



VIA COURIER

November 14, 2008

Mr. Barclay Howden
Director General, Nuclear Cycle and Facilities Regulation
Canadian Nuclear Safety Commission
280 Slater Street
Ottawa, Ontario K1P 5S9
howdenb@cnscccsn.gc.ca

Dear Mr. Howden:

Re: Notification of Intent and Project Proposal for AREVA Resources Canada Inc.'s Proposed Kiggavik Project – Kivalliq Region, Nunavut

AREVA Resources Canada Inc. (AREVA) is proposing to develop a uranium ore mine and mill in the Kivalliq region of Nunavut, approximately 80 km west of the community of Baker Lake, referred to as the Kiggavik Project. The development of the Kiggavik Project will require a variety of territorial and federal approvals, including a Licence issued by the Canadian Nuclear Safety Commission (CNSC) in accordance with Section 26 (e) of the *Nuclear Safety Control Act* (NSCA).

As you are undoubtedly aware, the *Nunavut Land Claims Agreement* (NLCA) was recently amended such that the *Canadian Environmental Assessment Act* (the CEAA) no longer applies in Nunavut. In particular s. 12.12.7 of the NLCA now states that the "*Canadian Environmental Assessment Act*, and any successor legislation replacing that Act, shall not apply within the geographic area to which this Article applies". As a result the Kiggavik Project will be reviewed through the Nunavut impact review process. It is our understanding that for other uranium mine and mill projects in other Canadian jurisdictions the CNSC generally relies on the CEAA to ensure the environmental mandate of the NSCA is met prior to the issuance of a CNSC Licence to construct, operate, modify, decommission or abandon a nuclear facility. However, with the recent amendment to the NLCA it is our belief that the CNSC's obligation with respect to protection of the environment will be met through participation in the Nunavut impact review process. The licensing aspects of this project, including the CNSC Licence, are not expected until 2012.

AREVA Resources Canada Inc.

P.O. Box 9204 — 817 - 45th Street West — Saskatoon, SK S7K 3X5 — CANADA
Tel: 1 (306) 343-4500 — Fax: 1 (306) 653-3883 — Web Site: www.arevaresources.ca



In discussions with Nunavut Impact Review Board we were asked to include CNSC on the distribution list of the Project Proposal. The Project Proposal is intended to provide the necessary information to allow NIRB to conduct a screening and make a recommendation regarding the review process to the Minister, which is expected to occur prior to any territorial or federal licensing decisions or authorizations are issued for the development of the Kiggavik Project.

AREVA looks forward to working with the CNSC throughout the life and decommissioning of the Kiggavik Project and welcomes the opportunity for early communication with the CNSC to develop mutual understandings of regulatory requirements with the goal of minimizing duplication and delays following NIRB Project Certification.

We are available to provide any further information required for consideration of this proposed project. Please feel free to contact myself or Diane Martens, Regulatory Coordinator at AREVA. (306) 343-4042 or diane.martens@areva.ca.

Yours truly,

A handwritten signature in blue ink, appearing to read 'Lambalgen', with a large, sweeping flourish extending to the right.

Tammy Van Lambalgen
Vice President, Regulatory Affairs & General Counsel
AREVA Resources Canada Inc.
Tel: (306) 343 4569
Fax: (306) 653 3883
tammy.vanlambalgen@areva.ca
AREVA group

Cc:

Brian Aglukark (NPC)
Stephanie Autut (NIRB)
ARC