

***Independent Environmental Monitoring Agency  
64<sup>th</sup> Meeting of the Board of Directors  
Yellowknife, NWT  
March 31<sup>st</sup> – April 2<sup>nd</sup>, 2009  
Summary of Discussion***

Revised: June 24, 2009

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Directors

Tim Byers  
Audrey Enge  
Laura Johnston  
Jaida Ohokannoak  
Tony Pearse  
Kim Poole  
Bill Ross  
Staff  
Scott Duguid  
Kevin O'Reilly

Guests

Helen Butler, BHPB  
Eric Denholm, BHPB  
Jason Brennan, DIAND  
John McCullum, EMAB  
Doug Johnson, Outcrop  
Tony Brown, SENES  
Shelagh Montgomery, SENES  
Dave White, SLEMA  
Karin Clark, WRRB  
Allice Legat, WRRB

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REVIEW OF AGENDA

- The Directors decided to discuss the BHPB technical memo provided by DFO on dissolved oxygen (DO) under ice in some lakes before the visit by the company staff.
- The Directors agreed to put off discussion on Klohn Krippen study on groundwater until after Laura has had a chance to review the document.

Introductions of current Board members were made for new Director Audrey Enge.

INFORMATION UPDATES

In addition to routine review of Agency Communications:

Bill – Dealt with regular agency communications and review of documents.

Tim – Dealt with regular agency communications and review of documents. He has been involved with a working group assembled by DIAND to study ways to integrate TK into AEMP guidelines. He advised that the group has decided on Brenda Parlee as the consultant to perform the literature review. Tim also attended the SPB Water Licence Amalgamation public hearing in Rae with Laura, Kevin and Scott. Tim mentioned that it may be better to refer to the Ekati mine as “BHPB” rather than “Ekati” as the latter is understood in Tlicho to mean Lac de Gras or the Diavik mine. Tim recently travelled to Kugluktuk for an Environmental Monitoring Advisory Board (EMAB) sponsored TK workshop to review a proposal regarding a Traditional Knowledge monitoring program

consisting of camps on the land. The Agency is concerned that the cumulative effects of all diamond mines needs to be studied and how BHPB may contribute to those effects. The questions to be answered at the workshop were:

1. whether to have one camp housing all of the Aboriginal organizations, or several separate camps, one for each, and
2. how to proceed with soliciting funds.

Also discussed at this workshop, focussed primarily on Traditional Knowledge of caribou, was the use of satellite collars to monitor caribou, and the possibility of using microchips instead. Another point raised was about the potential for habituation in caribou that pass by the mines.

Tony - Dealt with regular agency communications and review of documents.

Laura – Dealt with regular agency communication and review of documents. Attended the SPB Water Licence renewal public hearing and made a presentation on behalf of the Agency. She distributed a summary updating the other Directors on the above public hearing. She also did work on the ICRP.

Jaida – Dealt with regular agency communications and review of documents. She participated in a teleconference with the DIAND-led working group for the integration of TK into AEMP (Aquatic Effects Monitoring Program) guidelines. She also produced the Agency budget and work plan with Kevin, which is tabled for approval at this meeting. She also worked on preparation of an Agency Risk Management Plan with Kevin.

Audrey - Dealt with regular agency communications and review of documents, and reading of background material on the mine. She also attended the NSMA Ekati Environmental Workshop on behalf of the Agency on March 19. She also met with Kevin and Scott to discuss Agency administration and procedures and then met with Bill, Tim and Kevin to review the Agency mandate.

Kim - Dealt with regular agency communications and review of documents along with attendance at a meeting regarding a joint effort by the diamond mines regarding coordination of monitoring of wildlife. He also participated in discussions of revisions to portions of the BHPB WEMP (Wildlife Effects Monitoring Program).

Kevin- Met with, and contracted SENES to perform an external review of the Agency. He also attended the SPB information session on January 26 with Tim, the Water Licence amalgamation pre-hearing conference on January 30 and subsequent public hearing in Rae. He attended the ICRP working group meeting in early February and assisted in drafting and putting out the Agency ICRP verification letter. He attended the GNWT-ENR Bathurst Caribou management plan workshop. Along with Jaida, he produced the budget and work plan. He also attended and provided a synopsis of an Incineration meeting with EC. He made a presentation to the NSMA Environmental Committee on behalf of the Agency on March 19. He has also been working on production of an

Agency Risk Management plan with Jaida. Meetings were also held with Outcrop on the Agency Annual Report and the timeline project.

