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May 10, 2010

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

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Re: Water License 2BE-MSX0712 (Silvermet Inc.) Request for contained burn on site

The following request is submitted on the behalf of Silvermet Inc. (Silvermet) and applies to the camp located approximately 7 km east-northeast of CO-52/86J on a small lake located at 66° 59.2' N and 114°54' W.

The camp consists of the following structures:

- 1 16X40' insulated plywood shack as a kitchen
- 1 12X14' wood floor and frame with insulated tent for dry
- 1 16X24' wood floor and frame with insulated tent for core shack
- 5 14X16' wood floor and frame with insulated tents for office, and sleep tents
- 1 12X14' wood floor and frame with insulated tent for cook/first aid station
- 1 plywood shack biffy
- 1 plywood generator shack

I would like to request that the Nunavut Water board approve my request and allow Silvermet Inc. to burn the existing wood structures on site. The burning of camp structures has been practiced by Aurora and other exploration companies for many years and is planned for during the construction phase. The use of un-treated lumber ensures that there are no chemicals or preservatives being released. We use canvas tents to cover the frames and therefore reduce the overall amount of wood on-site.

By allowing the structures to be burned on-site it will reduce the need for 3 twin otter flights to Kugluktuk and the fuel that would be burned in the process.

To return the burn site to its original state:

- Upon approval by the Nunavut water board 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.
- The burn would be controlled and monitored at all times to ensure safety of the environment and personnel
- All disturbed surfaces shall be returned to its natural condition

The removal of the camp is scheduled for late spring of 2010, the exact date will be dependent on weather, snow and ice conditions. Once the burn and clean-up is complete we will take photographs of the area and submit them along with a report to the Nunavut Water board.

I hope that this request is completed to your satisfaction, but if you should require more details, please contact me at your earliest convenience.

Respectfully submitted,

Corey Segboer Operations Manager Aurora Geosciences Ltd.

On behalf of Silvermet Inc.