Rory Calhoun Project Manager Coronation Minerals Suite 301 141 Adelaide St West Toronto ON M5H 3L5

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June 2, 2008

Our File: 2BE-KUG0507	
Your File:	

RE: 2008 Water License Inspections

Mr. Calhoun,

My name is Melissa Joy, and I am the Water Resource Officer for Indian and Northern Affairs Canada in the Kitikmeot Region, Nunavut. I am currently engaged in the planning and development of the inspection schedule for the 2008 field season.

I will be attending your site(s) to conduct an inspection with respect to your water license and water usage under the Nunavut Water and Nunavut Surface Rights Tribunal Act. This includes abandonment and reclamation activities, water use and treatment, waste management and waste treatment processes (IOL, Crown and Commissioner's land inclusive). While I am unable to confirm the exact date due to weather and flight consideration at this time, we do expect to be on site on or about the morning of June 30th, 2008.

Accompanying me during this inspection will be Andrew Keim, Water Resource Officer-Qikiqtani Region.

As we will be on site for a large part of the day (and possibly overnight) we are seeking your assistance in conducting these inspections. Can you please provide the following information no later than June 6, 2008:

- Updated company contact information; updated info for your head office contact and current project or site manager.
- o Name of the representative on site(s) at the time of the Inspection?
- o How is your site accessible? (fixed wing aircraft, float plane or helicopter)
- o Confirm coordinates (degrees/min/sec, NAD 83) for your camp location(s) and air strip/landing location
- o Will a helicopter be available to access remote areas of the site?
- Please confirm the work scheduled for the 2008 field season and approximate time frame these activities will be occurring.
- o Any other information you feel is pertinent for the expected site visit.
- o Are there any outstanding documents or documents recently submitted to the Nunavut Water Board (i.e.: within the last 60 days)?

To facilitate the inspection, I would ask that your site foreman/project manager and any required resources be made available for the duration of the inspection process.

While on site, we will have the opportunity to review the terms and conditions of your license with your site manager and note any issues that can be addressed cooperatively and brought forward with the Nunavut Water Board, Government of Nunavut and Indian and Northern Affairs Canada.

Please feel free to contact me if there are any questions, issues or updates with respect to your water license, water use, monitoring program, fuel storage, etc for this year. It is recommended that any potential points or concerns you may have are communicated before we visit your site.

Please ensure your contact information and that of your site manager is up to date and submitted as soon as possible.

I look forward to your response and for the opportunity to cooperatively work together this coming field season.

Sincerely,

Melissa Joy Water Resource Officer Field Operations Unit INAC Kitikmeot Regional Office P.O. Box 278 Kugluktuk, NU, X0B 0E0 Email: JoyM@inac-ainc.gc.ca

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Cc:

Jim Rogers, Manager, Water Resources, INAC Iqaluit Bernie Mac Isaac, Manager, Field Operations, INAC Iqaluit Phyllis Beaulieu, Manager Licensing, Nunavut Water Board