

December 9<sup>th</sup>, 2013

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

RE: Final Plan – Vale Exploration Canada Inc. NWB Water Licence 2BE-MVP1217

Dear Ms. Beaulieu:

I am writing in regards to Vale's Water Licence 2BE-MVP1217 for work on the Melville Exploration Project, located approximately 200 km west of the community of Hall Beach. After the completion of two exploration seasons on this project, we have fully evaluated our tenements and have decided not to pursue further exploration work on this project.

Please find enclosed for your review the Annual Report which should also be considered the Final Plan for closure of the Licence, as per part **B** section **2** of the Water Licence. The Licence is due to expire on May 22, 2017; however, we are requesting that it be cancelled pending the Board's approval of this report and satisfaction that all conditions have been met.

Please do not hesitate to contact myself at (705) 682-5128, <u>clayton.pearson@vale.com</u>, or Jason Rickard at (905) 403-2552, <u>jason.rickard@vale.com</u>, with any questions, concerns or comments.

Sincerely,

Clayton Pearson

Project Geologist Vale Exploration Canada Inc.

Office: (705) 682-5128 Fax: (705) 682-8243