



NIRB File No.: 10EN022
AANDC File No.: N2010C0008

February 15, 2012

The Honourable John Duncan
Minister of Aboriginal Affairs and Northern Development
c/o Jeff Mercer, Manager Land Administration
Aboriginal Affairs and Northern Development Canada
Iqaluit, NU

Via email: jeff.mercer@aandc.gc.ca and landsmining@aandc.gc.ca

Re: Application Exempt from NIRB Screening Pursuant to Section 12.4.3 of the NLCA:
Aura Silver Resources Inc.'s "Greyhound – Exploration Drilling" project

Dear Jeff Mercer:

On February 6, 2012, the Nunavut Impact Review Board (NIRB or Board) received an application from Aboriginal Affairs and Northern Development Canada (AANDC) for an extension to AANDC Land Use Permit N2010C0008 in support of Aura Silver Resources Inc.'s (the Proponent) "Greyhound – Exploration Drilling" project.

Please be advised that the original "Greyhound – Exploration Drilling" project proposal (NIRB File No.: 10EN022) was received by the NIRB from Indian and Northern Affairs Canada (INAC; now AANDC) on March 22, 2010 and was screened by the Board in accordance with Article 12, Part 4 of the Nunavut Land Claims Agreement (NLCA). On May 6, 2010, the NIRB issued the enclosed 12.4.4(a) screening decision to the Minister of AANDC which indicated that the proposed project could proceed subject to the NIRB's recommended project-specific terms and conditions.

The current AANDC application, the original NIRB Screening Decision Report (NIRB File No. 10EN022) and related file information are available from the NIRB's ftp site at the following link:

<http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2010/10EN022-Aura%20Silver%20Resources/>

PREVIOUSLY-SCREENED PROJECT PROPOSAL

As previously screened by the NIRB (File No.: 10EN022), the "Greyhound – Exploration Drilling" project proposal was located approximately 45 kilometres northwest of the community of Baker Lake, in the Kivalliq region.

The activities/components associated with this proposal included:

- Diamond drilling;
- Use of helicopter for crew pick up and drop offs and transport of drill to sites; and,
- Storage of fuel.

CURRENT APPLICATION

The proponent is currently applying for an extension to AANDC Land Use Permit N2010C0008 in support of continued exploration activities, as set out above, in the same area during 2012.

Please note that Section 12.4.3 of the NLCA states that:

“Any application for a component or activity of a project proposal that has been permitted to proceed in accordance with these provisions shall be exempt from the requirement for screening by NIRB unless:

(a) such component or activity was not part of the original project proposal; or

(b) its inclusion would significantly modify the project.”

After completing a review of the information provided, the NIRB is of the understanding that the application received from AANDC does not change the general scope of the original project activities, and the exceptions noted in NLCA 12.4.3(a) and (b) do not apply. Therefore, this application is exempt from the requirement for screening as per Section 12.4.3 of the NLCA and the activities therein remain subject to the terms and conditions recommended in the original Screening Decision Report dated May 6, 2010 (enclosed).

If you have any questions or concerns, feel free to contact Kofi Boa-Antwi, Technical Advisor, at 867-983-4609 or kboa-antwi@nirb.ca.

Sincerely,



Ryan Barry
Executive Director

cc: Paul Pitman, Aura Silver Resources Inc. (pwpcconsulting@bellnet.ca)
Nicholas Kavanagh, AANDC (Nicholas.Kavanagh@aandc-aadnc.gc.ca)
Phyllis Beaulieu, NWB (licensing@nunavutwaterboard.org)
Luis Manzo, KIA (dirlands@kivalliqinuit.ca)

Enclosed: NIRB Screening Decision Report, File No.: 10EN022 (May 6, 2010)