



Mr. Andrew Applejohn
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November 28, 2008

Re: Water Licence 1817

Dear Mr. Applejohn,

This letter is to inform you that at a November 24th 2008 meeting of the Northwest Territories Water Board (NWTWB), the NWTWB evaluated an Aurora Research Institute water licence which is soon due to expire. Below is a summary of decisions made by the NWTWB concerning the licence.

Water Licence N7L1 - 1817

- Project summary – gas hydrates research; Expiry Date – November 30, 2008; Security Deposit - \$500,000
- Indian and Northern Affairs Canada – North Mackenzie District recommends the term of the licence be extended to include the monitoring requirements as stipulated in the licence.
- The NWTWB recommends most of the \$500,000 security deposit be returned. However, as there are some minor items identified by INAC – NMD it is suggested \$400,000 is returned to ARI.

The NWTWB evaluated comments received from Indian and Northern Affairs Canada – North Mackenzie District (INAC – NMD) and determined that the licence will be amended to reflect a new expiry date of **November 31, 2016**. The NWTWB recognizes that most of the reclamation requirements as stipulated in the licence have been met. However, INAC – NMD have identified some work which needs to be completed. As such, the NWTWB will return \$400,000 of the \$500,000 security deposit. The remaining \$100,000 will be returned when all reclamation activities have been completed to the satisfaction of an INAC – NMD inspector.

Please feel free to get in touch if you have any comments or questions.

Sincerely,


Mike Harlow

Executive Director - NWTWB

NORTHWEST TERRITORIES WATER BOARD

Pursuant to the *Northwest Territories Waters Act* and Regulations the Northwest Territories Water Board, hereinafter referred to as the Board, hereby grants to

AURORA RESEARCH INSTITUTE

(Licensee)

of P.O. Box 1450
INUVIK, NORTHWEST TERRITORIES X0E 0T0
(Mailing Address)

hereinafter called the Licensee, the right to alter, divert or otherwise use water subject to the restrictions and conditions contained in the *Northwest Territories Waters Act* and Regulations made thereunder and subject to and in accordance with the conditions specified in this Licence.

Licence Number N7L1-1817

Licence Type "B"

Water Management Area NORTHWEST TERRITORIES 07

Location Latitude 69°27'38" North
and Longitude 134°39'42" West,
NORTHWEST TERRITORIES

Purpose USE WATER AND DISPOSE OF WASTE FOR
MUNICIPAL AND INDUSTRIAL
UNDERTAKINGS IN THE MACKENZIE DELTA

Quantity of Water Not
To Be Exceeded 500 CUBIC METRES DAILY

Effective Date of Licence DECEMBER 1, 2006

Expiry Date of Licence NOVEMBER 30, 2016

This Licence issued and recorded at Yellowknife includes and is subject to the annexed conditions.


Witness

NORTHWEST TERRITORIES WATER BOARD


Chairman