Scott- Assisted in review of the proposals for the Agency external review. Attended a talk by Golder associates on stream rehabilitation and monitoring at the Giant Mine site. He attended the SPB Water Licence amalgamation public hearing in Rae. He met with Outcrop to assist in production of a draft production schedule and to explore preliminary ideas for the Agency 2008-09 Annual Report. He attended the NSMA Environmental Committee meeting. He also performed analysis and briefed the Directors on the 2007 PDC Monitoring Program, and the 2007 Nero-Nema Stream Monitoring Program. The work on the Agency blog continued and a new Dell desk top computer was purchased to replace the one stolen over the Christmas holidays.

Action Item #1 Scott to produce a summary of major Agency findings and recommendation for 2008-9.
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#### ACTION ITEMS FROM LAST MEETING

Are all on-going or completed and no further action is necessary.

#### FINANCES

Jaida presented the 2008-09 Year-to-date Expenditures and Variance Report. She reported that spending is on track and that there will be full use of allotted funds. There was discussion of plans for meeting the budget and the potential scenarios for going over budget. Kevin reviewed figures for February 2009 and then estimates for unknown expenses for March 2009. The Directors reviewed the allotted time projections he made in the Variance Report for March 2009.

The discussion then turned to the Separate Fund, so Bill explained its purpose and use for Audrey's benefit. The Agency could make a request to BHPB for additional funding from the separate fund to cover off what we have shifted out of our core budget to cover our interventions into the SPB renewal and the ICRP activities. There was also discussion of setting up a Payable at Year End category to ensure that we will have funds sufficient to cover off the Annual Report. It was agreed to seek the advice of our auditors.

Jaida and Kevin spoke with the auditor and provided an update of this discussion. They reported that the Agency can use an "accrued liability" account for items without an invoice e.g. based on an estimate. The auditor advised that for the current Board meeting, any reasonable splitting of costs would be correct in an accounting sense. The Directors agreed that travel and time up to the end of March 31, 2009 for this meeting will be expensed to the 2008-09 fiscal year. Expenses and honouraria April 1-3 will be expensed to the new year, 2009-10.

The 2009-10 Core Budget and Work Plan was presented by Jaida. Discussion took place regarding budgeting of the Separate Fund money up to the limit. The Directors then performed a review of the breakdown of Director days by activity in the budget and work plan. It was agreed to include some time for the study of EQCs and WQOs stemming from SPB public hearing, including the nickel study proposed by BHPB. No further adjustments to the work plan were suggested.

**Motion to approve Agency 2009-11 budget and work plan, as amended**

Moved by: Laura Johnston

Seconded by: Kim Poole

Carried without opposition.

**SABLE PIGEON BEARTOOTH WATER LICENCE RENEWAL PUBLIC HEARING**

Laura made clarifications on the undertakings from the hearing in her report. There was discussion about whether the Agency will have the opportunity to further comment on any new information that is brought forward. There may be some concern in the Rescan memo about not factoring in ARD from the waste rock piles into total water quality, but BHPB has now supplied the information requested. It was agreed that no action is required with regard to the information that BHPB provided in response to Undertaking #1. Undertaking #2 has been removed by order of the WLWB.

Laura summarized the questions from the WLWB regarding adoption of WQOs and how they would apply to new licences and that it may allow old licences to be opened up. Laura advised that she made the comment that they should apply to new licences and if there is information that the impacts are severe enough, changes could be made to older or current licences. During final comments at the hearing Laura made the offer on behalf of the Agency, to participate in the process of setting WQOs and EQCs. Tim added that he was interested in DIAND's position on whether old licences should be re-opened if there are new EQCs proposed at the time of renewal. The Directors discussed the issue of who has the responsibility to provide evidence if there needs to be a change in WQOs or EQCs. DIAND's position at the hearing was that the onus was on BHPB to justify the numbers in the water licence, and BHPB's position was that if there is a change proposed that party proposing the changes is responsible to justify the change. The Directors suggested that DIAND and the WLWB should be brought together to discuss the setting of WQOs and EQCs.

