

October 10, 2012

Mr. Derek McDonald Government of Canada Canadian Environmental Assessment Agency Suite 200, 1801 Hollis Street Halifax, NS B3J 3N4

Dear Mr. McDonald:

Re: Notice of Amendment, Kami Iron Ore Project Environmental Impact Statement

Please be advised that the following clarifications and corrections should be made in the Environmental Impact Statement of the Kami Iron Ore Project:

- 1. Volume I, Part I, Chapter 10, p. 10-29 and p. 10-37: In response to a comment received from Uashat mak Mani-Utenam's legal counsel. Alderon proposes to revise the description of status of the claims of Uashat mak Mani-Utenam to a portion of Western Labrador to achieve alignment with EIS Volume II, Part I, Chapter 10, p. 10-22. A similar change is also proposed to the description of the status of Matimekush-Lac John's claims to a portion of Western Labrador to conform to EIS Volume II, Part I, Chapter 10, p. 10-29. The status of both Aboriginal groups' asserted land claims in Western Labrador is correctly described in Volume I, Part I, s. 1.6. The revisions are as follows:
 - (i) Volume I, Part I, Chapter 1, p. 10-29: The second paragraph is to be deleted in its entirety.
 - (ii) Volume I, Part I, Chapter 10, p. 10-37: The concluding sentence of the second paragraph is to be deleted in its entirety.
- 2. Volume II Part I, Chapter 13, p.13-13: In Table 3-1, "inhabited" is to be replaced by "uninhabited".
- 3. Volume II Part II, Chapter 14, pages 14-20, 14-43, 14-47, 14-65 and 14.69: "inhabited" is to be replaced by "uninhabited".

Alderon has reissued the corrected electronic version of the document to both federal and provincial EA committee co-chairs.

Sincerely,

Todd Burlingame

Executive VP - Environment & Aboriginal Affairs

Vancouver Office Phone: 604-681-8030 Suite 1240 1140 W. Pender Street Vancouver, BC, V6E 4G1

ADV: TSX

Toronto Office Phone: 416-309-2138 8th Floor 65 Queen St. W Toronto, ON, M5H 2M5

Montreal Office Phone: 514-281-9434 Suite 250 2000 McGill College Ave. Montreal, PQ, H3A 3H3

St. John's Office Phone: 709-576-5607 8th Floor 10 Fort William Place St. John's, NL, A1C 1K4

Email: info@alderonironore.com

Labrador City Office Phone: 709-944-4820 70 - 208 Humber Ave. P.O. Box 214.

Labrador City, NL, A2V 1L0

www.alderonironore.com AXX: NYSE MKT