From: Alexander Po
To: Phyllis Beaulieu
Cc: "k.kharatyan@nunavutwaterboard.org"; J. Patrick Sheridan; Chris Robinson; "Martin Knutson"; "ken@ceinst.org"; Savitri Hassan
Subject: FW: 2BE-KUG0810 Expired Licence
Date: Tuesday, February 21, 2012 10:31:51 AM

Dear Ms. Beaulieu,

As per my exchanges of email messages with your Ms. Kharatyan, it is apparently the non-payment of the annual $30.00 water use fee that was the basis of the "*financial responsibility of the applicant , taking into account the applicant's past performance*" for not granting us the Water License.

I was made aware that the "water use fee" is payable regardless of our non-usage of water (because we had no ground operation done in the first place.)

As per Ms. Kharatyan advise below, will you please ask your Licensing department to forward to us the total outstanding "Water Use Fee" that we allegedly owe.

Being a public corporation, it is imperative that we get this official billing so that we can explain it to the auditors that we have to pay this amount although we had no field operation and no consumption of water.

Thank you for your assistance.

Sincerely yours,

Alexander Po
Director
Guyana Precious Metal

From: Karen Kharatyan [mailto:k.kharatyan@nunavutwaterboard.org]
Sent: Tuesday, February 21, 2012 10:48 AM
To: Alexander Po
Cc: Phyllis Beaulieu; David Hohnstein
Subject: RE: 2BE-KUG0810 Expired Licence

Dear Mr. Po,

The NWB Licensing department may inform you about your total billing from the expired 2BE-

KUG0810 licence. So please contact Ms. Beaulieu to make arrangement for the payment of outstanding water use fee.

Regards,

Karén Kharatyan, Ph.D
Technical Advisor
Nunavut Water Board

(Ph.) 867-360-6338 ext. 30
(Fx.) 867-360-6369
k.kharatyan@nunavutwaterboard.org

From: Alexander Po [mailto:apo@guygold.com]
Sent: Tuesday, February 21, 2012 8:30 AM
To: Karen Kharatyan
Cc: Phyllis Beaulieu; David Hohnstein; J. Patrick Sheridan; Chris Robinson; 'Martin Knutson'; 'ken@ceinst.org'
Subject: RE: 2BE-KUG0810 Expired Licence

Dear Ms. Kharatyan,

Thank you very much for acknowledging my message of Feb 17, 2012.

I am sorry to hear that my reply to Ms. Beaulieu's Letter of November 02, 2010 was not received by your office.

If you please indulge me, scroll down this email thread below. The third message dated November 03, 2010 was my reply to Ms. Beaulieu and email addressed to **:**
'licensing@nunavutwaterboard.org' --, which is the email address shown in the November 02,2010 message of Ms. Beaulieu (the first message in this thread below.)

The reply message dated November 03, 2010 did not bounced back to me and therefore I assume as having been received.

Now, from your February 17,2012 message below, I understand that you are seeking the annual fee " ***in advance of any use in accordance…" ,*** which I understand now is a fee regardless of whether we use water or not. The fact that we had no ground operation and thereby did not consume any water i is not material at all. As per your letter therefore, we owe the Water Board the $30.00 annual fee "for water use."

Will you please confirm my understanding and give us the total billing so that I can submit this to our accounting department for payment.

As you could very well appreciate, as a public corporation we are subject to annual audit . We have to explain why we paid annual fee for something we have not used.

Your help is much appreciated.

Sincerely yours,
Alexander Po

From: Karen Kharatyan [mailto:k.kharatyan@nunavutwaterboard.org]
Sent: Friday, February 17, 2012 7:07 PM
To: Alexander Po
Cc: Phyllis Beaulieu; David Hohnstein
Subject: RE: 2BE-KUG0810 Expired Licence

Dear Mr. Po,

I am replying to your message now as the NWB staffs were out of office for a training session in Yellowknife.
It was stated in your message that you replied immediately to Ms. Beaulieu's letter of November 02, 2010. I would like to clarify that no any reply was received by the NWB at that time.

It was stated that no work was done and no water was used in 2008-2010. I would like to advise you that as per Part B, Item 1 of licence 2BE-KUG0810 *The water use fees of $30, payable to the Receiver General for Canada, shall be sent to the Board* ***annually in advance of any use in accordance with Section 9 of the Regulations****;* and as per Part B, Item 2 *The Licensee shall file an Annual Report on the appurtenant undertaking with the Board* ***no later than March 31st*** *of the year following the calendar year being reported.*

It was stated that you submitted the required $30 application fee and the $30 water used fee for a total of $60.00 with the application on 01.03.2011. It is my understanding that you submitted those fees for a new water licence application.

The NWB would like to make you aware once again that there are outstanding fees from the expired water licence.

Regards,

Karén Kharatyan, Ph.D
Technical Advisor
Nunavut Water Board

(Ph.) 867-360-6338 ext. 30
(Fx.) 867-360-6369

k.kharatyan@nunavutwaterboard.org

From: Alexander Po [mailto:apo@guygold.com]
Sent: Wednesday, February 08, 2012 2:49 PM
To: Alexander Po; Karen Kharatyan
Cc: 'ian.parsons@ainc-inac.gc.ca'; 'David Abernethy (David.Abernethy@aandc-aadnc.gc.ca)'; J. Patrick Sheridan; Chris Robinson; 'Martin Knutson'; 'ken@ceinst.org'
Subject: RE: 2BE-KUG0810 Expired Licence

Dear Ms. Kharatyan,

I am just following up what I sent you last Wednesday – (Feb. 8) in reply to your February 3, 2012 letter.

