



David Bent
V.P. Exploration
UNOR Inc.
Suite 700, 357 Bay Street
Toronto ON, M5H 2T7 T:
Email: dbent@unorinc.com
Phone: (416) 368-0114 Fax: (416) 368-0198

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File: 2BE-MOU

RE: 2008 Water License Inspections

Mr. Bent,

My name is Melissa Joy, 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 considerations at this time, this information will be provided in as timely a manner as possible.

Please confirm if your company holds other water licenses (expired or current) or if camps are (or will be present) at Asiatic, Coopermine and Lac Rouviere projects.

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 (within one week of receiving this letter, preferably):

- Updated company contact information; updated info for your head office contact and current project or site manager.
- Please confirm the work scheduled for the 2008 field season and approximate time frame these activities will be occurring.
- Name of the representative on site(s) at the time of the Inspection?
- How is your site accessible? (fixed wing aircraft, float plane or helicopter)
- Confirm coordinates (degrees/min/sec, NAD 83) for your camp location(s) and air strip/landing location
- Will a helicopter be available to access remote areas of the site?
- Any other information you feel is pertinent for the expected site visit.
- 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. This may include use of a helicopter during this time.

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
Phone: (867) 982-4308
Fax: (867) 982-4307

Cc: George Bell, President, UNOR Inc.
Jim Rogers/Kevin Buck, Manager, Water Resources, INAC Iqaluit
Bernie Mac Isaac, Manager, Field Operations, INAC Iqaluit
Phyllis Beaulieu, Manager Licensing, Nunavut Water Board