



Gartner Lee Limited

February 28, 2007

Yukon Territory Water Board
Suite 106 - 419 Range Road
Whitehorse, Yukon, Y1A 3V1

Dear Board:

Re: Water Licence QZ03-059, Annual Environmental Report for 2006

We are pleased to submit five bound copies and one unbound original of the report Anvil Range Mine Complex, 2006 Annual Environmental Report, Water Licence QZ03-059. Gartner Lee Limited has prepared this report on behalf of Deloitte & Touche Inc., acting as court appointed Interim Receiver for Anvil Range Mining Corporation. The report is also enclosed in electronic format.

In addition to the above report are five bound plus one unbound copies of two accompanying reports that fulfill the reporting requirements for 2006:

1. 2006 Annual Geotechnical Evaluation and Instrument Review, Various Facilities at Faro Mine, Yukon as prepared by BGC Engineering Inc.; and
2. 2006 Annual Inspection, Waste and Water Management Facilities, Vangorda Mine, Yukon Territory as prepared by SRK Consulting (Canada) Inc.

We draw your attention also to the report, Anvil Range Mine Adaptive Management Plan - Annual Review for 2006, which is appended.

If you have any questions please do not hesitate to contact us.

Yours very truly,
GARTNER LEE LIMITED

Eric Denholm
Senior Mining Consultant