



July 31, 2006

Mr. Philippe di Pizzo
Executive Director
Nunavut Water Board
P.O. Box 119
Gjoa Have, NU
X0B 1J0

Dear Mr. di Pizzo:

Re: Water License No. NWB1ULU0008 - Ulu Project - Shut Down

This letter provides notification that Wolfden Resource Inc. will shut down the Ulu mine site on or before August 31, 2006. All the equipment will be safely stored, fuel tanks will be secured and the portal and vent raise sealed to prevent entry.

If you have any comments or questions I can be reached in Ulu at (416) 987-9167, by cell phone at (807) 624-6255 or by email.

Regards,

David B. Stevenson, M.Sc., P.Geo.
Exploration Manager, Ulu
Wolfden Resources Inc.