

**Inter-Agency Coordinating Team (IACT) for the Ekati Diamond Mine
Summary of Discussion
May 3, 2010**

In Attendance

Lionel Marcinkoski (INAC)
Jason Brennan (INAC)
Malcolm Robb (INAC)
Eric Denholm (BHPB)

Kevin O'Reilly (IEMA)
Monica Krieger (IEMA)
Anne Wilson (EC)
Ryan Fequet (WLWB)

BHPB UPDATES

➤ **CURRENT OPERATIONS**

Pigeon bulk sample pit is completed with about 40,000 tons removed. Actual volume is slightly less due to the "wetter" kimberlite (closer to the surface). Frozen snow berm about 1m high is in place to prevent Pigeon Creek water from flowing into the pit and creating more slumping. Bulk sample will be processed at the plant and pending results, mining would be 2-3 years ahead.

Misery open pit pushback is proceeding with design optimization. As much water as possible will be pumped out of the pit this summer and more sampling will occur (following geotechnical investigations to make sure slumping is not a safety issue). King Pond will be pumped out fairly soon, and new rock trucks are coming on the winter road. About 13,000 tons per day were being processed through the winter.

➤ **CURRENT ENVIRONMENT/PERMITTING**

2009 Monitoring Reports: Wildlife Effects Monitoring Program (WEMP), Aquatic Effects Monitoring Program (AEMP), Seepage/Waste Rock, Annual Environmental Agreement and Water Licence, and Panda Diversion Channel (PDC) including 10-Year Review have been submitted. Still to come are Nitrate Experiment (1 week), Nero-Nema 2009 (3-4 weeks), Fay Bay Monitoring 2008-09 (end of May), Vegetation annual report including new test plots on top of waste rock pile (1-2 weeks), and Plain Language Summary of Annual Report (end of May).

Reviews underway include AEMP 3-year review, Wastewater and Processed Kimberlite Management Plan (WPKMP), Air Quality Monitoring Program (AQMP), and preparation of the Wildlife Research Permit for the 2010 WEMP.

Wildlife Updates: Wolverine hair-snagging fieldwork for DNA analysis was completed, and a field trial for a similar study with grizzly bears will be conducted this summer. Caribou behavioural scans are underway. One caribou was killed by wolves on the weekend, including one old female collared wolf.

➤ **2010 OPERATIONS PLANS**

Complete raise of Dyke C at the Long Lake Containment Facility (LLCF). The downstream half was raised about 4 years ago, but still need to raise the upstream half to the prescribed elevation as per the WPKMP. This will create several metres more room in LLCF Cells A, B and C.

Resurface airstrip by grading and adding more crush and dust suppressant to the surface.

Close Panda underground mine, likely finished by the end of May. BHPB is looking at various options for what to do with the space. Jason stated he thought mining was continuing except for the lowest level, or at least the underground workings were not being removed yet. Eric will confirm whether this is the case. Kevin asked about putting waste rock into Panda, as has been suggested by community members. Eric responded there is a cost factor because of the distance involved. Also, trucks are not able to drive into Panda anymore and the pit wouldn't fill properly if the trucks could only dump rock from the pit edges.

BHPB also plans to **complete development of Koala North underground mine and pump down Misery pit.**

J pipe is still at desktop concept studies only, with no actual fieldwork completed yet. Kevin asked about the **remote underwater crawler** that was being considered. Eric replied it was deemed too expensive and time-consuming to develop a prototype at this point. Also, the equipment is typically used for sand so it may not be technologically feasible (Fox kimberlite has granite inclusions).

➤ 2010 ENVIRONMENT PLANS

Minewater-related plans include:

- Continue the **LLCF nitrate reduction test**;
- Continue the use of **Beartooth pit for underground mine water** as part of the strategy for nitrate management;
- Update the **LLCF Water Model** for nitrate and chloride (the chloride report is with the Wek'eezhii Land and Water Board, to be dealt with in the Adaptive Management Plan); and
- Possible review of the **water quality objective for molybdenum** to determine a realistic number (technical review by Rescan).

Non-routine monitoring is planned for the Pigeon bulk sample pit, Fay Bay, PDC fish boxes (looking for returning grayling with clipped fins), and the LLCF nitrate reduction test (to measure the success of the test and ensure it stays within Cell D).

BHPB is preparing for the upcoming Wek'eezhii Land and Water Board (WLWB) public hearing on the **Interim Closure and Reclamation Plan (ICRP)** in the fall, as well as seeking approval for Phase 1 of the Processed Kimberlite Containment Area (PKCA).

➤ OTHER UPDATES

There has been an official **company name change** to BHP Billiton Canada, to reflect the company's non-diamond interests (namely potash in Saskatchewan). Legal links have been established for liabilities but the name will need to be changed on all documents, lines of credit, etc.

A **new airport fence** is planned to replace the electrified wire fence, and Eric will send further information.

Anne asked about **winter dissolved oxygen levels** in the lakes. Eric replied that snow clearing was done at Cujo Lake this winter for greater light penetration and observed weekly, but no aeration took place. Kodiak Lake has not been aerated for the last 2-3 years.

Jason raised the issue of **hydrocarbons detected in fish metabolites** (liver bile), and suggested the potential source could be spills (of hydraulic oils, for example) on kimberlite ore. After clean-up, the ore still goes to the process plant, and since there is no oil/water separator residual hydrocarbons could be going through the plant and ending up in the LLCF. About 2-3 of every 10 spills are on kimberlite ore, so the company should perhaps look at other ideas for clean-up. Eric

responded these types of spills would be a very minor potential contribution, and water/soil sampling doesn't indicate this is happening. Comparisons with reference lakes like Bearclaw indicate that hydrocarbon levels are higher closer to the mine site, but the company is unsure of the source. There could also be natural sources of hydrocarbons in the area.

ROUND TABLE UPDATES

The Agency has begun work on its 2009-10 Annual Report. Anne suggested that for the section on assessing regulators, the draft text should be sent to EC and others. She felt EC's work was under-represented in the last report, and suggested the Agency should review the record of interactions and correspondence over the past year.

Jason's next inspection is May 4th, and there is an aerial survey planned for all three diamond mines on May 21st. Lionel noted that INAC Minister Chuck Strahl would be in Yellowknife today, and was expected to respond to the McCrank Report (July 2008) which reviewed the North's regulatory system. The Northern Project Management Office (NPMO) has now been established. Its purpose is to coordinate federal responsibilities related to northern resource projects, as well as provide advice and assistance to proponents.

Ryan gave an update on WLWB recent and upcoming activities. The decision package for the 3-year AEMP review should be released this week. The ICRP judicial review is at Day 15 of the appeal process, and the WLWB is still anticipating late August or September for a public hearing date. They are meeting tomorrow on the draft Response Framework for AEMPs, with draft guidelines to be issued in the next couple of weeks and a workshop in June. Effluent Quality Criteria guidelines were recently sent out in an email from Kathy Racher with a request for comments. Waste Management guidelines are in the second and final review phase. Closure and Reclamation guidelines for the whole NWT are still being worked on with INAC, to be completed by next year. The WLWB is asking for comments and suggestions on the use of online comment tables for document review.

NEXT MEETING

Next meeting to be at Ekati with an overnight stay, during the week of July 19th (tentative dates July 20th-21st).