VIA EMAIL

December 14, 2017

Shelagh Montgomery
Executive Director
Mackenzie Valley Land and Water Board
7th Floor, 4922 48th St.
PO Box 2130
Yellowknife, NT
X1A 2P6

Dear Ms. Montgomery,

Re: Notification of Closure at the Snap Lake Mine
Water License #MV2011L2-0004
Land Use Permit #MV2017D0032

On December 4, 2015, De Beers announced that we would be suspending operations at Snap Lake Mine and that the mine would be placed under temporary closure termed “care and maintenance”. The length of the care and maintenance was expected to be 3 years or more, dependent on market conditions and technical requirements such as an enhanced and more effective mining technique.

As a result of the on-going evaluation of Snap Lake Mine since 2015, De Beers will now begin preparations for the Final Closure of the Snap Lake Mine. De Beers intends to file a Final Closure and Reclamation Plan in 2019 after conducting additional engagement with our community partners and finalization of engineering studies. De Beers respectfully submits this updated Extended Care and Maintenance Plan (see attached) that will dictate the scope of work as per Mackenzie Valley Land and Water Board (MVLWB) approved Section 7.0 Interim Closure and Reclamation Plan (ICRP).
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Shelagh Montgomery
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The scope of activities to be undertaken during this final phase of ECM will maintain compliance with De Beers’ water license MV2011L2-0004 and land use permit MV2017D0032 until such time as the final closure plan and licence application are filed and approved by the MVLWB. During this period of Extended Care and Maintenance De Beers will continue to actively seek to reduce the impacts to the environment by removing non-essential infrastructure that will degrade overtime.

De Beers requests to not file an ICRP in January of 2018 but will instead focus efforts on completion of FCRP and licence application for 2019. We recognize the impact on our much valued Northern business partners when Snap Lake entered ECM in 2015. The decision to close Snap Lake Mine was extremely difficult, however has become necessary as the mine remains uneconomic.

Should you have any questions, please contact the undersigned or our Asset Superintendent for Snap Lake, Michelle Peters at michelle.peters@debeersgroup.com.

Sincerely,

Erik Madsen
General Manager, Sustainability
De Beers Canada

c.c. Willard Hagen – DM Lands – GNWT (no attachment)
    Joe Dragon – DM ENR – GNWT (no attachment)
    Tom Jensen – DM ITI – GNWT (no attachment)
    Scott Stewart – Regional Superintendent – GNWT (no attachment)
    Philippe di Pizzo – ED – SLEMA (no attachment)