



OCT 05 2018

Sarah McLean  
Environment and Permitting Manager  
De Beers Canada Inc. - Snap Lake Mine  
Suite 300, 5120 - 49th Street,  
YELLOWKNIFE NT X1A 1P8

Dear Ms. McLean:

**Mackenzie Valley Land and Water Board - De Beers Canada Inc. - Snap Lake Mine  
Type A Water Licence MV2011L2-0004 - Return of Security Deposits**

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The Government of the Northwest Territories (GNWT), Department of Environment and Natural Resources (ENR) accepted a security deposit in the form of an Irrevocable Standby Letter of Credit (ILOC) amendment 1 dated September 20, 2018 for the amount \$7,677,708.00 (or a reduction of \$2,405,770.00) which was issued by the Bank of Nova Scotia on behalf of De Beers Canada Inc. Currently, the Department holds security deposits in the amount of \$27,844,664.00 as required by the Mackenzie Valley Land and Water Board.

Due to our acceptance of the above noted ILOC amendment and combined with the existing three ILOCs which now totals the required \$27,844,664.00 security deposit, the Department does not require three additional security deposits in the form of an ILOCs.

The Deputy Minister of ENR, on behalf of the GNWT, no longer requires or has an interest in the three original Irrevocable Standby Letter of Credits which are described in Attachment 1 - Summary Table. The requested beneficiary letters to the financial institutions are also included. The Department authorizes the immediate return and cancellation of the three ILOCs.

If you have any further comments or questions, please contact Mr. Rick Walbourne, Acting Manager, Water Regulatory at (867) 767-9234 ext. 53113 or email [Rick.Walbourne@gov.nt.ca](mailto:Rick.Walbourne@gov.nt.ca) or Mr. David Jessiman, Water Management Advisor, at (867) 767-9234 ext. 53114 or email [David.Jessiman@gov.nt.ca](mailto:David.Jessiman@gov.nt.ca).

Sincerely,

Nathen Richea  
Director  
Water Resources Division

Attachment

c. De Beers Group of Companies, Calgary

North Slave Regional Office, Department of Lands  
Government of the Northwest Territories

Treasury and Superintendent of Insurance, Department of Finance Government of  
the Northwest Territories

Mackenzie Valley Land and Water Board

**Attachment 1 – Summary Table:**

**Mackenzie Valley Land and Water Board  
De Beers Canada Inc. - Snap Lake Mine**

**1. Type A Water Licence MV2011L2-0004  
Return of Security Deposits**

**a) Security deposit – ILOC – BNS - OSB13861GWS**

	<b>Water Licence</b>	<b>ILOC No.</b>	<b>Date</b>	<b>Amount</b>
1.	MV2011L2-0004	Bank of Nova Scotia No. OSB13861GWS	April 16, 2015	\$3,848,231.00

**b) Security deposit – ILOC – RBC - P2009620T04092**

	<b>Water Licence</b>	<b>ILOC No.</b>	<b>Date</b>	<b>Amount</b>
1.	MV2011L2-0004	Royal Bank of Canada ILOC No. P2009620T04092	February 17, 2011	\$2,819,191.00
2.	MV2011L2-0004	Royal Bank of Canada ILOC No. P2009620T04092 Amendment 1 Beneficiary name and address changes	March 20, 2014	\$2,819,191.00

**c) Security deposit – ILOC – RBC - 5504809**

	<b>Water Licence</b>	<b>ILOC No.</b>	<b>Date</b>	<b>Amount</b>
1.	MV2011L2-0004	Royal Bank of Canada ILOC no. 5504809	March 25, 2015	\$2,148,391.00