



Nunavut Regional Office  
Water Resources Division  
Resource Management Directorate  
P.O. Box 100  
IQALUIT, NU X0A 0H0

December 19, 2012

Phyllis Beaulieu  
Manager of Licensing  
Nunavut Water Board  
P.O. Box 119  
GJOA HAVEN, NU

*Our reference:*  
IQALUIT-#614239

*Your reference:*  
1AR-NAN0914

*Sent via email*

**Re: Nanisivik Lead-Zinc Mine – Breakwater Resources Ltd. – Submitted  
Irrevocable Standby Letter of Credit in the amount of 2,000,000.00 CAD**

---

Dear Ms. Beaulieu,

Please be advised that on December 12, 2012 Aboriginal Affairs and Northern Development Canada received the above-referenced Irrevocable Standby Letter of Credit pursuant to Part C, Item 1 of Canzinco Ltd.'s Type 'A' water licence, 1AR-NAN0914.

Part C, Item 1 of water licence 1AR-NAN0914 states,

“The Licensee shall furnish and maintain security with the Minister, in the amount of \$2.0 million dollars, in the form that is satisfactory to the Minister.”

This Irrevocable Standby Letter of Credit was issued by Scotiabank on December 6, 2012 (reference no. S18572/341828). Breakwater Resources Ltd., on behalf of Canzinco Ltd. is identified as the applicant. A copy is enclosed for your records.

Should you have any questions or comments, please do not hesitate to contact me by telephone at 867-975-4555 or email at [david.abernethy@aandc-aadnc.gc.ca](mailto:david.abernethy@aandc-aadnc.gc.ca).

Regards,

David Abernethy  
Water Resources Regional Coordinator  
Encl.

c.c.: Murray Ball, Manager of Water Resources  
Karen Costello, A/Director of Resource Management  
Johan Skoglund, Nyrstar Group Environmental Manager, Americas