@DFO-MPO.GC.CA

Subject: RE: Extension of Completion Date

Hi Dave,

Thanks for your voicemail...DFO's had previously requested some additional details on the watercourse crossings along the proposed road between the project site and Kimmirut. It's our understanding that True North is not planning to proceed with the construction of the road in the short term but may advance this proposal at a later date. Provided that the license does not contain provisions related to the road and there is flexibility to revisit this issue through an amendment or new license - DFO has no concerns with extending the license term.

If you have any questions please feel free to give me a call.

Regards,

Tania Gordanier Habitat Management Biologist/Biologiste de l'habitat du poisson

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website: http://www.dfo-mpo.gc.ca/habitat/home_e.htm

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----Original Message----

From: David Hohnstein [mailto:Tech2@nwb.nunavut.ca]

Sent: Thursday, April 20, 2006 8:22 PM

To: Phyllis Beaulieu; David Abernethy; Tania Gordanier; jross@gov.nu.ca; jeannie_ehaloak@ntilands.com

Cc: Twila Skinner

Subject: Fw: Extension of Completion Date

In doing the final prep on the new licence (NWB2KIM) for the Kimmirut Beluga Sapphire Project a question was raised as to the longevity of the project and if it would be going on for more than the 2006 field season. The response is below, and the NWB would like to inquire if an extension to the Dec06 expiry indicated in the application would have an affect on the review recently having been completed by the parties.

IF you could, please indicate as soon as possible if the suggested date of December 2009 may be considered by the Board in finalizing the Water Licence.

Thank you for your assistance in this matter.

David Hohnstein Technical Advisor Mining Nunavut Water Board P.O. Box 119 Gjoa Haven, NU X0B 1J0

Tel: 867.360.6338 Fax: 867.360.6369

email: tech2@nwb.nunavut.ca

Office Phone: 780.443.4406 Office Fax: 780.443.4080 ---- Original Message -----

From: <u>Twila Skinner</u> To: <u>'David Hohnstein'</u>

Sent: Thursday, April 20, 2006 5:40 PM Subject: Extension of Completion Date

David

Yes I think that we should extend the expiry date. That was one of the items that I was going to add as an amendment. After our discussion yesterday I went back the original permitting.....the only changes/updates that are remaining are the extension of the completion date and the use of the diamond chain saw. I may have misunderstood (my apologies) on our earlier conversations in Feb/March. It was my understanding, that there is a chance for review with some of the additions to the permit thus causing the permitting process to take longer. As we might run the risk of not having the permits ready in time for the upcoming field season, it was in our best interest to get the permit accepted as is and then make any changes as an amendment to the existing permit. Was this the proper way to go about things or should I have done something different?

I am not sure of the best way to handle this....I would like to extend the date to Dec 31, 2009. True North would like to continue work in the upcoming field seasons. The same activities will occur but possible to a greater degree. For example, there might be an increase in drill footage or assay bulk sample tonnage. Do I need to write a letter of some kind acknowledging this or is a reply to your email sufficient.

For the other change is the best way to submit the addition of the diamond chain saw as an update, rather than an amendment, to the project activities as you suggested in our conversation yesterday? If so, I will work on a letter noting the addition of the diamond chain saw to the project activities in the next week and can hopefully have it to you shortly after that and we can complete the whole process.

If you need more info let me know Have a good day Thanks Twila

From: David Hohnstein [mailto:Tech2@nwb.nunavut.ca]

Sent: Thursday, April 20, 2006 1:58 PM

To: Twila Skinner

Subject: Re: 2BE-KIM: EC review of additional project information

Twila, just a quick question for you...the application was only for a period up to December 31, 2006. The NWB can issue licenses up to a maximum of 25 years. Generally less than 5 depending on the project. Is there work planned for 2007? should we be looking at maybe a 2 year term or more? Would be good to extend that now rather than go through a renewal in the fall...

Thanks,

Dave