Action Item #2 Staff to invite representatives of DIAND and the MVLWB and/or WLWB together to discuss the process to develop WQOs and EQCs.
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The Directors agreed that the SPB public hearing and WQOs and EQCs should be highlighted in our 2008-09 Annual Report.

Bill questioned whether there would be inclusion of a cumulative effects clause in the water licence. Laura reported that the Agency did continue to advocate for a cumulative effects clause during the hearing.

## DIAMOND MINES WILDLIFE MONITORING

Kim gave a summary of the objectives and motivation for the coordination of wildlife monitoring at the diamond mines. He noted that there have been several meetings of specific monitoring subgroups and that the Agency responded to a couple of proposals to make short-term changes to wildlife monitoring. Kim advised that BHPB confirmed that it intends to drop the upland breeding bird surveys, and agreed to do a detailed analysis of the last 12-13 years of data. Regarding carnivore monitoring, BHPB has dropped the wolverine DNA studies. None of the mines are participating with the ENR in the April 2009 wolverine DNA sampling. Kim stated that at the carnivore subgroup meeting there was universal criticism of the utility of BHPB's track study design for wolverines. Regarding grizzly bears, Kim advised that BHPB reported that the sign plots do not appear to provide useful data, and that summer hair snagging will be among options considered for implementation in 2010.

Kim then reported on the caribou subgroup meeting. He reported that Diavik has agreed to work with BHPB on aerial caribou monitoring, and Diavik has proposed to drop its spring studies. Kim suggested that BHPB has to get the study area correct for the caribou study, and in his opinion it should include areas surrounding the SPB road. Diavik and BHPB have agreed to work together on caribou behavioural monitoring studies and to circulate the short-term changes to caribou monitoring. He reported that the next significant step is a meeting this fall that would consider the results from the two cumulative effects caribou studies (the zone of influence data analysis and a pilot project for cumulative effects), and more thoroughly address objectives and changes to the WEMP for 2010. It was suggested that the Agency might want to encourage community participation in the fall meeting or workshop.

The Directors agreed that the changes to wildlife monitoring at the diamond mines should be highlighted in the Agency's Annual Report.

## DISSOLVED OXYGEN IN EKATI LAKES

The Agency received a technical memo regarding dissolved oxygen concentrations in some lakes around the Ekati mine from Fisheries and Oceans. The Directors agreed that it would be appropriate to ask BHPB some questions around the effectiveness of its monitoring efforts and aeration.

## ENVIRONMENTAL IMPACT REPORT 2009

The dates for the technical sessions have been changed to May 19-21, 2009 to accommodate Diavik's closure meetings. Bill suggested that the consultation that we are being invited to be a part of should have taken place in advance of the preparation of the EIR, as stipulated in the Environmental Agreement. The Directors agreed that it appears

that BHPB is looking for comment after the report is released. It was agreed that the fundamental question is whether the proper information is in the report, for example trends from baseline for the VECs.

The Directors discussed Agency participation at the upcoming technical sessions and agreed upon the following:

May 19 Water and Fish—Tim, staff

May 20 Wildlife and Land—Kim, Jaida, Audrey (archaeology only), staff

May 21 Air—Jaida, Audrey, staff

Site Meeting—to be revisited when the dates are set

## AGENCY EXTERNAL REVIEW

The Directors heard a presentation of the preliminary results of the external review of the Agency by SENES Consultants Tony Brown and Shelagh Montgomery. They discussed results of the introductory letter and interview guide which were sent to 44 individuals, who were largely based on a list provided by the Agency. Shelagh reported that overall, all respondents are satisfied with the work of the Agency. Respondents felt that the Agency is especially strong in its technical contributions and is doing a good job of holding BHPB accountable. Respondents felt that the Agency's weakness lies in community outreach, communications, and TK. Comments also included a call for more focus on ensuring that plans are up to date; not just that monitoring reports are acceptable. SENES reported that interviewees stated that intervening in the regulatory process is one of the Agency's strengths. Some community and government representatives reported that they rely on Agency submissions to prepare their own. Some of the people canvassed felt that bringing forward Aboriginal and public concerns is a weakness of the Agency. One suggestion that was made was to keep Aboriginal people and the public better informed. The Agency Annual Report is seen as a strength, and it was suggested that recommendations should be more specific and action oriented. It was noted in some responses that the Agency website and library are seen as working well. Some suggestions for improvement were in the category of communications, for example regular (2-3 times per year) reporting to Society members about purpose and activities of agency. The Directors agreed that it would be helpful to have SENES present the final report at the Agency's Annual General Meeting in the fall of 2009.

