



January 9, 2015

Patrick Kramers
De Beers Canada Inc.
300 - 5120 - 49 Street
YELLOWKNIFE, NT X1A 1P8

Dear Mr. Kramers:

Quarry Permit No.: 2015QP0002
LUP No.: MV2005C0032
Location: Various Locations, Gahcho Kué Winter Spur Road

Further to your application dated November 20, 2014, enclosed is Receipt No. 70147 and Quarry Permit No. 2015QP0002. This permit grants authorization to remove 84,000 cubic metres of esker material from the locations indicated in your application.

Please ensure that you comply with all conditions annexed to this quarry permit and Land Use Permit MV2005C0032.

Prior to commencing your quarry operation, please contact our Inspector, Tracy Covey, at (867) 765-6651.

Sincerely,

Scott Stewart
Regional Superintendent
North Slave Region

Enclosures (2)

- c. North Slave Region - Yellowknife
Mackenzie Valley Land and Water Board (MVLWB)

SS/eka

QUARRYING REGULATIONS

QUARRY PERMIT No. 2015QP0002

Permit Fee	\$	150.00	Permittee:	De Beers Canada Inc.
Royalty at \$1.50	per cu. metre	\$ 126,000.00	Address:	300 - 5120 - 49 Street YELLOWKNIFE, NT X1A 1P8
Receipt No. 70147	TOTAL	\$ 126,150.00	Phone:	416-645-1710

Is hereby authorized to take: **84,000 cubic metres of esker material**
 From the lands described as follows: **Various locations, Gahcho Kué Winter Spur Road**

SUBJECT TO THE FOLLOWING CONDITIONS:

1. This permit shall expire when the quantity of material or substance mentioned in the permit has been quarried or removed, or on the expiry of three years from the date of issue of the permit, whichever is the earlier.
2. This permit does not grant to the Permittee an exclusive right or leasehold interest in the land described herein.
3. This permit shall not be assigned.
4. All quarrying under this permit shall be carried out in accordance with the approved Quarry Operations Plan, if applicable.
5. The Permittee will identify the work area to the satisfaction of the Land Use Inspector prior to the removal of any material and any change in location will require prior approval of the Land Use Inspector.
6. Pre and post surveys, if required, must be conducted by a certified Canada Land Surveyor or certified engineering technician or as approved by the land use inspector.
7. Pre-surveys, if required, must be submitted to the land use inspector, 10 days prior to the commencement of operations, for approval.
8. Post-surveys, if required, must be submitted to the land use inspector within 60 days of completion of the operation.
9. Quarry operations in all pits, including multi user pits, must be coordinated by the Land Use Inspector and be conducted as per the quarry permit application and/or Quarry Operations Plan.
10. The Permittee will not work any area worked by any other Permittee except as co-ordinated by the Land Use Inspector.
11. Prior to the tenth day of each month, the Permittee shall submit a report to the North Slave Region - Yellowknife Land Use Inspector at **fax number (867) 873-9754**, indicating the quantity of material quarried and the quantity of material removed from the site. Failure to submit the monthly report within indicated time frames may result in cancellation of this permit as per Section 9 (6) of the regulations.
12. Upon expiry of the permit, the Permittee must submit a Final Plan to the Land Use Inspector for reconciliation and approval. Failure to submit a Final Plan within 60 days of project completion may result in rejection of future Quarry Permit Applications until rectified.
13. A permittee who over-quarries may be ineligible for future quarry permits for a twelve month period and additional legal action may be taken by the Land Use Inspector under the Quarrying Regulations.
14. This permit is subject to the provisions of the Quarrying Regulations and the conditions set out herein. Failure to comply with the provisions of the Regulations and the conditions prescribed in this permit may result in cancellation of the permit in accordance with Section 9 (6) of the Quarrying Regulations without prior notice to the Permittee.
15. Upon expiration of this Permit, as prescribed in Condition One, the Permittee shall carry out the reclamation activities within timelines as approved by the Inspector in the Quarry Operations Plan.

Definitions:

- **Quarrying:** the acts of blasting, ripping, excavating and piling material
- **Work area:** that area designated in the quarry application to be used for the extraction of material or substance and for further processing thru screening or crushing.
- **Opening Up** - The preparation of a pit or quarry site from an undisturbed condition for the working and extraction of material and includes surface clearing and overburden removal and placement.
- **Quarry Material** - Material including limestone, granite, slate, marble, gypsum, loam, marl, gravel, sand, clay, stone, or volcanic ash.
- **Quarry Operation** - Means activities at a pit or quarry associated with the opening up of the site or any portion thereof, or the extraction, processing, stockpiling or removal of materials from the site, or the restoration of the site, and includes any works, machinery, plant, buildings and premises belonging to or used in connection with the pit or quarry.

Issued at **Yellowknife**, this **9th day of January, 2015**

Commencing on the **9th day of January, 2015**
Expiring on the **8th day of January, 2018**

Scott Stewart

Land Agent