

Canada

Natural Resources Ressources naturelles Canada

Minerals and Metals Sector Secteur des minéraux

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RECEIVED MAR 3 0 2016 MACKENZIE VALLEY **REVIEW BOARD**

Chuck Hubert Mackenzie Valley Environmental Impact Review Board 200 Scotia Centre Box 938, 5102-50th Ave Yellowknife, NT X1A 2N7

Dear Mr. Hubert.

This letter is with respect to a bulk explosives factory at the Gahcho Kué diamond mine.

I am writing to inform you and the Mackenzie Valley Environmental Impact Review Board that Natural Resources Canada's Explosives Regulatory Division issued a licence under the Explosives Act to Orica Canada Inc., an explosives supply company, for the operation of the permanent explosives facility at the site of the Gahcho Kué diamond mine. This facility was one of the components of the mine proposal that was described in the Environmental Impact Statement reviewed in 2013 during the project's Environmental Impact Review. In addition, a detailed description of the facility and its operation was included in an Explosives Management Plan that was reviewed by parties and approved by the Mackenzie Valley Land and Water Board as part of the Type A Land Use Permit and Type A Water Licence processes in 2014.

The licence, issued on March 11, 2016, includes terms and conditions for the safe and secure manufacturing and storage of explosives together with the eventual decommissioning of the plant. The licences are renewed on an annual basis, conditional on compliance with licencing conditions and bulk explosives guidelines. The facility will be subject to inspections by the Explosives Regulatory Division.

Should you have any questions or concerns about the licence, please contact me at 343-292-8695 or by email at rob.johnstone@canada.ca.

Yours sincerely.

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Rob Johnstone

Deputy Director

Sustainable Mineral Resources Development Division

