



**Head Office**  
3502 Raccine Road  
Yellowknife, NT X1A 3J2  
Phone: 867-920-2729  
Fax: 867-873-3816  
[Yellowknife@aurorageosciences.com](mailto:Yellowknife@aurorageosciences.com)

**Whitehorse Office**  
34A Laberge Road  
Whitehorse, YK  
Phone: 907-789-7672  
Fax: 867-393-3577  
[Whitehorse@aurorageosciences.com](mailto:Whitehorse@aurorageosciences.com)

June 30, 2008

Jeff Holwell  
Land Administrator Specialist  
Nunavut Region  
Indian and Northern Affairs Canada  
Ph :867-975-4283  
Fax : 867-975-4286

Dear Jeff,

RE : Silvermet Camp (2BE-MSX0712)

I must apologize for not getting this to you sooner as we discussed back in April. I would like, on behalf of Silvermet, to ask for lenience on the placement of the camp. As was noted by Andrew Kiem last year, our kitchen and dry are within the 30m setback from the lake. There are some very good reasons for this on our behalf and although these reasons do not conform to DIAND rules and regulations, I would ask you to consider these reasons in allowing us to leave the kitchen and dry where they sit.

When we first established this camp in the summer of 2006, it was the decision of Silvermet Corporation, with my influence not to use the McGregor Lake camp because of the huge environmental impact this would have on Silvermet. To this end, we chose to let Air Tindi find us a lake within 10km or so of McGregor Lake for our exploration purposes. The lake needed to be deep, long enough to land and take off with a twin and have the ability to get a plane up to shore. I can assure you that there are very few lakes in this area that allow this and we had to search for this lake for almost 40 minutes by air. Most of this lake has moderately sloping landscape to the lake shore, not providing a very good base

for a camp. The peninsula was chosen for numerous reasons, but the most important was the peninsula was generally flat on top and had great access for twin otter service. The original camp was established in July of 2006 during the summer. The larger drill camp was established in early May of 2007 without the ability to identify shorelines.

It is not our intent to supercede the Land Use Regulations but would hope there is some common sense and reason when viewing a camp. It is for this specific reason I would like to ask for lenience in leaving the camp where it sits. We recognize the largest concern lies with the sump and although the sump was never full, and we had two of them, we felt the grey water was well taken care of. Water was consumed from the lake with absolutely no concerns. If Silvermet was afforded an opportunity to leave the camp where it sits, we could commit to pumping the sump grey water further up the hill to meet the minimum 30 metre setback.

The camp hosted a maximum of 15 people last year and this year would host 8-10 people for approximately 1 month. This is a very clean camp, we moved empty drums and garbage to Yellowknife weekly using Air Tindi and are committed to keeping the site clean and useable for years to come.

Most importantly, the cost of having to move this camp would be huge. It would likely mean we would have to move back and inhabit the McGregor Lake site and that is an environmental nightmare but one we have committed to help cleaning up with Adriana Resources and the KIA. Silvermet posted a very large bond last year to make a commitment to cleaning up the McGregor Lake camp.

I would encourage inspection of our camp whenever possible and I believe we are doing everything to maintain an environmentally friendly camp site.

Respectfully,  
**AURORA GEOSCIENCES LTD.**

A handwritten signature in cursive script, reading "Gary Vivian".

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Gary Vivian, M.Sc., P.Geol.  
President