



June 30, 2023

**Mackenzie Valley Land and Water Board**

7<sup>th</sup> Floor – 4910 50<sup>th</sup> Avenue

P.O. Box 2130

Yellowknife, NT

X1A 2P6

**Attention: Angela Love, Regulatory Specialist**

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**RE: Closure and Reclamation Plan Review and Updates June 2022 to May 2023 Cameron Hills, Northwest Territories**

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Dear Angela:

On January 28, 2020 (the “**Receivership Date**”), the Court of King’s Bench of Alberta granted an Order pursuant to section 243 of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3 and section 13(2) of the Judicature Act, RSA 2000, c.J-2, whereby Alvarez and Marsal Canada Inc. (the “**NWT Receiver**”) was appointed Receiver, without security, of all of Strategic Oil and Gas Ltd. and Strategic Transmission Ltd. (collectively, the “**Company**”) current and future assets, undertakings and properties of every nature and kind whatsoever situated in the Northwest Territories, including all proceeds thereof and including, without limited in the generality of the foregoing, any letters of credit issued in respect of assets situated in the Northwest Territories (the “**NWT Property**”). For further information, please visit the NWT Receiver’s website at: [www.alvarezandmarsal.com/sog](http://www.alvarezandmarsal.com/sog).

Strategic acquired its interest in the Cameron Hills from Paramount Resources (“**Paramount**”) in 2013. The Paramount Water Licence (MV2010L1-0001) was issued on February 11, 2011 for the Cameron Hills Project following an extensive review process (the “**Water Licence**”). Upon new ownership, the Mackenzie Valley Land and Water Board (“**MVLWB**” or “**Board**”) reassigned the Water Licence to Strategic on August 29, 2013. Pursuant to Part I, item I.7 and Annex A Schedule of the Water Licence, Strategic is required to annually review the Closure and Reclamation Plan (at this stage entitled Conceptual Closure and Reclamation Plan) for the Cameron Hills Project, modify as necessary or at the direction of MVLWB, and submit by June 30 each year to the Board for approval. The title Conceptual Closure and Reclamation Plan (CCRP), the title Part I, item I.1(a), continues to be used as the document is intended to be editable. This allows for the incorporation of community engagement outcomes. Additionally, potential field needs or observations may affect document details. The Receiver understands that the title will change according to Part I, Item I.2(a) “The Licensee shall, six months prior to the closure of any specific component of the Project, submit the Board for approval, a Component-specific Closure and Reclamation Plan in accordance with Schedule 7, item 1, included in this Licence.”

Since the Receivership Date, the NWT Receiver, in consultation with and reliance of external consultants, hereby identifies the completion of the Conceptual Closure and Reclamation Plan annual review, on behalf of Strategic Oil and Gas Ltd.

The NWT Receiver attempted to contact each of the K’atlo’deche First Nation, the Ka’a’gee Tu First Nation, the West Point First Nation, the Deh Gah Got’ie First Nation, the Fort Providence Métis Council and the Northwest Territories Métis Nation (the “**Regional Groups**”) and had in-person consultation scheduled with the responding parties, in order to incorporate feedback into the Plan. Unfortunately, uncontrollable events occurred (the forest fire evacuation in Hay River, NT and surrounding areas). While unable to consult in-person, the NWT Receiver intends to consult with the Regional Groups and other affected Indigenous governments as part of this process.



As a result of the above, the outcome of the Plan review is that no CCRP updates are needed currently. The NWT Receiver acknowledges that the requirement to submit an updated CCRP by June 2024, which will incorporate all work onsite to date. However, one item is worthy of clarification outside of a CCRP update. The item pertains to Schedule 7: Conditions Applying to Closure and Reclamation, Item 1(h) which requires “A proposal identifying measures by which reclamation costs will be financed by the Licensee upon closure.” The NWT Receiver advises there was no opening cash available to the NWT Receiver from the Licensee, and the Government of the Northwest Territories will be funding the reclamation costs.

We appreciate your time in this regard and would be pleased to review this letter with you at your convenience. Should you have any questions or require further information, please contact the undersigned at (403) 538-7514 or via email at [dmacrae@alvarezandmarsal.com](mailto:dmacrae@alvarezandmarsal.com).

I trust the foregoing to be in order.

**Alvarez & Marsal Canada Inc, in its capacity as Receiver of  
Strategic Oil & Gas Ltd. and Strategic Transmission Ltd.’s NWT Properties  
and not in its personal or corporate capacity**

A handwritten signature in blue ink, appearing to read 'Duncan MacRae'.

Duncan MacRae  
Vice President

*Encl.*

*Cc:*

Department of Environment and Climate Change: Lorraine Seale [Lorraine\\_Seale@gov.nt.ca](mailto:Lorraine_Seale@gov.nt.ca); Jaida Ohokannoak [Jaida\\_Ohokannoak@gov.nt.ca](mailto:Jaida_Ohokannoak@gov.nt.ca)

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