



**MIRAMAR NORTHERN MINING LTD.
CON MINE**

Con Mine
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April 09, 2008

Mackenzie Valley Land and Water Board
P.O. Box 2130
Yellowknife, NT X1A 2P6

Attention: Willard Hagen, Chair

Mackenzie Valley Land
& Water Board

File

APR 17 2008

Application # MV2007L8-0025
Copied To K61 Reg

Re: Water License MV2007L8 – 0025: Security Deposit

Dear Mr. Hagen:

On April 3rd Miramar Northern Mining Ltd. (MNML) received a copy of new Water License MV2007L8–0025, and the accompanying Surveillance Network Program. Part B: Section 2. a) of the License directs MNML to post \$3,000,000 within 30 days of approval of this License by the Minister.

Section 2. of the License recognizes the current security deposit of \$9,000,000 (the DIAND Reclamation Security Trust), however it does not recognize the interest that has accrued on this deposit, nor does it recognize the Nerco Reclamation Security Trust, in the amount of \$1,500,000, which is also currently in place, or the interest accrued on this deposit. Effective March 31, 2008, the actual amount of the current security deposit is \$9,745,270, and the actual amount of the Nerco Reclamation Security Trust is \$1,575,340.

MNML has contacted Robert Lauer (INAC), and initiated the process of transferring the Nerco Reclamation Security Trust to the DIAND Reclamation Security Trust. INAC has agreed to work with MNML to transfer the monies in the Nerco Reclamation Security Trust to the DIAND Reclamation Security Trust, which would bring the total amount of the Reclamation Security currently held in trust for Con Mine to \$11,320,610.

In addition, MNML has completed some \$500,000 in closure and reclamation work during the period leading up to the issuance of the new Water License. MNML is prepared to submit an Updated Reclamation Status Report, signed by an independent professional engineer registered in the Northwest Territories, for review and acceptance by the MVLWB in support of the work that has been carried out up to and including March 31, 2008. The work and associated costs to be covered in the letter are for projects that are included in the current Closure cost estimate.

In order to have adequate time to transfer the Nerco Reclamation Security Trust to the DIAND Reclamation Security, and to prepare the Updated Reclamation Status Report, MNML hereby requests an extension of 60 days to the time allotted for posting of the initial \$3,000,000 of the further security deposit. As outlined above, the majority of this funding is currently in place and it is simply a matter of time that is required to consolidate these funds. Once this is done, MNML will place the outstanding balance of the \$3,000,000, estimated at \$679,390, into the security deposit in a form that has been agreed upon.

Further to the above, if the MVLWB accepts the reduction due to the reclamation activities carried out up to March 31, 2008, the amount of the total required security deposit will drop accordingly, leaving a balance of approximately \$3,000,000 to be posted within 120 days of approval of the License.

Should you require additional information, please contact the writer by telephone at 766-5317, or by e-mail at the following address: rconnell@miramarmining.com

Sincerely,



Ron Connell,
Manager, Environmental & Reclamation

Distribution:

Scott Stewart, Indian and Northern Affairs Canada
Scott Stringer, General Manager – Miramar Northern Operations
Brian Anderson, Interim Project Director – Newmont Mining Corporation
Michael Meyer, Director ESR – Newmont Mining Corporation
John Mudge, Regional Director ESR – Newmont Mining Corporation
Bill Lyle, Legacy Site Manager – Newmont Mining Corporation
Chris Hanks, Director ESR – Newmont Mining Corporation