

***6th Environmental Agreement Implementation Meeting
Yellowknife, NWT
January 12, 2009
Summary of Discussion***

Revised: February 26, 2009

Participants

Tim Byers, Independent Environmental Monitoring Agency
Claudia Haas, Government of the Northwest Territories
David Livingstone, Department of Indian Affairs and Northern Development
Lionel Marcincoski, Department of Indian Affairs and Northern Development
Gavin More, Government of the Northwest Territories
Kevin O'Reilly, Independent Environmental Monitoring Agency
Bill Ross, Independent Environmental Monitoring Agency
Laura Tyler, BHP Billiton Diamonds

1. *Selection of Chairperson*

Claudia Haas was selected to serve as the chairperson for the meeting. The purpose of the meeting as set out in the Resolution Agreement was reviewed. There were no changes made to the agenda.

2. *Minutes*

The minutes of the June 2, 2008 were reviewed and accepted by consensus.

3. *Agency Presentation on Findings and Recommendations for 2008*

Bill Ross presented the Agency's findings and recommendations over the past year as expressed through the Agency's Annual Report and outgoing correspondence.

There was a discussion on capacity building. David was of the view that capacity building in the communities requires a long-term investment at the administrative level.

Laura mentioned that BHPB has agreed to undertake the wolverine DNA sampling program in 2009, although the other diamond mining companies were not on side so it was unclear whether the work would go ahead. Laura also mentioned that work is continuing on the LLCF water quality modelling as it is considered an important management tool.

Gavin stated that Graham Veale left GNWT in December 2008 so the technical review of air quality management and reports will be done solely by Dave Fox at Environment Canada until a new person is recruited. Gavin understands that the air management plan

from Snap Lake is considered a good one and that it might serve as a model for others. Claudia mentioned that Environment Canada is developing some guidelines for incineration and that they should be released in January 2009.

In response to a comment about the status of comments on previous Annual Reports, Laura indicated that she would check on the status of BHPB's response to comments on the 2007 Annual Environmental Report.

Bill raised the consultation requirements in the Environmental Agreement with regard to the 2009 Environmental Impact Report. Laura responded by stating that BHPB has already begun some internal planning and that there will be meetings with all the interested parties together.

4. BHPB Presentation Environmental Management Programs and Operational Projections for 2009

Laura provided a presentation on the status of mining operations and environmental management at Ekati. BHPB exploration of the Ekati mineral claims block has ceased. The Kelowna office of BHPB will close at the end of June 2009.

The option for use of wind power is being explored again. There were no discharges of water from the LLCF when nitrate levels were above the CCME guideline. Once levels dropped to an acceptable concentration, water was discharged over the fall of 2008. New ore strippers are to be tested at Fox and this may reduce the need for ANFO and thus nitrate discharges. Bill asked what the contribution of the ANFO storage building leakages is to the nitrate levels in the LLCF. Laura replied that these inputs were quite minimal and that the real issue is with the pit blasting.

The Beartooth pit will be finished in operation in the next 12 months and there is a proposal to use it for minewater storage. BHPB suggested there may be experimental methods attempted for extracting kimberlite from under water at the bottom of Beartooth pit should this proposal be approved. If successful, this may reduce the size of rock piles as there would be less need to dewater lakes such as Sable because some mining could be done under water. The use of the underwater mining method would reduce blasting and water contamination by ammonia and nitrates and from blasting material storage. BHPB is aware this change in mining, should it be introduced, would necessitate a new environmental assessment as it would be a significant change in the project.

BHPB is developing an internal Greenhouse Gas management plan. BHPB was recently awarded a gold level reporting record for its role in the Canadian GHG Challenge Registry.

The high volume air sampling conducted over the last several months has proven successful. A revised Air Quality Management Plan is due for distribution in March of 2009. The latest version of the ICRP was released in December of 2008 and is in the final stages of review before a public hearing. Over 2008, lichen sampling and snow

sampling took place. The annual reporting requirements are soon to be met as report writing is underway.

Laura mentioned that warning letters concerning the Fay Lake tailings spill were received from Fisheries and Oceans, Environment Canada and the Department of Indian Affairs and Northern Development.

The Mining Association of Canada will carry out its Towards Sustainable Mining verification of the Ekati site in 2009 and ISO 14001 certification will also take place.

BHPB has begun its annual environmental and socio-economic reporting in communities with a meeting held in Kugluktuk so far. Meetings with others are in the process of being set up, as are some Traditional Knowledge workshops and other site visits.

David mentioned that the Protected Areas Strategy has had some internal discussion about the Daring Lake GNWT research station site as a potential protected area and that BHPB holds some mineral claims covering part of that area. He indicated that BHPB may be contacted in this regard in the near future. Laura mentioned that she understood that the narrows between Lac de Gras and Lac du Sauvage are important for caribou and as a harvesting area for Aboriginal peoples.

5. Agency Presentation on Current and Proposed Work Plans and Budgets

Bill gave a presentation on the Agency's current expenditures, including the allocations to the Separate Fund, and an overview of the budget and work plan covering 2009-11.

David mentioned that the advertising for the external review of the Agency might be expensive if the national print media is used and offered to supply a list of consultants that DIAND has used in the past. He also suggested that the Edmonton Journal would likely be less expensive than the Globe and Mail. Gavin indicated that he would be the contact person for GNWT. Laura said that Charity Clarkin will be the contact person for BHPB but she would still like to be copied on all correspondence.

David also mentioned that the future of Multi-Project Environmental Monitoring Agency (MPEMA) is now in the hands of the Aboriginal governments. A terms of reference and other background material was developed and has been circulated for ratification. He does not intend to do anything further until there are responses.

Laura suggested that for future meetings, presentations be circulated in advance to allow for more efficient meetings. Bill and others agreed that this was a helpful suggestion.

6. Other Business

The timing of the next meeting was not set but late May or early June were suggested.