

NIRB File No.: 06EN009 INAC LUP No.: N2006C001

February 18, 2011

Bogdan Nitescu Hornby Bay Mineral Exploration Ltd. 150 Adelaide Street West, Suite 2700 Toronto, ON M5H 3P5

Via email: bnitescu@hornbybay.com

Re: <u>Application Acknowledgement for Hornby Bay Mineral Exploration Ltd.'s Amendment Request with INAC for Seismic Exploration at the Coppermine Property</u>

Dear Bogdan Nitescu:

On February 2, 2011 the Nunavut Impact Review Board (NIRB or Board) received an application from Indian and Northern Affairs Canada (INAC) for an amendment to Hornby Bay Mineral Exploration Ltd.'s (Hornby Bay) "Mouse Lake Exploration" project. After an internal review of the information provided with the current application, on February 8, 2011 the NIRB issued correspondence to Hornby Bay requesting additional information on or before February 18, 2011. The NIRB received the required information on February 17, 2011 and commenced screening of this file.

Please be advised that the original project 06EN009) was received by the NIRB from INAC on January 24, 2006. The proposal was screened in accordance with Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA) and on March 27, 2006 the NIRB issued a 12.4.4(a) screening decision to the Minister of INAC which indicated that the proposed project could proceed subject to the NIRB's recommended project-specific terms and conditions. The original project components and activities included the following:

- Geological and geophysical surveying (both ground and airborne surveys);
- Diamond drilling program;
- Establishment of a temporary camp at Mouse Lake, located approximately 75 kilometres south of Kugluktuk; and
- Transportation and storage of fuels including diesel, gasoline, aviation fuel, and propane.

Hornby Bay is proposing to amend their Land Use Permit (LUP) to include the following additional components and activities:

• On land 2D seismic surveying for purposes of uranium exploration

- o Use of two vibrator trucks, seismic line, detectors and recording computers
- o Approximate total of 80 line kilometres to be surveyed
- Utilisation of ice strip at McGregor Lake for the transportation of equipment and supplies;
- Overland transportation of seismic equipment and personnel supported by Cat Train, helicopter, and skidoo
 - o Cat Train to utilize winter trail previously screened by the NIRB (NIRB File No. 07RN072) and clearing of new paths to seismic exploration area

The NIRB has determined that this request may result in a change to the original scope of the project.

The INAC application and the original NIRB screening file, 06EN009 are available from the NIRB's ftp site at the following link:

ftp://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2006/06EN009-Hornby%20Bay%20Exploration%20Ltd%20-%20Unor%20Inc/01-APPLICATION/.

Please note that Section 12.4.3 of the NLCA states that:

"Any application for a component or activity of a project proposal that has been permitted to proceed in accordance with these provisions shall be exempt from the requirement for screening by NIRB unless:

- (a) such component or activity was not part of the original project proposal; or
- (b) its inclusion would significantly modify the project."

The NIRB is of the opinion that the request for the amendment is not likely to *significantly* change the general scope of the original project activities. The NIRB is therefore *proposing* to re-issue the same terms and conditions as those in the enclosed March 27, 2006 Screening Decision, along with any new terms and conditions the NIRB considers appropriate. The NIRB is copying parties and municipalities potentially affected by this project and we invite interested persons to comment directly to the NIRB by **February 28, 2011**.

The NIRB would like Parties to provide comments regarding:

- whether the proposed component or activity was a part of the original proposal;
- whether its inclusion would significantly modify the project;
- any additional mitigation measures that are appropriate; and
- any other matter of importance to the Party related to the project proposal.

Please send your comments directly to the NIRB at info@nirb.ca or via fax to (867) 983-2594.

If you have any questions or concerns, please do not hesitate to contact me directly at 867-983-4615 or via email at ahanson@nirb.ca.

Sincerely,

Amanda Hanson Technical Advisor

Nunavut Impact Review Board

cc: Distribution List

John Craig, Indian and Northern Affairs Canada Stanley Anablak, Kitikmeot Inuit Association

Barb Adjun, Kugluktuk Hunters and Trappers Organization Attima Hadlari, Kitikmeot Wildlife Management Board

Mathieu Dumond, Government of Nunavut

Enclosed (3): NIRB Comment Form (English)

NIRB Comment Form (Inuinnaqtun)

NIRB Screening Decision Report, File No.: 06EN009 (March 27, 2006)

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