

NIRB File No. 11EN031 INAC File No. N2011C0016 KIA File No. KVL111B05 NWB File No. 2BE-MRP

June 1, 2011

IronOne Inc. c/o Paul Sobie, MPH Consulting Ltd. 133 Richmond Street West, Suite 501 Toronto, ON M5H 2L3

Via email: psobie@mphconsulting.com

Re: Notice of Part 4 Screening for IronOne Inc.'s "Maguse River Project" proposal

Dear Paul Sobie:

On May 3, 2011 the Nunavut Impact Review Board (NIRB or Board) received IronOne Inc.'s 'Maguse River Project' proposal. On May 10, 2011 the NIRB received a positive conformity determination (Keewatin Regional Land Use Plan) from the Nunavut Planning Commission. On May 11, 2011 the NIRB send out correspondence advising parties that a referral for screening would be required from Government departments/agencies or Regional Inuit Associations responsible for authorizing the proposed project works or activities. In addition, the NIRB requested that the Proponent complete the NIRB Part 1 form in order to permit proper screening. On May 23, 2011 the NIRB received a request from Indian and Northern Affairs Canada (INAC) to screen this project proposal. On May 26, 2011 the NIRB received the requested additional information from the Proponent for this project proposal. The NIRB has assigned this project proposal file number 11EN031 – please reference this file number in future related correspondence.

The project is located in the Kivalliq region approximately 70 kilometres (km) northwest of Arviat and 90 km southwest of Whale Cove. The program is proposed to take place from July to October 2011 and then between March and October for the subsequent years to 2016. The proposed program intends to explore for the presence of iron ore in the Maguse River Project area (focus will be on Crown Land only with future testing potentially on surface Inuit Owned Land).

The project activities include:

 Exploration program to consist of geophysical surveys, prospecting, mapping, diamond drilling including:

- Locating and sampling historical drill core and fresh bedrock sampling by drilling approximately 30-50 drill holes per year;
- o On land drilling to approximately 300 metres (m) in inclined boreholes;
- o Possible on-ice drilling in 2012;
- Establishment of temporary base camp to accommodate 15 to 20 people including:
 - o 7-10 sleeping canvas tents with metal/wood frames;
 - One each kitchen, core logging, core cutting, cook/first aid, office tents and two dry tents;
 - Generator shack;
 - o Incinerator:
 - Fuel cache;
 - Helicopter pad;
- Camp supplies to be brought in by helicopter or local fixed wing aircraft;
- Transportation, storage and use of fuel at camp site with small fuel caches located at drill sites (4-5 drums of diesel and 3-4 100 pound canisters of propane). Total amount of fuel to be stored at site include:
 - o 175 drums (205 litres [L]) diesel;
 - o 100 drums (205 L) aviation fuel;
 - o 10 drums (205 L) gasoline;
 - o 100 cylinders (100 pounds);
- Transportation, storage and use of chemicals and hazardous materials;
- Use of esker(s) for landing fixed wing aircrafts;
- Potential transportation of supplies and equipment overland between March and April from Arviat using Cat-train services. Route will utilize some rivers, lakes and frozen snow covered ground;
- Use of snowmobile, helicopter and/or fixed-wing aircraft to transport personnel and equipment to drill sites depending on season;
- Use of water for domestic and drilling purposes;
- Production of human, combustible, non-combustible and grey-water wastes;
- Incineration of combustible wastes; and
- Removal of non-combustible wastes to local landfill and removal of waste oil to approved waste facility.

All documents received and pertaining to this project proposal can be obtained from the NIRB's ftp site at http://ftp.nirb.ca/01-SCREENINGS/ACTIVE%20SCREENINGS/11EN031-IronOne%20Inc-Maguse%20River%20Project/ including:

- NIRB Part 1 Summary Application Form in English and Inuktitut
- NIRB Part 2 Project Specific Information Requirements
- Maps
- Non-technical Project Proposal summary in English and Inuktitut
- *NPC Conformity Determination*
- Nunavut Water Board Water Licence Application
- Indian and Northern Affairs Canada Land Use Permit Application
- Abandonment and Restoration Plan
- Fuel Spill Contingency Plan

- Field Guide and Safety and Emergency Response Plan
- Waste Management Plan
- Wildlife Mitigation and Monitoring Plan

Pursuant to Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA), the NIRB shall proceed to screen this project proposal. The NIRB may request additional information at any time during the process. The NIRB will copy you on screening process related correspondence and upload related documents to the above ftp site for public access.

The NIRB is copying parties and municipalities potentially affected by IronOne Inc.'s project proposal with this letter, and we invite interested parties to comment directly to the NIRB by June 22, 2011.

The NIRB would like parties to provide comments regarding:

- Whether the project proposal is likely to arouse significant public concern; and if so, why;
- Whether the project proposal is likely to cause significant adverse eco-systemic and socio-economic effects; and if so, why;
- Whether the project is of a type where the potential adverse effects are highly predictable and mitigable with known technology, (please provide any recommended mitigation measures); and
- Any matter of importance to the Party related to the project proposal.

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

If you have any questions or concerns, feel free to contact the undersigned directly at (867) 793-4633 or sgranchinho@nirb.ca.

Sincerely,

Sophia Granchinho Technical Advisor

Nunavut Impact Review Board

cc: Distribution List

Brian Aglukark, Nunavut Planning Commission Jeff Mercer, Indian and Northern Affairs Canada Phyllis Beaulieu, Nunavut Water Board Luis Manzo, Kivalliq Inuit Association David D'Onofrio, IronOne Inc. Michele Cote, MPH Consulting Ltd.

Enclosures (2): Comment Forms (English and Inuktitut)