



OCT 14 2020

Ms. Colleen Prather
Regulatory Specialist
De Beers Canada Inc.
SUITE 300 – 1601 AIRPORT ROAD NE
AIRPORT CORPORATE CENTER
CALGARY AB T2E 6Z8

Dear Ms. Prather:

Mackenzie Valley Land and Water Board – De Beers Canada Inc. – Snap Lake Mine – Type A Water Licence MV2019L2-0004 – Acceptance of Security Deposit

The Government of the Northwest Territories (GNWT), Department of Environment and Natural Resources (ENR) formally acknowledges receipt of an original Standby Letter of Credit (ILOC) dated August 21, 2020 for the amount \$3,349,589.00 which was issued by the Royal Bank of Canada on behalf of De Beers Canada Inc. On August 28, 2020, the ILOC was received by the GNWT.

The security deposit is required under Part C, Item 1 and Schedule 2, Item 1 of the Water Licence. The security deposit is acceptable to the GNWT as prescribed by Section 35. (1) of the *Waters Act* and Section 11. (3) of the *Waters Regulations*.

Currently, GNWT – ENR holds \$31,194,253.00 in security deposits for the noted Type A Water Licence. The security deposit is further described in Attachment 1 – Summary Table.

The security deposit is held in safekeeping by the Assistant Comptroller General and Superintendent of Insurance, Department of Finance.

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

Sincerely,



Meghan Beveridge
A/Director
Water Management and Monitoring

Attachment

c. Mr. Nestor Alvarez
Senior Accountant Financial Reporting
De Beers Canada Inc.

Ms. Sarah McLean
Environment and Permitting Manager
De Beers Canada Inc.

Ms. Chervahun Emilien
Department of Finance
Assistant Comptroller General and Superintendent of Insurance

Mr. Scott Stewart
Department of Lands
Regional Superintendent

Dr. Shelagh Montgomery
Mackenzie Valley Land and Water Board
Executive Director

Attachment 1 - Summary Table:

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

**1. Type A Water Licence MV2019L2-0004
Acceptance of Security Deposit**

a) Security deposit - First increment (consolidated into Schedule 2)

	Water Licence	ILOC No.	Date	Amount
1.	MV2019L2-0004 (MV2011L2-0004)	Bank of Nova Scotia No. [REDACTED]	April 16, 2015	\$10,083,478.00
2.	MV2019L2-0004 (MV2011L2-0004)	Bank of Nova Scotia No. [REDACTED] Amendment 1 security deposit reduction (\$2,405,770.00) and bank address changes only	September 20, 2018	\$7,677,708.00

b) Security deposit - Second increment (consolidated into Schedule 2)

	Water Licence	ILOC No.	Date	Amount
1.	MV2019L2-0004 (MV2011L2-0004)	Bank of Nova Scotia No. [REDACTED]	April 16, 2015	\$10,083,478.00

c) Security deposit – Third increment (consolidated into Schedule 2)

	Water Licence	ILOC No.	Date	Amount
1.	MV2019L2-0004 (MV2011L2-0004)	Bank of Nova Scotia No. [REDACTED]	April 16, 2015	\$10,083,478.00

d) Security deposit – Fourth increment (consolidated into Schedule 2)

	Water Licence	ILOC No.	Date	Amount
1.	MV2019L2-0004 (MV2011L2-0004)	Royal Bank of Canada No. [REDACTED]	August 21, 2020	\$3,349,589.00