



NIRB File No.: 09EN011
INAC File No.: N2009C0005
NWB File No.: 2BE-NQN----

April 6, 2011

Honourable John Duncan
Minister of Indian and Northern Affairs Canada
c/o Jeff Mercer, Manager Land Administration
Indian and Northern Affairs Canada
Iqaluit, NU

Via email: Jeff.Mercer@inac-ainc.gc.ca and landsmining@inac-ainc.gc.ca

**Re: Application exempt from Screening pursuant to Section 12.4.3 of the NLCA:
Indicator Minerals Inc.'s "Nanuq North" project**

Dear Jeff Mercer:

On March 28, 2011 the Nunavut Impact Review Board (NIRB or Board) received an application from Indian and Northern Affairs Canada (INAC) for an extension to INAC Land Use Permit N2009C0005 for Indicator Mineral Inc.'s "Nanuq North" project proposal.

Please be advised that the original project proposal (NIRB File No.: 09EN011) was received by the NIRB from the Nunavut Planning Commission (NPC) on March 4, 2009, with a supporting referral for screening received from INAC on March 6, 2009. The project proposal was screened by the Board in accordance with Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA) and on April 28, 2009 the NIRB issued the enclosed NLCA 12.4.4(a) screening decision to the Minister of INAC indicating the proposed project could proceed subject to NIRB's recommended project-specific terms and conditions.

On May 29, 2009 the NIRB received an amendment application from INAC for the above mentioned project. On June 3, 2009 the NIRB received a positive conformity determination (Keewatin Regional Land Use Plan) from the NPC for the proposed project amendment. After a thorough assessment of the amendment request, the NIRB determined that, pursuant to NLCA Section 12.4.3, the application would result in a change to the original scope of the project as screened by the NIRB. Therefore, on July 13, 2009 the NIRB issued the enclosed Screening Decision Report re-issuing the original project-specific terms and conditions contained in the April 29, 2009 Screening Decision in addition to new terms and conditions which were designed to mitigate any potential impacts to the environment as per Section 12.4.4(a) of the NLCA.

The current INAC application, the original NIRB Screening Decision Report (NIRB File No.: 09EN011) and related file information are available from the NIRB's ftp site at the following link: <ftp://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2009/>.

PREVIOUSLY-SCREENED PROJECT PROPOSAL:

As previously screened by the NIRB (File No.: 09EN011), the "Nanuq North" project was located within the Kivalliq region, approximately 230 kilometres (km) southwest of the community of Repulse Bay and 250 km north of the community of Chesterfield Inlet, adjacent to the southern border of Ukkusiksalik National Park. The Proponent indicated that it intended to explore for diamonds.

The activities/components associated with the original proposal included:

- Diamond exploration; including prospecting, mapping, ground geophysics and delineation drilling (land);
- Use of small lake in the Nanuq North property for drilling purposes;
- Temporary fuel caches in the field to support exploration activities;
- Community consultations in 2009 in Baker Lake, Rankin Inlet, Repulse Bay and Chesterfield Inlet;
- Use of Peregrine Diamonds Ltd.'s Nanuq camp;
- Use of Peregrine Diamonds Ltd.'s airstrip.

The activities/components associated with the amended proposal included:

- Establish remote camp operations for approximately 10 personnel including installation and seasonal shutdown of camp structures and facilities;
- Fuel caching of no more than:
 - 50 drums of diesel
 - 100 drums of jet fuel
 - 5 drums of gasoline
 - 25 propane tanks
- Incineration of wastes; and
- Camp operations include the use of an esker airstrip near the camp (additional information received June 19, 2009) which include:
 - Airstrip located next to the camp; therefore no roads will be established between proposed camp and airstrip and no buildings will be located on the airstrip.
 - 10 takeoffs/landings required to bring in camp equipment, another 10-20 to bring in drill equipment (number of flights are dependent on aircraft used); and additional flights for personnel and camp supplies.
 - Potential contract from Baker Lake; single engine aircraft or from Rankin Inlet; twin engine aircraft.
 - In total, approximately 50 to 60 takeoffs/landings during the season.
 - Potential that aircraft be used at end of season to help remove drill equipment.

The proposed activities were in support of previously-screened exploration activities and were proposed to take place from August 2009 to September 2009, and continue from May to September each year until 2013.

CURRENT APPLICATION:

Indicator Minerals Inc. is proposing to extend its INAC Land Use Permit N2009C0005 which is set to expire on May 7, 2011. The Proponent has indicated:

- Indicator operated a 1,020 metre drilling program during spring 2010, and a small till sampling program the following August.
- At the present time, Indicator has no plans to conduct exploratory work on the Nanuq North Property during the 2011 exploration season, although this does not rule out future work.

Please note that Section 12.4.3 of the NLCA states that:

“Any application for a component or activity of a project proposal that has been permitted to proceed in accordance with these provisions shall be exempt from the requirement for screening by NIRB unless:

(a) such component or activity was not part of the original project proposal; or

(b) its inclusion would significantly modify the project.”

After completing a review of the information provided in support of the current application, the NIRB is of the understanding that the proposed extension does not change the general scope of the previously screened project activities, and the exceptions noted in NLCA 12.4.3(a) and (b) do not apply. Therefore, this application is exempt from screening as per Section 12.4.3 of the NLCA and the activities therein remain subject to the terms and conditions recommended in the Screening Decision Report (July 13, 2009).

If you have any questions or concerns, please contact Tara Arko, Assistant Technical Advisor, at 867-983-4611 or tarko@nirb.ca.

Sincerely,



Stephanie Autut
Executive Director

cc: Andrea Maynes, Indicator Minerals at andream@indicatorminerals.com
Phyllis Beaulieu, NWB

Enclosed: NIRB Screening Decision Report, File No.: 09EN011 (July 13, 2009)