



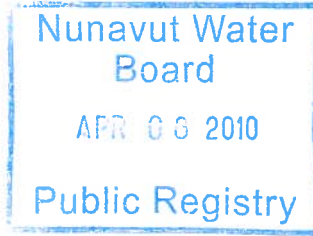
Indian and Northern
Affairs Canada

Affaires Indiennes
et du Nord Canada

INAC Field Operations
P.O. Box 100
Iqaluit, NU X0A 0H0

April 8, 2010

Corey Segboer
Operations Manager
Aurora Geosciences Ltd.
3506 McDonald Drive
Yellowknife, NT X1A 2H1



Sent Electronically
Our File: 2BE-MSX0712
Your File: _____
CIDM # 391582

Stephen G. Roman
Chairman and CEO
Silvermet Inc.
8 King Street East, Suite 1704
Toronto, ON M5C 1B5

Re: Muskox Exploration Project - INAC Response to Submission of 2BE-MSX0712 Final Plan submitted by Aurora Geoscience Ltd. on behalf of Silvermet Inc.

Mr. Segboer,

Indian and Northern Affairs Canada (INAC), Field Operations Section has reviewed your submission of February 25th, 2010 entitled "Water License 2BE-MSX0712 (Silvermet Inc.) Notice of Non-Compliance - Final Plan".

In review of the submission, the following deficiencies were noted and will require modification prior to approval of the Final Plan.

Page 2, bullet 4, of your proposed Final Plan states as follows:

- All wood (tent floors, frames, etc.) will be burned. The coals will be raked for non-combustible items (i.e. nails, etc) which will be collected and removed from site.*

Please note that section 2, Part D of your Water Licence (Conditions Applying to Waste Disposal) prohibits the practice of open burning.

As well, section 4, Part I of your Water Licence (Conditions Applying to Abandonment and Restoration or Temporary Closing) provides that this material must be demobilized from the site.

In addition, your Final Plan should address the following requirements of your Water Licence and ensure that a complete remediation of the site takes place prior to the close-out inspection scheduled for the upcoming field season:



Part B: General Conditions

Ensure that sufficient detail is provided with respect to abandonment and restoration of the property. As per section 2 (iv), the Licensee is to provide a description of all final reclamation work undertaken.

Part D: Conditions Applying to Waste Disposal

As per sections 5 and 6: Licensee shall maintain records of all wastes disposed of and records of confirmation of proper disposal of backhauled waste. Note that Hamlets are unable to accept hazardous wastes, which must be disposed at an approved facility.

As per section 8: Latrine pits are to be treated with lime and covered with native material prior to abandonment. The Licensee is to confirm if lime has been used prior to decommissioning.

Part I: Conditions Applying to Abandonment and Restoration

The Licensee is to confirm/demonstrate that each applicable section of Part I has been met including, without limitation, the following:

As per section 3: Licensee shall backfill and restore, to the satisfaction of an Inspector, all sumps to the pre-existing natural contours of the land.

As per section 4: Licensee shall remove from the site infrastructure and site material.

As per section 7: In order to promote natural growth of vegetation,....all disturbed surfaces shall be prepared by ripping, grading, or scarifying the surface to conform to the natural topography.

As per section 8: All areas that have been contaminated by hydrocarbons from normal fuel transfer procedures shall be reclaimed to the satisfaction of an Inspector.

As per section 11: All disturbed areas shall be contoured and stabilized upon completion of work and restored to a pre-disturbed state.

Part J: Conditions Applying to the Monitoring Program

As Per Section 7: The Licensee shall include in the Annual Report required under Part B, Item 2 all data, monitoring results and information required by this Part.

The required supplementary information and amended Final Plan are to be submitted to the undersigned Inspector, the Nunavut Water Board and INAC within 30 days of receipt of this letter.



Indian and Northern
Affairs Canada

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et du Nord Canada

If you have any questions or concerns regarding this please do not hesitate to contact the undersigned.

Respectfully,

Original Signed and mailed this date

Andrew Keim
Water Resource Officer
Indian & Northern Affairs Canada
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CC :
Peter Kusugak – Manager of Field Operations, INAC
Spencer Dewar – Manager of Land Administration, INAC
Phyllis Beaulieu – Manager Licensing, Nunavut Water Board
Gary Vivian – Aurora Geosciences Ltd