In your February 3 letter, you attached the letter of Ms. Beaulieu (dated Nov. 2, 2010 and e-mailed to Mr. Rory Calhoun) which **I take it** outlined the basis of our "past performance" that you are raising in denying approval of our Water License application.

For further clarification, I would like to raise the following points.

1) I replied **immediately** to Ms. Beaulieu's letter of November 02,2010. In fact, I replied to her letter **the next day** albeit it was addressed to Mr. Calhoun who by then is not connected to the company. Please see my reply dated November 03,2010 in the email string below.

2) I advised her that we intend to file a renewal of the license in response to her query about our plan.

3) I informed her that we have not done any groundwork 2008-10 which was covered by the lapsed license. Therefore , we have no work done to report and no surface water was used.

4) We did file our application dated 01-03-2011 as we have indicated to Ms. Beaulieu (please see attached – NWB Application 01-03-2011). I apologize for the typo April 2010—which was an older application we had to revised.)

5) In the 01-03 -2011 application (which is now 2BE-DIS), we included the required $30 application fee and the $30 water used fee for a total of $60.00 (please attached NWB Water Fee and application)

Now if there are other "past performance" you might think that are adverse to our Application 2BE-DIS—please inform us so that we can address them accordingly.

Sincerely yours,
Alexander Po

From: Alexander Po
Sent: Monday, February 06, 2012 5:17 PM
To: Karen Kharatyan
Cc: 'ian.parsons@ainc-inac.gc.ca'; 'David Abernethy (David.Abernethy@aandc-aadnc.gc.ca)'; J. Patrick Sheridan; Chris Robinson; Martin Knutson; 'ken@ceinst.org'
Subject: FW: 2BE-KUG0810 Expired Licence

Hello Ms. Kharatyan,
I am sending you my reply to Ms. Beaulieu's letter of November 02, 2010 which you forwarded to me in your February 3,2012 letter.

Please note that I indicated that we intend to renew—which means then that the requirement to submit a" Final Abandonment and Restoration Plan" is not necessary.

I also indicated that we have not done any ground work during the period covered by the lapsed Water License (2BE-KUG0810). Meaning that we have nothing to report since we really did not consumed any water.

As to the $30.00 water use FEE (although we have not used any water)—we remitted on January 07, 2011 (payable to the Receiver General as instructed) $ 60.00 to cover the Application Fee and Water Use Fee.

The CIBC cheque No. 1407 was included in the application for renewal package submitted to Ms. Phyllis Beaulieu by post mail to P.O.Box 119 in Gjoa Haven Nu X0B 1J0.

Sincerely yours,

Alexander Po

From: Alexander Po
Sent: Wednesday, November 03, 2010 5:07 PM
To: 'licensing@nunavutwaterboard.org'
Cc: 'R. Calhoun'; J. Patrick Sheridan; Chris Robinson; Dan Noone; Alan Ferry - Rogers; Bruce Rosenberg; Savitri Hassan
Subject: RE: 2BE-KUG0810 Expired Licence

Dear Ms. Beaulieu,

Your message was forwarded to me by Mr. Rory Calhoun who was the former Project Manager of our Nunavut project which was then registered in the name of Coronation Minerals Inc. (now

operating as Guyana Precious Metal Inc.).

New management of the corporation took over on March 3, 2008.

After the corporate reorganization following the takeover the company, technical staff reviewed the outstanding projects and decided that the Wellgreen Project in the Yukon Territory be given priority due to economic and market considerations at that time.

Consequently, no ground work/surveys (including drilling) was executed for the Nunavut Coppermine project (covered by this expired Water License) from the inception of the corporate reorganization to date (2008-2009 and 2010.)

The only technical work done was an airborne Megatem survey commissioned and flown by FUGRO Airborne on August 2008. Even at that, the survey was based in Kugluktuk and no field camp was established nor any surfaced water used in the field. This assessment work was reported to the Kugluktuk Mining Recorder's office for Assessment Credit.

In reply to your query as to our plan- yes, we would like to renew the license. We would like to have guidance from your office as to how to proceed.

Sincerely yours,
Alexander Y. Po
Director

From: R. Calhoun [mailto:jadefalcon@golden.net]
Sent: Tuesday, November 02, 2010 2:06 PM
To: Alexander Po
Subject: Fw: 2BE-KUG0810 Expired Licence
Importance: High

Hi,

Here is something for you.

Rory

----- Original Message -----
From: Phyllis Beaulieu
To: jadefalcon@golden.net
Sent: Tuesday, November 02, 2010 1:01 PM
Subject: 2BE-KUG0810 Expired Licence

Good morning. Please be advised that the above water licence has now expired. Does the company plan to renew? If not, there is a requirement to submit a Final Abandonment and

Restoration Plan.

Also note that a revised Spill Plan and Abandonment and Restoration Plan were to be submitted after the issue of the licence and none were received; as well no annual reports have been provided for 2008, 2009 and 2010.
Regards,

Phyllis Beaulieu
Manager of Licensing
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU X0B 1J0
Phone: (867) 360-6338, Ext. 26
Fax: (867) 360-6369
Email: licensing@nunavutwaterboard.org