Water Resources Division Nunavut Regional Office Indian and Northern Affairs Canada Igaluit, NU X0A 0H0

File 9545-2-2.2BE.NTPA CIDMS 242043

August 6, 2008

Richard Dwyer Licence Administrator Nunavut Water Board Gjoa Haven, NU X0B 1J0

Re: 2BE-NTP0810, Bayswater Uranium Corporation, North Thelon Project, Uranium Exploration Plan, Kivalliq Region

Dear Mr. R. Dwyer,

Please be advised that Indian and Northern Affairs Canada (INAC) has completed a review of the Uranium Exploration Plan submitted by Bayswater Uranium Corporation on January 23, 2008 as required by Part F, Item 1 of water license # 2BE-NTP0810. This plan is specific to the North Thelon Project located within the Kivalliq Region of Nunavut.

The Uranium Exploration Plan submitted by Bayswater Uranium Corporation adequately addresses the requirements of water licence 2BE-NTP0810, Part F, Item 1 which pertain to environmental and water issues related to uranium exploration, drilling, extraction, storage, and remediation.

Indian and Northern Affairs Canada recommends that the following comments be considered when reviewing the submitted plan.

• Bayswater Uranium Corporation indicates under the plan's Drilling Activities section (refer to page 3) that remaining wastes at completed drill sites will be taken to the staging area at the camp site and incinerated (if possible) or brought to an approved disposal facility. Bayswater Uranium Corporation should be advised that a dual chamber, forced-air incinerator is recommended for the incineration of combustible solid waste products. The reason for this is to prevent or minimize the deposition of wastes associated with incomplete combustion and the leaching from ash residue through run-off from impacting surrounding waters As such there should also be no open burning of plastics, wood treated with preservatives, styrofoam, electrical wire, asbestos or building demolition wastes. Proponents should be encouraged to source separate wastes and dispose of using approved devices or at approved waste disposal facilities.



 The coordinates of drill core storage areas should be listed in the Uranium Exploration Plan, along with their estimated quantities of drill core. The fate of the drill core should also be provided as well as a plan of action should any radioactive materials be generated.

Please contact me should you have any questions in regard to my review. I can be reached by telephone at (867) 975-4555 or by email at AbernethyD@inac-ainc.gc.ca.

Regards,
Original signed by

David W. Abernethy Regional Coordinator

Carbon copy:

Kevin Buck, Manager of Water Resources – INAC, Nunavut Regional Office