DE BEERS
CANADA

GAHCHO KUÉ PROJECT

October 11, 2011

File: C-095

Via Facsimile: 867-394-5122

Chief Louis Balsillie
Deninu Kué First Nation
P. O. Box Office 1899
Fort Resolution, NT X0E 0M0

Dear Chief Balsillie:

This letter is further to our telephone conversation on September 2, 2011 in which I responded to your letter dated August 10, 2011. In our conversation I thanked you for raising your concerns about our Research Application for an ecological study and I explained that although our Research Application did not specifically state the Deninu Kué First Nation would be included in the employment opportunities for field assistants, there was no intentional exclusion of this opportunity. I also reassured you that De Beers is continuing to include the Deninu Kué First Nation in all of our planned community engagement activities related to the proposed Gahcho Kué Project. Specifically, we discussed that De Beers was planning an opportunity in October for communities to meet directly with De Beers to participate in an Environmental Impact Statement (EIS) overview session. I explained that our letter of invitation to this opportunity would come from Mr. Andrew Williams, Project Manager, in the next few weeks as I was going to be away out of the country until early October on personal leave.

I am pleased to see upon my return to work that the Deninu Kué First Nation has confirmed participation in the October EIS overview session. We believe it will help your organization and others that are attending to prepare for their participation in the EIS Analysis Session which will be held by the Gahcho Kué Panel later this year as part of the legislated regulatory process.

In our conversation, I also offered to meet with the Deninu Kué First Nation (Chief and Council) in October upon my return from vacation. We agreed that we would proceed with a meeting on October 11th in Ft. Resolution and, as you know, Mr. Ken Smith, Manager External Affairs, was in touch with your office directly while I was away to coordinate the details of this meeting.

.../2

DE BEERS
CANADA

GAHCHO KUÉ PROJECT

Given your request for a different date that is a date I am unavailable, and your direction today to me that De Beers pursue this meeting opportunity through your legal counsel, this letter confirms we will work with your legal counsel to find a date that is mutually acceptable to both parties as quickly as possible.

Yours truly,

Cathie Bolstad
Director External & Corporate Affairs

cc: Sarah Sharp, Janes Freedman Kyle Law Corporation
Linda Vanden Berg, Vanden Berg & Associates
James Lawrance, Director Aboriginal & Territorial Relations
Alan Ehrlich, Sr. Environmental Assessment Officer, Mackenzie Valley Impact Review Board
Amy Langhorne, Golder & Associates
Terri-Lee Oleniuk, Osler, Hoskin & Harcourt LLP