The Directors then had a discussion about the dissemination of the draft external review report. They agreed that it would not be appropriate for the Board to review the draft, and that Kevin should look at the draft for any errors or omissions only. There was some discussion that the 2009-11 work plan and budget might be adjusted to address recommendations from the external review. It was suggested that the Directors review the report at the Mayne Island writing session in early May, and include the highlights from the External Review in the Agency's Annual Report.

The Directors also agreed that it would be more helpful to have a facilitated session after the presentation of the External Review at the AGM amongst all the Society members

and Board members. This should allow for more input and a more creative and inclusive approach to addressing any Agency weaknesses.

Action Item #3 Manager to review a draft of the External Review for errors or omissions. Directors to discuss follow-up at Annual Report writing meeting in May.

#### INTERIM CLOSURE AND RECLAMATION PLAN

The WLWB ICRP public hearing is scheduled for May 25<sup>th</sup> and 26<sup>th</sup>. The Directors agreed that on behalf of the Agency, Tony should attend (Bill, the alternate Agency member on the ICRP Working Group is not available), along with Kevin and Scott. Tony commented that he has reviewed the transcripts of the final ICRP working group meeting and he finds it odd that BHPB had not decided to do revisions but have taken on altering two plans and extended the time frame by two months. He added that it seemed that the WLWB will be going into a public hearing being asked to approve a plan that has changes that need to be made, a plan that is not finished.

The Directors discussed the Agency's position regarding pit lake restoration. The Directors reviewed the verification comment table and felt that there should be clarification from the WLWB on comment #13 where BHPB was to provide a letter by February 11 on conformity of the ICRP with the original Pit Lakes Studies Terms of Reference.

Action Item #4 Kevin will follow up with the WLWB on comment #13 from the ICRP verification comment table.

Tony committed that he will draft and circulate an Agency intervention and that this would largely be based on the outstanding items as found in the Agency's final verification letter to the WLWB. The Directors agreed that we should try to get our submission in a week early, somewhere around the 1<sup>st</sup> of May. Tony stated that he could have a submission draft for circulation by April 17<sup>th</sup>. The Directors decided that when making edits they will put their initials on the file when e-mailing the tracked changes. Further, it was agreed that while comments are fine, suggestions on wording are more helpful when making edits.

Action Item #5 Tony to draft Agency intervention for the ICRP public hearing and circulate it to Directors by April 17, 2009.

#### AGENCY ANNUAL REPORT

Scott walked the Directors through the schedule and other documents related to the Annual Report, including suggestions from the meeting with Outcrop. Outcrop now has a large group of photos and there is agreement on how to name files and share data. Scott can prepare some highlights from 2008-9 based on outgoing correspondence. Some

decisions on lead and assistant writers should also be made. The word list is an important guide for all writers for consistency.

There are some things that are not on the schedule including review of monitoring reports by Directors. The technical version of the annual report should be going to the printer before the end of June and this means that the auditor needs to get the audited statements to us by early June.

On substance of the annual report, the main activities and issues include:

- Agency involvement with the ICRP review
- Air quality monitoring improvements
- Wildlife monitoring program review and changes
- SPB water licence renewal
- Fish analysis from the 2007 AEMP, the hydrocarbon metabolites
- Fay Lake spill comments and photos
- WAMP review by Jacques Whitford
- TK in the AEMP guidelines
- External review of the Agency, recommendations and preliminary Agency response

The Directors discussed some early ideas for possible recommendations in the Agency's 2008-9 Annual Report.

## TIMELINE PROJECT

Doug Johnson, Outcrop attended the meeting to give the Directors a live web presentation of the Timeline project.

