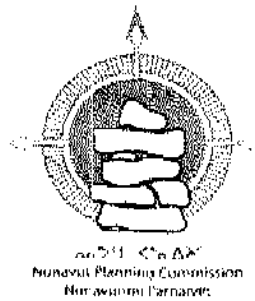


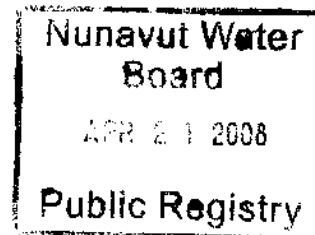
April 21, 2008

Phyllis Beaulieu  
Nunavut Water Board  
P.O. Box 119  
Gjoa Haven, NU  
Fax (867) 360-6369



Leslie Payette  
Nunavut Impact Review Board  
P.O. Box 1360  
Cambridge Bay, NU  
Fax (867) 983-2574

Jeffrey Howell  
Lands Administrator Specialist, INAC  
P.O. Box 100  
Iqaluit, NU., X0A 0H0  
Fax # 867 975 4286



Dear Ms. Beaulieu, Ms. Payette, Mr. Howell,

**RE: NWB File # 2BE-NUE – Nueltin Lake Project – Cameco**

NWB land use license application/proposal listed above was reviewed for conformity against the Keewatin Regional Land Use Plan (KRLUP) under the INAC file #N2008C0006 on February 12, 2008. After reviewing the file, NPC finds that the above application/proposal does not require the proponent to agree to terms which were previously agreed to.

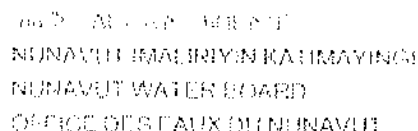
Therefore no conformity determination is needed. I have attached those terms in which the proponent undersigned with this letter which the INAC, as a recognized authorizing agency under the *NLCA*, is responsible to implement the attached requirements by incorporating the requirements directly, or otherwise ensuring that they be met through any authorizations issued.

My office would be pleased to discuss these with you how to best implement these requirements and to review any draft authorizations that you wish to provide for that purpose.

Thank You,

Bobby Suluk, NPC  
Arviat

Cc: Gerard Zaluski, Cameco Corporation



## WATER LICENCE SCHEDULE III - APPLICATION FORM

☒ New      ☐ Renewal      ☐ Amendment      ☐ Assignment      ☐ Cancellation

Page 1 of 3



Effective June 16, 2006

<p><b>12. CONTRACTORS AND SUB-CONTRACTORS</b> (name, address and functions)</p> <p>Helicopter (to be determined) - to transport crews to/from site          Drilling contractor (to be determined) - exploration drilling          Fixed wing aircraft (Nuelin Lake Lodge) - to transport crews to/from site</p>	
<p><b>13. STUDIES UNDERTAKEN TO DATE</b> (list and attach copies of studies, reports, research, etc.)</p> <p>None</p>	
<p><b>14. THE FOLLOWING DOCUMENTS MUST BE INCLUDED WITH THE APPLICATION FOR THE REGULATORY PROCESS TO BEGIN</b></p> <p>Supplementary Questionnaire (where applicable: see section 5) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, date expected _____</p> <p>Inuktitut and/or Innuinaqut/English Summary of Project <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If no, date expected February, 2008</p> <p>Application fee of \$30.00 (Payee Receiver General for Canada) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, date expected _____</p> <p>Water Use fee of \$30.00 (unless otherwise indicated in Section 9 of the <i>NWT Waters Regulations</i>; Payee Receiver General for Canada) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, date expected _____</p>	
<p><b>15. PROPOSED TIME SCHEDULE</b> (unless otherwise indicated, the NWB will consider the application for a five (5) year term)</p> <p><input type="checkbox"/> one year or less (or) <input checked="" type="checkbox"/> Multi Year</p> <p>Start Date: June 5, 2008 Completion Date: June 4, 2010 (with option for renewal)</p>	

Gerard Zaluski  
Name (Print)

District Geologist  
Title (Print)

Signature

February 1, 2008  
Date

For Nunavut Water Board office use only

APPLICATION FEE Amount: \$ \_\_\_\_\_

Pay ID No.: \_\_\_\_\_

WATER USE DEPOSIT Amount: \$ \_\_\_\_\_

Pay ID No.: \_\_\_\_\_





## **Cameco Corporation Nuelfin Lake Exploration Project**

### **Non-Technical Proposal for 2008 Program**

Cameco is the world's largest uranium production company and has several uranium exploration projects in Nunavut and the Northwest Territories. The Nuelfin Lake project area is located in southern Nunavut just north of the Manitoba border.

The key exploration target has been high grade polymetallic boulders (uranium, gold, molybdenum, copper, tungsten, cobalt, and nickel) that were first discovered near Sandybeach Lake in 1978. Cameco has held mineral claims in the area since 1998 and has undertaken several small field exploration programs consisting of geological mapping and prospecting, ground geophysics, and airborne geophysics. Additional claims were staked in 2006. The boulders are thought to be derived very locally and several targets have been identified but due to logistical and budgetary reasons they have never been drilled. This is the next step in evaluating the mineral potential and therefore the main focus of the 2008 exploration program will be a diamond drilling program (total 2000-3000 m) consisting of 15-25 short (100 – 200 m) holes to test the bedrock for the source of the mineralized boulders. Because of the remoteness of the area a drilling program of at least this size is required in order to make it cost effective. Most of the holes will be located on the central mineral lease (F56800) but a small number of reconnaissance holes may be drilled on the surrounding claims. The program will be conducted in June to early July using a heli-drill (mobilized by helicopter). It is expected to last about 4 weeks but may take as long as 6 weeks. Best practices will be used at all times during the program to minimize impacts to the environment. In addition to the drilling a mapping and prospecting program will be conducted on the claims to evaluate the remainder of the property. This will consist of walking traverses in 2 person crews, causing negligible disturbance.

Transportation of the drill, drilling supplies, and crews will be conducted by helicopter and where practical, by float plane. All crews will be based out of the Treeline Lodge of Nuelfin Lake Lodge in northern Manitoba, approximately 15 km southwest. The use of existing camp facilities will minimize disturbance to the environment because roads and structures will not need to be built.

The long term objective of Cameco regarding the project is to evaluate the uranium potential of the area. Because of the shallowness of the exploration targets, the proposed program will be greatly effective in evaluating the region. Therefore, the future of the project will be strongly affected by the success of this drilling campaign.

Gerard Zaluski, P. Geol.  
District Geologist - Nunavut and Northwest Territories  
January 21, 2008