

IMDC/TOR/S/858584

INTERNATIONAL OPERATIONS, CENTRAL  
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DATE OF ISSUE: JULY 18, 2003  
IRREVOCABLE STANDBY LETTER OF CREDIT

IMDC/TOR/S/858584

RECEIVED  
JUL 30 2003

APPLICANT:  
COMINCO LTD.  
200 BURNARD STREET

DD

VANCOUVER, B.C. V6C 3L7

BENEFICIARY  
RECEIVER GENERAL FOR CANADA  
C/O CHIEF ADMINISTRATIVE OFFICER  
NUNAVUT WATER BOARD, P.O. BOX 119  
GJDA HAVEN, NU X0B 1J0

AMOUNT: 2,700,000.00 CAD  
TWO MILLION SEVEN HUNDRED THOUSAND AND  
00/100'S CANADIAN DOLLARS

WE, BANK OF MONTREAL, GLOBAL TRADE SERVICES, HEREBY ESTABLISH IN YOUR FAVOUR THIS IRREVOCABLE STANDBY LETTER OF CREDIT (THE "CREDIT") AVAILABLE WITH OURSELVES BY PAYMENT AGAINST PRESENTATION OF THE FOLLOWING DOCUMENT(S) DETAILED HEREIN AND OF YOUR DRAFT(S) AT SIGHT DRAWN ON OURSELVES. THE NUMBER, THE DATE OF THIS CREDIT AND THE NAME OF OUR BANK MUST BE QUOTED ON ALL DRAFTS PRESENTED.

YOUR SIGNED CERTIFICATE STATING THAT TECK COMINCO METALS LTD. HAS DEFAULTED IN THE PERFORMANCE OF ITS OBLIGATIONS IN CONNECTION WITH WATER LICENCE NWB1POL0311 EFFECTIVE JULY 24, 2003, AT THE POLARIS OPERATIONS OF TECK COMINCO METALS LTD.

THIS ORIGINAL CREDIT INSTRUMENT.

PARTIAL DRAWINGS ARE ALLOWED.

NEGOTIATION AND/OR PAYMENT UNDER THIS CREDIT IS RESTRICTED TO US ONLY.

THIS CREDIT EXPIRES ON JULY 22, 2004 AT OUR COUNTERS. HOWEVER, IT IS A CONDITION OF THIS CREDIT THAT IT SHALL BE DEEMED TO BE AUTOMATICALLY RENEWED WITHOUT AMENDMENT FOR SUCCESSIVE PERIODS OF ONE YEAR UNLESS AT LEAST THIRTY (30) DAYS PRIOR TO THE THEN PRESENT EXPIRATION DATE, WE NOTIFY YOU BY COURIER OR REGISTERED MAIL THAT WE ELECT NOT TO CONSIDER THIS CREDIT EXTENDED FOR SUCH ADDITIONAL PERIOD.

DRAWING(S) UNDER THIS CREDIT MAY BE PRESENTED TO US THROUGH OUR MAIN BRANCH. WELLINGTON AND O'CONNOR STREET, OTTAWA, ONTARIO.

THIS CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS (1993 REVISION, INTERNATIONAL CHAMBER OF COMMERCE, PARIS, FRANCE, PUBLICATION NO. 500).





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