LUPIN MINES INCORPORATED

May 16, 2014

Ms. Phyllis Beaulieu Manager of Licensing Nunavut Water Board P.O Box 119 Gjoa Haven, NU XOB 1JO

Via Email: Phyllis.beaulieu@nwb-oen.ca

Re: Request for approval for the use of water or deposit of waste without a licence.

Dear Ms Beaulieu,

Lupin Mines Incorporated (LMI) filed a renewal application for the Type A water licence related to mining and milling activities for the Lupin mine on February 28, 2014. The water licence expired on March 31, 2014, and LMI understands, based on recent conversations with the Nunavut Water Board (NWB) staff, that the application has completed an internal NWB preliminary review and will be distributed shortly for public review.

On April 3, 2014 LMI provided written notice to the NWB that a limited number of persons would be mobilized to site, from time to time this summer, to carry out inspections and maintenance work as needed to ensure environmental risks are minimized. Following the submission of the correspondence, LMI received an email note from the Aboriginal Affairs and Northern Development Canada (AANDC) Inspector questioning the authorization to use water while the Type A licence is expired and is being renewed.

During a teleconference with the NWB and AANDC on May 6, 2014, it was clarified that the purpose of mobilizing people to site is to ensure adequate environmental protection and that a negligible amount of water will be required over a short period for domestic and human health and safety purposes.

With the limited scope and environmental objectives outlined in the attached description of the undertaking, the associated use of water and disposal of waste does not require a licence under the Nunavut Waters Regulations. Therefore, as discussed with NWB staff, LMI is respectfully requesting authorization to use water and deposit domestic waste without a licence to ensure the site can be inspected and maintained to minimize environmental risks.

It is important to note that there is no use of water for mining or discharge of effluent from facilities pertaining to the Type A mining licence proposed as part of this request. If following any inspection, facilities are determined to require decanting an emergency amendment to the Type A mining licence will be filed at that time.

Attached with this cover letter are the completed application form for the approval of water use or waste disposal without a licence, and brief description of the undertaking in English and Inuktitut. Inuinnaqtun version will be provided as well. If you have any questions please do not hesitate to contact our office.

Sincerely,

Patrick Downey

President

C.c. David Hohnstein, Director Technical Services, NWB Sean Joseph, Technical Advisor, NWB