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June 30, 2008

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

Ph: 867-360-6338 Fax: 867-360-6369

Dear Phyllis,

RE: Silvermet Camp (2BE-MSX0712) or 2007N-2BE-MSX

I would like, on behalf of Silvermet, to ask for lenience on the current location of our 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, 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 evaluating the merits of moving portions of the camp versus the ability to monitor any concerns. I am hoping that the Nunavut Water Board might consider us leaving the camp where it sits with the proper monitoring system in place to evaluate water conditions at the camp.

The work program this year will have no drilling and will only include a small one month geophysical program. I would hope the Nunavut Water Board looks at this year as a test for us to prove a water monitoring program can work. This is only a camp and only includes the monitoring of grey water sumps, etc. An inspector took water samples last year with no negative results and we would be committed to a monitoring program that would suffice for the concerns of the Nunavut Water Board.

I would encourage inspection of our camp whenever possible and I believe we can complete on-going monitoring of the natural water conditions to maintain an environmentally friendly camp site.

Respectfully,

AURORA GEOSCIENCES LTD.

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

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President