



Water Resources Division  
Nunavut Regional Office  
Iqaluit, NU X0A 0H0

Our File: 9545-1 / CIDMS 181038  
Your File: 2BE-THE0608/TR/F1

November 15, 2007

Richard Dwyer  
Licensing Trainee  
Nunavut Water Board  
Gjoa Haven, NU X0B 1J0

**Re: 2BE-THE0608 / Titan Uranium Inc. / Thelon Project / Kivalliq Region /  
Uranium Exploration Plan**

On behalf of Indian and Northern Affairs Canada (INAC), I have reviewed the proposed Uranium Exploration Plan for Titan Uranium Inc.'s Thelon Project. The following advice has been provided pursuant to INAC's mandated responsibilities for the enforcement of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* (NWNSRT) and the *Department of Indian Affairs and Northern Development Act* (DIAND Act).

Titan Uranium Inc. has submitted a Uranium Exploration Plan for its Thelon Project in accordance with Part F: Conditions Applying to Drilling Operations, Item 1 of its 2BE-THE0608 water licence. The Thelon Project is situated in the Kivalliq Region, having a general coordinate of 64°36' north latitude, 97°13' west longitude. This project requires a licence for the use of water and disposal of waste associated with camp and mineral exploration operations.

Indian and Northern Affairs Canada recommends that the following comments be considered when reviewing the submitted Uranium Exploration Plan:

1. The Uranium Exploration Plan should be revised on an annual basis to ensure that the information being communicated is up to date. The submitted plan was prepared in July 2006. Having revised project plans (i.e., Spill Contingency, Abandonment and Reclamation, and Uranium Exploration) submitted to the Nunavut Water Board along with annual reports would demonstrate responsible stewardship of freshwater resources within the vicinity of the Thelon Project.
2. The Plan's preamble states that additional or revised copies of the Abandonment and Restoration Plan can be obtained from Titan Uranium Inc. The proponent should re-evaluate the preamble to determine whether the Abandonment and Restoration Plan was incorrectly referenced in lieu of the Uranium Exploration Plan. Furthermore, revised plans should be submitted to the Nunavut Water Board.

3. The Plan's introduction states that it was prepared for an exploration program that was carried out from June to September 2006. This Plan should be made applicable for the entire duration of the 2BE-THE0608 licence, i.e., from April 28, 2006 to April 30, 2008.
4. INAC recommends that the Plan's introduction include a detailed description of the Thelon Project. Information such as the location of the work camp, number of project personnel, and contact information for the on-site project supervisor would allow a better understanding of the Thelon Project and the need for a Uranium Exploration Plan.
5. The type(s) and number of drills should be included in Section 4: Issues Related to Drilling to communicate the potential impact of exploration drilling operations on the receiving environment's freshwater resources. Part F, Article 1 of the project's water licence specifies that information concerning environmental and water issues related to uranium exploration, drilling, and extraction are to be provided in a Uranium Exploration Plan.
6. The types of drill additives used in the Thelon Project should be specified in the Uranium Exploration Plan. Section 4: Issues Related to Drilling, states that additives used during drilling will be non-toxic. Identifying the types of drill additives used in the exploration drilling program would enable the Nunavut Water Board and other interested parties to have an increased understanding of the freshwater management practices being applied in the Thelon Project. The types, quantities, and storage methods for the drill additives should be provided along with any other information that the Board considers to be relevant.
7. In accordance with Part F, Article 1 of the 2BE-THE0608 water licence, the Uranium Exploration Plan should provide information concerning environmental and water issues related to storage and remediation. INAC recommends that a detailed description and schematic diagram of the core storage area be provided in the Uranium Exploration Plan. The schematic diagram should be set at an appropriate scale, reference surrounding project infrastructure, nearby freshwater resources, and base contour lines.
8. The submitted Plan indicates that uranium mineralization and gamma radiation thresholds will be monitored throughout the uranium exploration program to ensure that project activities are conducted in a safe manner. The source of these thresholds (i.e., guidelines) adopted by Titan Uranium Inc. should be referenced. For example, Section 4: Issues Related to Drilling, states that drill holes which encounter mineralization with a uranium content greater than 1.0 percent  $U_3O_8$  over a length greater than 1 metre, and with a meter-percent concentration of greater than 5 percent  $U_3O_8$ , the drill cuttings be collected and backfilled into the hole and the zone of mineralization will be sealed by grouting to a distance of 10 metres above and 10 metres below the mineralization.

Indian and Northern Affairs Canada requests notification of any changes in the proposed project, as further review may be necessary. Please contact me should you have any questions or comments with regards to the foregoing. I can be reached by telephone at (867) 975-4555 or by email at [AbernethyD@inac-ainc.gc.ca](mailto:AbernethyD@inac-ainc.gc.ca).

Regards,

***Original signed by***

David W. Abernethy  
Water Resources Coordinator

Cc. Jim Rogers, Manager of Water Resources – Indian and Northern Affairs Canada,  
Nunavut Regional Office