Outcrop will finish the outstanding work and send a link which will be open for comment and changes. Any proposed changes or comments will be passed along and through the Agency staff for Outcrop. A training session on loading information into the timeline will then take place for Agency staff which should take no more than 30 minutes. A print out of the site is not possible, so a poster cannot be made directly but the files can be transferred and made into a poster.

Directors gave advice for more effective visual presentation of the information.

## NORTH SLAVE METIS ALLIANCE MEETING

Audrey provided the Directors with a report on the recent NSMA Environmental Committee workshop on Ekati held on March 19. Audrey spoke with some NSMA members who told her that they felt that the socioeconomic portion of BHPB's presentation could be improved. Bill spoke with Audrey about the fact that the Agency has not recently had a community or Board meeting with the NSMA. Audrey advised

that she has a meeting with Bill Enge and will ask about a community meeting where the Agency attends.

#### AEMP TRADITIONAL KNOWLEDGE WORKING GROUP UPDATE

Tim and Jaida provided an update on the working group that is assisting DIAND with the consideration of TK in the AEMP guidelines that are being developed. Brenda Parlee was selected as the consultant to prepare a background literature review on the use of TK in environmental monitoring and management. It is anticipated that there will be a tool box approach for regulators and industry in preparing and reviewing proposals for aquatic monitoring.

#### WEK'EEZHII RENEWABLE RESOURCE BOARD STAFF

Allice Legat and Karin Clark of Wek'eezhii Renewable Resources Board (WRRB) attended the meeting to inform the Directors about current work at the Board. Karin covered the science and ecological aspects of the WRRB while Allice dealt with the Traditional Knowledge work. Karin advised the Directors that the Board covers the same geographical area as WLWB. Part of the WRRB mandate is to review applications for Land Use Permits, Water Licences, and wildlife research permits. Currently the Board are designing a harvest study for the region. Staff are considering using GIS mapping and intervals, and want methodology to be statistically valid. Bill suggested potential concerns regarding underreporting of harvest information might take away from the true information, i.e., that accuracy is more important than statistical validity. The WRRB is exploring aspects of the confidentiality of the report, and are negotiating with the Tlicho government on this. Karin also reported that her Board is collaborating with the Sahtu Renewable Resources Board and ENR to do a caribou modeling and demographics project (selecting for cows or bulls, etc). They are considering using the "caribou calculator" which is the one used for predictions and harvest limits on the Porcupine caribou herd. They are working on developing a comprehensive proposal for the management of the caribou, including woodland caribou. The Board is involved in a review of the *Territorial Wildlife Act*. They are working with the Sahtu Renewable Resources Board, Gwich'in Renewable Resources Board, and GNWT-ENR on a strategy for Bluenose Caribou Herd management. The WRRB is also working with ENR on the pilot study examining cumulative effects on Bathurst summer range. The staff at the Board are studying the issue of caribou collaring, specifically the effects of capture and collaring, and will release a discussion paper in the future. The Board continues to work with the Tlicho and territorial governments on a comprehensive management plan for caribou.

Allice stated that she is looking at how the TK is documented or is used, and how it can be combined with science to make good management decisions. She said that one of the challenges she faces is how to integrate environmental monitoring and TK. Currently she is talking with the communities about the Board mandate and research protocol agreements through household visits. The Board had received suggestions about locating environmental monitoring offices in each of the Tlicho communities. Currently Allice is

working on a terminology project which will attempt to explain the land claim to local people in their language. She is doing fundraising for these initiatives. Outside her work with the WRRB, Allice is working on a caribou respect program with the Rae Friendship Centre and compiling work from the WKSS. Lastly she suggested that Kevin attend one of their board meetings to give the WRRB members a briefing on Agency activities. The Agency indicated that the Manager is available to update others on activities.

#### DIAND INSPECTOR JASON BRENNAN

Jason advised that he has submitted two recent inspections reports, one of which was of the underground operations. Jason has an understanding with BHPB to do an underground inspection once per year. Jason reported that his most recent inspection was conducted on March 17, 2009 but there is no report yet. He advised that normally there would be exploration sites in the winter, but there is no drilling taking place this year. He looked at the Cell "A" high road that is designed to reduce the volume of processed kimberlite that Cell "D" will later have to receive. He reported that the road has been constructed, but the spigots are not in place yet. He told the Directors that the ring road around Cell "B" has been constructed using clean granite. This road will allow for easy inspection and maintenance around Cell "B". BHPB has submitted engineering drawings for a surface water diversion structure to be constructed at the north end of Cell "B". BHPB will put fill into place along with a lined berm with an impermeable geomembrane to divert surface water runoff flowing south away from Fay Lake. Jason will be keeping a close eye on this area during the spring freshet.

