



WOLFDEN RESOURCES INC.

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March 24, 2005

Mr. Philippe di Pizzo
Executive Director
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU
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Dear Mr. di Pizzo:

Re: Water License No. NWB1ULU0008, 2004 Annual Report – Ulu Project

As required by Part B, Item 5 of Water License NWB1ULU0008 please find attached three copies of the 2004 annual report for the Ulu project and the NWB Standard Form for Annual Reporting Requirements of NWB2 Mineral Exploration Water Licenses.

Also enclosed, for the NWB to review and approval, are the following reports related to the Ulu project:

- 1) Spill Contingency Plan
- 2) Interim Abandonment and Restoration Plan
- 3) Waste Rock and Ore Storage Plan
- 4) Sewage Treatment and Solid Waste Disposal Facilities Operation and Maintenance Plan
- 5) Terms of Reference memo, dated January 28, 2005, for a Hydrological Assessment of West Lake
- 6) Revised SNP Quality Assurance/Quality Control Requirements for Surface Water Samples Plan

I am also enclosing the following documentation as there appears to be some confusion between the various agencies as to what has, and has not, been filed with the NWB.

- 7) Letter to Mr. S. Stewart, INAC, dated March 7, 2005, in response to his letter dated February 9, 2005 and in regard to his water license inspection of the Ulu mine site.
- 8) Letter from Mr. S. Stewart, INAC, dated February 9, 2005 summarizing the results and recommendations following a site inspection of Ulu on July 14, 2004. INAC's water

- sample results from West and East Lake are included.
- 9) Letter to Mr. P. di Pizzo, dated December 15, 2004, summarizing the estimated current mine restoration liability
 - 10) Letter to Mr. P. di Pizzo, dated November 22, 2004, summarizing results of water results from Ulu's Surveillance Network Program conducted in 2004.
 - 11) Results from a surface water sample from East Lake, Ulu collected by Gartner Lee Ltd. (Table 1).
 - 12) Letter from Mr. S. Traynor, Director, Operations, INAC, dated July 22, 2004 confirming receipt of Wolfden's General Security in the amount of \$1,685,210.00 received May 10, 2004.

I believe the attached documentation should fulfill all of Wolfden's requirements as outlined in Ulu's water license. If upon review you notice there are still some deficiencies then please let me know and I will provide you with the additional information as soon as possible.

In the interim, I would like to know whether all the various Plans submitted with this letter have to be approved by the NWB before Wolfden is allowed to perform work related to its proposed underground exploration and development program. In order to avoid delays in our proposed program, I would like your permission to re-open the portal and re-establish the underground services (electricity, air, water, etc.) in April 2005 while the NWB reviews the enclosed Plans. Please confirm at your earliest possible convenience whether this option is possible.

In an effort to expedite the permitting process, I have sent the most of the same documents enclosed with this letter to Gladys Joudry, NIRB. Not included in the list of documents to NIRB are the Spill Contingency Plan and Interim Abandonment and Restoration Plan as NIRB has them on file.

If you have any comments or questions I can be reached at (807) 346-2762 or by email at dave.stevenson@wolfdenresources.com.

Yours truly,

David B. Stevenson, M.Sc., P.Geo.
Project Manager – Ulu Project

cc Gladys Joudrey, NIRB