



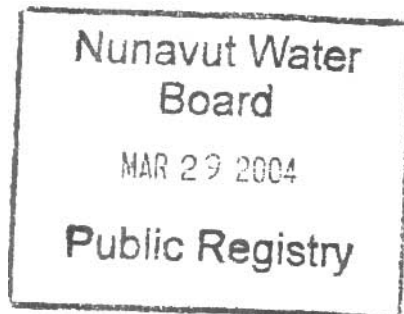
## KENNECOTT CANADA EXPLORATION INC.

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March 24, 2004

NUNAVUT WATER BOARD  
P.O. Box 119  
Gjoa Haven, Nunavut  
X0B 1J0



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Attention: License Administrator

Re: Final Report per Nunavut Water License NWB2TAK0204

Dear Sir:

Kennecott Canada Exploration has no further plans for water use under the above noted license and has, with the guidance of the NWB, entered into discussions with Benachee Resources to transfer the terms and conditions attached to this license to their authority. The license expiry date is December 31, 2004.

Work carried out on Kennecott Rocking Horse Property was based out of the Takijaq Camp located 8 kilometers north of Napaktulik Lake. Under the scope of this permit, water use was limited to that required for core drilling and camp use. Please refer to our annual reports for details of water use activities.

Drilling on lakes followed *Interim Guidelines for On-Ice Drilling*. Each drill processed less than 50 cubic meters/day of lake water and a grey water sump on land was used to dispose of wastewater.

Preliminary baseline studies of water quality were undertaken at select drill sites. Test results can be provided upon request. No unauthorized discharges or material spills affecting water bodies occurred on the property.

As Kennecott plans no further activities under this authorization, we request that license NWB2TAK0204 be closed.

Regards,  


KENNECOTT CANADA EXPLORATION INC.  
Susan Ball  
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