Jason has received a report from BHPB on upgrades to the ammonium nitrate building near Kodiak Lake. This report indicates that the levels of ammonium nitrate in Kodiak Lake have gone down 2-3 orders of magnitude.

Jason informed the Directors about a sewage spill from the 'H' wing of the accommodation building. He described that the treatment equipment was located in a sea can outside of the unit. BHPB over-reported the spill at 950 litres, when in fact it was only 113 litres and did not spill on to the ground. Bill questioned if there was investigation into the cause, and whether lessons could be learned to prevent such spills in future. Jason responded that there was a frozen drain line and that this would be difficult to prevent.

Jason also advised the Directors of a glycol spill of 975 litres of 60/40 glycol water mix. The main concern surrounding this spill was the potential of wildlife being attracted. In reaction to the spill, BHPB built a barrier around the spill to prevent wildlife from ingesting the spilled glycol mix. Jason advised that the spill was not near water, it was around 500 metres away and it was in a ground depression. BHPB had to remove the contaminated material by hand and removed 4 drums full. The barrier structure will stay up until the spill is fully remediated.

Audrey asked Jason the frequency of spills at the Ekati site, and he reported that he gets an average of about 4 spills per month reported. About three-quarters are hydraulic spills of approximately 200 litres or less.

The Directors asked Jason when BHPB will be responding to the letter of warning from INAC concerning the Fay Lake spill. Jason said it was received and posted to the WLWB public registry. Scott located the document on the WLWB site and provided a copy to the Directors.

ENVIRONMENTAL MONITORING ADVISORY BOARD, JOHN McCULLUM  
SNAP LAKE ENVIRONMENTAL MONITORING AGENCY, DAVE WHITE

Dave White and John McCullum attended the meeting to give the Directors an update on recent activities.

EMAB

- completed a strategic plan that was approved in June and a complementary communications plan is being developed
- providing group updates to communities, completed with NSMA, Lutsel K'e, Ndilo, and the Kitikmeot Inuit Association
- ran a workshop in Kugluktuk on the inclusion of TK in environmental plans and reports. EMAB will be producing a report based on the workshop. Each of the 5 Aboriginal governments will take the proposal back regarding participation in a series of TK camps, with one per group. The proposal is for camps during spring and fall migration of caribou (10 days each time), with elders and youth trained in research methods. BHPB did not participate in the workshop.
- Diavik has adopted the GNWT standard for training of environmental monitors in its hiring, and the curriculum is being set for the environmental monitoring program.
- Community environmental monitoring camps are not going well, due to liability issues, and a possible shutdown at Diavik during the time of the camp.
- The funding disagreement between EMAB and Diavik, based on unrestricted net assets (surplus), appears to be headed to mediation.
- EMAB will be seeking assurances from Diavik about its commitment to continue environmental monitoring despite the shutdown recently announced
- A review of the recent AEMP revealed several low level effects including: nutrient levels have increased around the effluent discharge point, elevated mercury in slimy sculpin and trout, Adaptive Management waiting for further guidance from WLWB, the levels of ammonia have gone down and it is now under control but a test for effects of ammonia on whitefish has not been designed yet
- Diavik is opening up channels to allow fish access for some small lakes as part of the habitat compensation agreement
- No major issues from last year's WEMP. Some concerns about joint caribou monitoring, suspension of studies, and zone of influence.

