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Nunavut Regional Office P.O. Box 2200 Iqaluit, NU, X0A 0H0

November 21, 2006

Your file - Votre référence 2BM-ULU0008 Our file - Notre référence IQA-N 9545-1-1ULUG

Phyllis Beaulieu Licensing Administrator Nunavut Water Board P.O. Box 119 Gjoa Haven, NU, X0A 1J0

Email: licensing@nwb.nunavut.ca

Re: Wolfden Resources Ltd. - Ulu Gold Project - 2006 Annual Geotechnical **Inspection of Selected Structures** 

Department of Indian Affairs and Northern Development (DIAND), has reviewed the 2006 Annual Geotechnical Inspection of Selected Structures at the Ulu Mine Project, submitted by Wolfden Resources Ltd. The report was submitted on October 10, 2006 as a requirement of Part D, Item 9 of the Nunavut Water Board water license 2BM-ULU0008 (formerly NWB1ULU0008). The review has been undertaken pursuant to DIAND's mandated responsibilities under the Department of Indian Affairs and Northern Development Act and the Nunavut Water and Nunavut Surface Rights Tribunal Act.

INAC has no major comments on the report. However, the 2006 Annual Report, due by March 31, 2007, will be reviewed to verify comments made in the report on the potential water quality and quantity of the seepage from Portal Laydown (waste rock) Pad and the Ore Pad.

Should you have any questions or comments, please do not hesitate to contact me at (867) 975-4550 or by email at RogersJi@ainc-ianc.gc.ca.

Sincerely,

Original Signed By J. Rogers

Jim Rogers Manager, Water Resources

