

Suite 1010, 130 Adelaide St. West, Toronto, Ontario, M5H 3P5

Ms. Phyllis Beaulieu Manager of Licensing Nunavut Water Board P.O. Box 119 Gjoa Haven, NU X0B 1J0

July 11th, 2012

Re: License 2BE-MOU0914 – Payment of Water Use Fees for 2012

Dear Ms. Beaulieu,

Please find enclosed a cheque for \$237.25, payable to the Receiver General for Canada, to cover the water use fees for 2012, as required under Part B, Item 1 of license 2BE-MOU0914.

Sincerely Yours,

Bogdan Nitescu, PhD

Geologist & Geophysicist Hornby Bay Mineral Exploration Ltd.

Tel: 416-368-0114 Fax: 416-368-0115

Email: bnitescu@hornbybay.com

Nunavut Water Board

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Public Registry