



Indian and Northern
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Land Administration
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X0A 0H0
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Your file - Votre référence

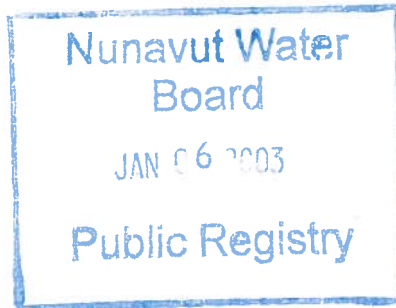
Our file - Notre référence

December 13, 2002

76G/1-2

By Fax 604-682-4473 and Mail

Bathurst Inlet Port and Road Joint Venture
C/O Nuna Logistics
340 Park Place
666 Burrard Street
Vancouver, BC
V6C 2X8



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Attention: Charlie Lyall, Chairman and Mervyn Hempenstall, President

Dear Mr. Lyall and Mr. Hempenstall:

**Crown Land Applications
Bathurst Inlet Port and Road Project**

We acknowledge receipt of your letter dated November 27th, 2002 regarding proposed changes to the project scope and the deferral of some aspects of the project. In reading your letter it is unclear what you are asking us to do. On page one the letter indicates that you plan to defer some aspects of the project and suggests deferral only impacts the schedule and timing for some aspects. It is unclear whether you intend to keep the original project description through the environmental assessment stage or not. On page two, the third paragraph states "...this redefinition of the project.....and that the Project Description, as herewith amended...". This suggests you actually don't want to proceed with the original project description but are amending the project to remove those aspects that are identified as being deferred on page one of your letter.

I contacted Tony Keen, Project Manager on December 5th to clarify and confirm the intent of the letter. He confirmed that you are actually amending your project to remove those aspects that are "deferred" and that your project description has changed. Please note that we (DIAND) have not yet referred this project to NIRB as we were waiting for further information outlined in letters to Mr. Keen dated June 3, 2002, July 17, 2002 and September 17th, 2002. This information was finally received on December 10, 2002. I realize that the NWB and the KIA have already submitted your original project description and their regulatory applications to NIRB and NIRB has asked our Minister for a decision on the form of review, part 5 or part 6. I would assume that these changes would necessitate NIRB to carry out a rescreening.

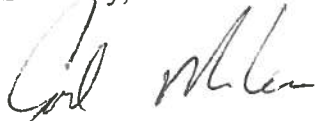
Canada

Further we will require the following additional information to be submitted to our office to begin processing these applications and submitting them to NIRB for review.

1. A new project description that reflects the changes outlined in your November 27th, 2002 letter. It is not the responsibility of the regulators to decide what elements of your original project still apply, but is up to the proponent to clearly amend the existing project description to reflect the change in project scope. This is essential to avoid confusion during the project review phase. A new project description will ensure regulators and review agencies interpret and work with the same information.
2. A formal request from you to withdraw land application 76E/8-6, bed of body of water, Contwoyto Lake south barge site.
3. An amended crown land application for a licence for the road that removes the portion of the road from Lupin Mine to the Izok site.

Once we receive all of the above noted information we will continue processing your applications for crown land and refer them to NIRB for screening. If you require further information or clarification please feel free to give me a call at 867-975-4280.

Sincerely,



Carl McLean
Manager, Land Administration

Attachment

cc. Tony Keen, Project Manager
Executive Director, NIRB (fax and mail)
Executive Director, NWB (fax and mail)
Jordan DeGroot, DFO (fax and mail)
Jack Kaniak, KIA (fax and mail)
Charlie Evalik, KIA (fax and mail)