## SLEMA

- Reviewed 18 documents or requests for changes since last briefing.
- Conducted a review of the Water Licence annual report, SLEMA hired Barry Zadjlik to review the AEMP report
- There are elevated levels of metals and other compounds in the sediment around the diffuser
- DeBeers Snap Lake laid off about 120 of its own staff in December and January and about 100 contractors were also laid off
- The mill is working at about 60% of capacity, and low quality diamonds are now being extracted, about half the quality and quantity of Diavik
- SLEMA has received assurances that environmental monitoring will continue, with less involvement of outside consultants
- PK storage facility has been expanded to the east, to better avoid the shores of a lake
- Agency had no concerns with the plans for construction of an ammonium nitrate storage building, or with raising berms around the site to try to reduce leakages
- SLEMA participated in wildlife workshops with DeBeers, to try to establish some guidelines for working with elders around wildlife and caribou monitoring. A wildlife workshop is planned for May 2009
- the fish palatability study was not carried out last year

Following the presentations by EMAB and SLEMA staff, the Directors discussed possible Agency support for the TK monitoring camps once the proposal is released for review by EMAB.

## BHP BILLITON, ERIC DENHOLM AND HELEN BUTLER

Eric presented the results of an internal exercise that staff conducted in light of the current economic climate. Some of the core commitments of BHPB are:

- People (maintain #'s and northern commitments),
- Production (keep focus on zero harm, cost benefit analysis),
- Business Value and Costs. Ekati is currently selling only 50% of their production. The current cost of extraction is \$79/tonne, and the majority of remaining ore is worth less than \$70/tonne.

BHPB analysed three options to deal with the recent economic downturn. Option #1 do nothing, Option #2 conserve high value ore, and Option #3 cost reductions but maintain production and preserve jobs. BHPB chose Option #3 to keep current ore blend, reduce operating costs, and minimize job losses.

Bill asked if the reduced costs will affect environmental monitoring. Eric advised that those are core expenses and will not be cut, and that is actually not where the savings will be found. Helen advised that some projects may be delayed or deferred, for example, Jay pipe. Eric then presented an update to the life of mine plan on a slide (Koala UG and Fox pit are the big ore sources right now). Mining of Beartooth open pit is to be complete by the summer of 2009. Upgrades around the LLCF including building the Cell "A" road, the Cell "B" road loop, and the Cell "B" water diversion.

Eric provided updates on upcoming monitoring reports. He advised that the WEMP is completed as is the Seepage/Waste Rock report. By the end of April the AEMP, a combined Annual and 2009 EIR Report (plain language version to be submitted later), and the 2008 Revegetation Report will be completed. By the end of May the PDC ten-year summary, 2009 EIR plain language report, and 2008 Air Quality monitoring reports will be completed.

When asked, Eric told the Directors that the Cell “E” special fish study has been delayed, as the fish sampling was done in 2008 but not the sediment work, so this study will be carried out this summer.

The following items were discussed as part of the presentation:

- Aeration and snow clearing was done at Cujo Lake but not required at Kodiak Lake;
- BHPB has not studied whether snow clearing has any effect on dissolved oxygen levels;
- BHPB will produce an addendum to the 2009 EIR, if necessary, based on the technical sessions and site meeting;
- There are no restrictions on the number of Agency representatives at the EIR technical sessions;
- Effects size scoping document related to the AEMP is to be submitted to the WLWB by the end of April, any further changes to the AEMP will be submitted;
- Discussions regarding the aerial caribou survey are on-going with Diavik;
- 2009 wildlife research permit application was filed on March 31 (to cover the period from May 15, 2009 to May 14, 2010);
- A review of the upland breeding birds study program is to be prepared; and
- No grizzly bear sign surveys this summer and the program is going to be re-designed.

Bill asked that the Agency receive a copy of the WEMP research permit application. Eric agreed to get a copy. Bill advised that the Agency sent a letter regarding the proposed study area for caribou survey, and asked Eric if there would be a response from BHPB. Eric stated that David Abernethy will respond to the letter.

Action Item #6 Staff to follow-up with BHPB to obtain a copy of the wildlife research permit application and a response to the Agency’s two letters on changes to the wildlife monitoring programs.
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Regarding the wolverine studies Eric stated that he is not a great believer in the validity of track surveys, but he recognised that “it is something”. He further advised that BHPB would prefer to participate in a DNA survey, but he added, it will not be done this year, and commented that it should best be done in conjunction with both Diavik and GNWT-ENR.

