



NIRB File No.: 10EN013
AANDC File No.: N2010C0003

January 22, 2013

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

Sent via email: jeff.mercer@aandc.gc.ca and landsmine@aandc.gc.ca

Re: Application Exempt from the Requirement for Screening pursuant to Section 12.4.3 of the NLCA: Commander Resources Ltd.'s "Storm" project, Qikiqtani Region

Dear Jeff Mercer:

On January 18, 2013, the Nunavut Impact Review Board (NIRB or Board) received an application from Aboriginal Affairs and Northern Development Canada (AANDC) for an amendment to the Land Use Permit (No. N2010C0003) associated with Commander Resources Ltd.'s (the Proponent) "Storm" project.

Please be advised that the original project proposal (NIRB File No.: 10EN013) was received by the NIRB from Indian and Northern Affairs Canada (INAC; now AANDC) on February 15, 2010. On February 22, 2010 the NIRB received a positive conformity determination from the Nunavut Planning Commission for this file (North Baffin Regional Land Use Plan) and proceeded to screen the project proposal in accordance with Article 12, Part 4 of the Nunavut Land Claims Agreement (NLCA). On May 13, 2010 the NIRB issued the enclosed NLCA 12.4.4(a) screening decision to the Minister of INAC, which indicated that the proposed project could proceed subject to the NIRB's recommended project-specific terms and conditions.

The current AANDC application, the original NIRB Screening Decision Report (File No. 10EN013) and related file information are available from the NIRB's ftp site at the following link: <http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2010/10EN013-Commander%20Resources%20Ltd/>.

PREVIOUSLY-SCREENED PROJECT PROPOSAL:

As previously screened by the NIRB (File No.: 10EN013), the "Storm" project was a preliminary exploration drilling program, to be potentially followed by a diamond drilling program. The

proposed project was located on the northern part of Somerset Island, approximately 112 kilometres (km) south of the community of Resolute in the Qikiqtani Region, Nunavut. The project activities were proposed to take place from August 1, 2010 to July 31, 2012.

The activities/components associated with this proposal included:

- Setup and operation of 12-person temporary tent camp;
- Incineration of sewage and combustible solid waste;
- Fuel storage;
- Use of helicopter and fixed wing aircraft for field pickups and drop offs, and transport of supplies;
- Percussion drilling;
- Potential diamond drilling;
- Ground and airborne geophysical survey; and
- Waster use and waste disposal.

CURRENT APPLICATION:

The Proponent is applying for an amendment to its AANDC Land Use Permit (No.: N2010C0003) to expand the area available for exploration and to amend the permit to allow the use of a diamond drill rig. The amendment to the Land Use Permit includes the following:

- An additional drill area located around the Seal lead-zinc deposit, proposed 20 drill holes with depths ranging from 100 to 600 metres at this location; and
- The usage of a heli-portable diamond drill rig at the exploration site.

The existing Land Use Permit allows for the construction of a 12-person temporary tent camp located on a small lake approximately 2.5 km west of the approved drill area and restricts drilling activities to the usage of a heli-portable reverse circulation drill rig. The amendment application proposes the use of a heli-portable diamond drill rig during the summer of 2013 and 2014 to complete the 8 to 12 week drill program. Further exploration work would be dependent upon the results of this drilling 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, the NIRB is of the understanding that the extension application received from AANDC does not change the general scope of the original project activities, and the exceptions noted in NLCA 12.4.3(a) and (b) do not apply. Therefore, this application is exempt from the requirement for screening as per Section 12.4.3 of the NLCA

and the activities therein remain subject to the terms and conditions recommended in the original Screening Decision Report dated May 13, 2010.

If you have any questions or require additional clarification, please contact Jaswir Dhillon, Technical Advisor, at 867-983-4609 or jdhillon@nirb.ca.

Sincerely,

A handwritten signature in black ink that reads "Ryan Barry". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Ryan Barry
Executive Director
Nunavut Impact Review Board

cc: Steve Potts, Commander Resources Ltd. (spotts@commanderresources.com)
Phyllis Beaulieu, Nunavut Water Board (licensing@nunavutwaterboard.org)
Tracey McCaie, AANDC (tracey.mccaie@aandc.gc.ca)
Bernie MacIsaac, Qikiqtani Inuit Association (bmacisaac@qia.ca)

Enclosed: NIRB Screening Decision Report, File No.: 10EN013 (May 13, 2010)