DE BEERS
CANADA
GAHCHO KUÉ PROJECT

June 13, 2012

File: C093

Mr. Alan Ehrlich
Mackenzie Valley Environmental Impact Review Board
Manager, Environmental Impact Assessment
PO Box 938
200 Scotia Centre - 5102-50 Ave
Yellowknife NT X1A 2N7

RECEIVED
JUN 14 2012

Dear Mr. Ehrlich:

Re: De Beers Canada's proposed Gahcho Kué Diamond Mine

As you may be aware, De Beers Canada is working to develop Canada's next great diamond mine. The Gahcho Kué Project is located at Kennady Lake, about 280 km northeast of Yellowknife and is presently going through an Environmental Impact Review (EIR).

As this project moves forward in the regulatory process, we want to keep you up to date. We have enclosed the latest edition of Gahcho Kué Now, toward that end.

As you read through the pages, you will get an understanding of how De Beers Canada is taking an adaptive management approach to the project, most of which are improvements in engineering design to address potential environmental impacts. You will also learn about our community engagement efforts so far in 2012, find out more about how we're working to manage water, and more.

This publication is being mailed to households in communities close to the project, and is being inserted into *NWT News/North* in Yellowknife, Hay River and Fort Smith.

The Gahcho Kué Project is a joint venture between De Beers Canada and Mountain Province Diamonds. De Beers has 51% ownership. De Beers is the operator of the Project and we are responsible for taking the Project through permitting and then into construction, upon receipt of permits from the Mackenzie Valley Land and Water Board (MVLWB).

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The EIR process will culminate with public hearings to be held in December this year and a report to the Minister of Aboriginal Affairs and Northern Development to be issued by the panel in July 2013.

If you would like to provide De Beers with any comments or would like an opportunity to ask us questions about information contained in this newsletter or about the Project itself, please don't hesitate to contact me directly at 867-766-7325. We also have a toll free number for NWT residents, which is 1-888-762-7525.

Please contact Terry Kruger, Communications Specialist, at 867-766-7327 or at terry.kruger@debeerscanada.com if you would like to register for periodic updates regarding the Gahcho Kué Project or to receive notice of other news items issued by De Beers Canada.

Yours truly,

Cathie Bolstad
Director, External & Corporate Affairs