Highlights were presented from the 2008 AEMP as follows:

- The nitrate concentrations in Cell “D” and “E” are at approximately 4.5 to 5 mg/l;
- Cell “E” stratified with a stable, low nitrate surface layer;
- Discharge from the LLCF was less than planned in 2008;
- Leslie Lake is approaching 4.5 mg/l NO<sub>3</sub>;
- Cells “D” and “E” were not pumped down to target elevations;
- BHPB conducted preliminary tests for in-situ nitrate reduction through the addition of phosphorus (using the Redfield ratio for algal growth), and achieved nitrate reductions. This method will also increase DO and pH and Rescan is preparing a report that will be shared with interested parties;
- There will be no discharge from the LLCF during freshet in 2009;
- Monitoring for Cell “E” stratification and if appropriate, there will be discharge of clean water;
- There will be a second test of in-situ nitrate reduction in Cell “D”;
- BHPB has undertaken initiatives to reduce nitrates inputs at source; and
- BHPB has requested use of Beartooth pit for mine water storage.

Regarding the proposal for an Agency site visit for June 16-18, BHPB is looking at enhancing visitor screening policies and may require tuberculosis testing before a site visit.

Helen wanted clarification on the status of the Agency’s comment on roads concerning the ICRP, which appears on the WLWB verification comment table. She wanted to know if this request for further study is for now, or in three years. Bill replied that it is unresolved until we see more detailed work or a detailed work plan. Helen replied that BHPB wants to know if it can make this issue conditionally resolved based on a commitment for further study over the next three years, consistent with BHPB’s own internal closure standard. The Directors agreed that the issue could be considered resolved as long as BHPB addresses the matter for the next version of the ICRP.

Tony asked Helen if there was going to be an updated ICRP from BHPB in 3 years time. Helen stated that the WLWB will likely provide direction on further changes that need to be made and set the schedule for regular revisions of the ICRP. Tony asked Helen about the yearly review of the ICRP that is required by the water licence. Helen stated that it has never been done, and will not be carried out unless there is a significant update.

Jaida requested an update on BHPB’s TK work. Helen said that company met with the Tlicho and some priorities were identified and that another meeting is needed to develop specific projects or proposals. Lutsel K’e wants to re-establish its Geographic Information System and BHPB has looked into it. Some preliminary ideas are being discussed with the Kitikmeot Inuit Association. Helen also had conversations with the NSMA and hoped to have a meeting in April. There has been no response to the invitations sent to the Yellowknives Dene First Nation. A review of TK programs at Ekati by Natasha Thorpe has been completed but there was not much to report on. When

the new TK projects and programs get going, there will be annual reporting. The Caribou and Roads report for 2008 is undergoing review now in Kugluktuk.

Bill asked for an update on the negotiations with DFO on fish in the pit lakes after closure. Eric replied that there had been a letter sent to DFO and a meeting was held on March 6. BHPB did not see a resolution before the ICRP public hearing, so a decision was made to proceed with the hearing and see how the issue would be resolved there. The company was asked whether there would be any further changes made to the closure objectives and criteria for fish and fish habitat in the ICRP. BHPB replied that there would be further information on the negotiations and any consideration of further changes to objectives and criteria in the April 14 submission to the WLWB.

Action Item #7 Staff to follow-up with WLWB staff on the status of the 2008 Seepage and Waste Rock report from BHPB.
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#### OTHER BUSINESS

The dates and logistics for accommodation for the May 5-7 Mayne Island Agency Annual Report writing session were reviewed.

Regarding the site visit and June Board meeting, it may be possible do the site tour during the day and to meet in the evenings to conduct the business part of the meetings. It was suggested that the Directors and staff could fly to the site on Tuesday June 16<sup>th</sup> in the morning and out on Wednesday evening or Thursday morning. The preference is to use the company's scheduled flights to the mine rather than to charter. There may be enough time to meet with any other guests in Yellowknife depending on when the departure flight from the mine site may be.

A fall Board meeting was tentatively scheduled for September 29-October 1, 2009. It was also suggested that it may be possible to have a meeting with the NSMA on the 29<sup>th</sup> of September or the 1<sup>st</sup> of October. Audrey will follow up on this with Bill Enge.

Action Item #8 Audrey to discuss a possible meeting with the NSMA with its president.
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MEETING ADJOURNED at 12:00 pm

Summary of Discussion Approved by  
Jaida Ohokannoak, Secretary Treasurer.