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22 July 2011

Richard Dwyer Licensing Administrator Nunavut Water Board PO Box 119 Gjoa Haven, NU X0B 1J0

Via email: licensingadmin@nunavutwaterboard.org

RE: 2BM-ULU0914 Water Licence Assignment Application

Environment Canada (EC) has reviewed the above-mentioned assignment application submitted to the Nunavut Water Board (NWB). The following specialist advice has been provided pursuant to the *Canadian Environmental Protection Act*, Section 36(3) of the *Fisheries Act*, the *Migratory Birds Convention Act*, and the *Species at Risk Act*.

EC file: 4703 001 004 NWB file: 2BM-UL0914

Elgin Mining Inc. is proposing to transfer the assignment of water license 2BM-ULU0914 from Minerals and Metals Group Resources Inc. (MMG) to Bonito Capital Corp. Based on the information presented at this time, EC has no comments regarding the assignment provided that the proponent follows mitigation measures outlined in the application and that they are in compliance with the existing water license. Terms and conditions applied to the existing water license should be carried forward in the assignment.

If there are any additional changes in the proposed project, EC should be notified, as further review may be necessary. Previous comments and recommendations submitted by EC staff relating to this license would still apply. Please do not hesitate to contact the undersigned with any questions or comments with regards to the foregoing at (867) 975-4631 or by email at Paula.C.Smith@ec.gc.ca.

Yours truly,

Paula C. Smith

Environmental Assessment Coordinator

cc: Carey Ogilvie (Head, Environmental Assessment-North, EPO, EC, Yellowknife, NT)
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