INUIT OWNED LAND USE LICENSE 3

KITIKMEOT INUIT ASSOCIATION

LICENSE NO. KTL302C025

Subject to the Terms and Conditions in this License, authority is hereby granted to:

To proceed with the land use operation described in the accepted application dated: July 11, 2002 Location: CO-67, NTS Map 86P/3,4,5 & 6 – Kikerk Lake Area Type of Operation: Prospecting, Exploration (geophys-grd/air), Drilling (diamonm/ice etc.) Commencement Date: July 15th, 2002 Expiry Date: July 14th, 2004 This 3rd day of December 2002

KITIKMEOT INUIT ASSOCIATION

Jack Kaniak
LAND MANAGER

This copy is to be retained and displayed by the Licensee.

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Nunavut Water	LIA
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TERMS AND CONDITIONS

These terms and conditions are in addition to and not in substitution for any applicable laws or regulations in force in the Nunavut Territory and nothing herein shall be construed so as to require or authorize the contravention of any such law or regulation, including without limitation the Northwest Territories Water Act, the Fisheries Act, and the Area Development Act or any regulations made thereunder.

GENERAL STANDARDS

- Nunavut Tunngavik Incorporated has designated the Kitikmeot Inuit Association as the Designated Inuit Organization (DIO) to hold title to the surface of Inuit Owned Lands in the East and West Kitikmeot land use regions pursuant to the Nunavut Land Claims Agreement.
- The Licensee acknowledges that this is a personal revocable non-exclusive and non-transferable License and not an easement, lease or other interest in the land.
- 3. The Licensee agrees and acknowledges that the Kitikmeot Inuit Association and Nunavut Tunngavik Incorporated shall not be liable for any loss or damage to the Licensee, his or its agents, employees, contractors, licensees or invitees arising from or occasioned by this License or Licensee's entry and actions on the Lands.
- The Licensee shall indemnify and save the Kitikmeot Inuit Association and Nunavut Tunngavik Incorporated harmless from and against all manner of suit or action, cause of action, claim, demand, damage, cost, expense or liability for death, personal injury, economic

loss, property damage, fines or compliance with permits or license approvals, certificates, licenses or orders of any authority of competent jurisdiction arising from or occasioned by any act or omission of the Licensee, its agents, employees, contractors, licensees or invitees (including without limitation discharge of contaminants) on or in respect of lands, including without limitation any liability arising from breach by the Licensee of any municipal, territorial or federal statute regulation or by-law in force in the Nunavut Territory in respect of land utilization, health and safety, transportation of dangerous goods, or environmental protection.

- The Licensee shall be liable for any damage to the Lands occasioned by its entry and activities on the Lands.
- The Licensee represents and warrants that it is and shall remain in compliance with all
 federal, territorial and municipal statutes, regulations and by-laws in respect of its entry and
 actions on the lands.
- The Kitikmeot Inuit Association may revoke this License at any time for breach of any terms
 of the License.

- The Licensee shall pay any reasonable costs of inspection the Kitikmeot Inuit Association deems necessary to monitor compliance with the terms and conditions of this License.
- This License and the right of entry to the Lands is subject to the Nunavut Land Claims
 Agreement and to all applicable laws in force in the Nunavut Territory.
- 10. The Licensee shall not conduct this land use operation on any lands not designated in the License, unless otherwise authorized in writing by the Kitikmeot Inuit Association.
- 11. The Licensee shall contact the Kitikmeot Inuit Association at least 48 hours prior to commencement of any land use activity.
- 12. The Licensee shall not use any equipment except of the type, size and number, and shall conduct operations with crew and methods, that are listed in the accepted application for the License.
- The Licensee shall report any MAN-BEAR interactions to the nearest Renewable Resources Officer or contact (867) 982-7251..

GROUND DISTURBANCE.

14. The Licensee shall not use surface vehicles to move drill rigs or other equipment or supplies, without the prior authorization of the Kitikmeot Inuit Association. The use of any vehicles off routes is prohibited.

OTHER GENERAL

- 15. The Licensee shall display this License in a conspicuous place in each campsite established to carry out this land use application.
- 16. The Licensee shall give to the Kitikmeot Inuit Association a final plan within 60 days of the expiry of this License, showing all lands occupied and used during this land use operation.
- 17. At the completion of this land use operation or termination of the License whichever is the earlier, the Licensee shall remove all equipment and materials unless otherwise authorized by the Kitikmeot Inuit Association.
- Nothing herein shall exclude the Licensee from liability according to Article 6.3.1 of the Nunavut Final Agreement.
- 19. (a) The Licensee will hire qualified Inuit at every opportunity during this land use operation.
 - (b) The Licensee shall provide training for Inuit at every opportunity.

- 20. The Licensee shall submit an Annual Report of all activities during each year of this License.
- 21. The Annual Report shall be submitted to the Kitikmeot Inuit Association within 60 days of cessation of activity or where activity is year round, no later than March 1st of each year.
- 22. The Annual Report shall contain a list of Inuit Employed and/or Inuit Firms contracted During the year.
- 23. The Licensee shall submit fees for all Lands used each year, and the fees shall be submitted with the *Annual Report*.