



September 21, 2012

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Mr. David Burley  
Manager, Environmental Affairs  
Canada-Newfoundland and Labrador Offshore Petroleum Board  
TD Place 5th Floor  
140 Water Street  
St. John's NL A1C 6H6

Dear Mr. Burley:

**Re: Oil Spill Modeling Update**

This letter is in follow-up to our discussions with the Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB) and Environment Canada (EC) on the discrepancy between the oil spill modeling conducted by SL Ross for Corridor Resources' Old Harry project and the modeling conducted by Merv Fingas for Environment Canada. There was still discrepancy after review and discussion of the EC documents titled "Modeling of Possible Spills from the Old Harry Drilling Site, Newfoundland and Labrador, Environment Canada, March 2012" and "Comments on Issues Related to the Old Harry Modeling Scenarios for Environment Canada Staff, Merv Fingas, July 2012" and the associated teleconferences. Therefore Corridor, in consultation with the C-NLOPB, contracted RPS ASA, the creator of the OILMAP model used by EC, to perform an independent assessment of the persistence of the Cohasset hydrocarbon product and diesel.

I have appended to this letter the RPS ASA Report as well as a short commentary from SL Ross on the ASA Report. Together, these reports assist in describing the reasons for the discrepancies between the SL Ross and EC modeling work. Basically, the existing ADIOS database for the Cohasset hydrocarbon was incomplete and corrupted in the OILMAP model used by EC, which skewed their modeling results toward greater persistence of the Cohasset product in the marine environment. The difference in diesel persistence is due to the use of different types of diesel with differing properties. The flaws in the ADIOS database for Cohasset have been acknowledged by ASA, and help explain the results of the EC modeling work. We would anticipate that EC might wish to revise its comments on the Old Harry Environmental Assessment in light of these facts.

Based on this information, Corridor's position remains that SL Ross's modeling work represents the persistence and fate of the Cohasset hydrocarbon product and diesel and it is an appropriate basis for the environmental effects assessment of the Old Harry project.

If you need any additional information or clarification, please let me know. We are available to meet to discuss the reports at your convenience.

Yours truly,



Dena Murphy, QHSE Manager  
Corridor Resources Inc.

cc. Elizabeth Young, Environmental Assessment Officer, C-NLOPB  
Darren Hicks, Environmental Analyst, C-NLOPB

Enclosures