

**16th Environmental Agreement Implementation Meeting
Yellowknife, NT
Summary of Discussion
June 13, 2014**

Participants

Lionel Marcinkoski, Environment and Natural Resources, Government of NWT (GNWT)
Mary Tapsell, GNWT
Joel Holder, GNWT
Laurie McGregor, GNWT
Eric Denholm, Dominion Diamond Ekati Corp. (DDEC)
Richard Bargery, DDEC
Nicole Spencer, DDEC
Bill Ross, Independent Environmental Monitoring Agency (IEMA, or the Agency)
Kevin O'Reilly, IEMA
Jessica Simpson, IEMA

Absent

Federal Government Representative

Meeting commenced at 2:00 pm

INTRODUCTIONS AND SELECTION OF CHAIRPERSON

Round-table introductions were made. Lionel was selected to serve as the chairperson for the meeting.

The purpose of the Environmental Agreement implementation meetings, as set out in the 2006 Resolution Agreement, was reviewed (*i.e.*, to discuss communications responsibilities, including the Agency's preliminary Annual Report recommendations).

REVIEW AND APPROVAL OF PREVIOUS MEETING SUMMARY

Attendees agreed that a small change in the listing of the Action Item numbers was required to the draft minutes of the January 17, 2014 Environmental Agreement implementation meeting summary, circulated earlier by e-mail.

Motion to accept the summary of the January 17, 2014 meeting, as amended.

Moved by Eric Denholm. Seconded by Bill Ross. Carried without objection.

The action items from the previous meeting were reviewed.

Action Item #1: Eric to check into when additional thermistors are to be installed in the Misery waste rock pile. Eric noted that DDEC would be submitting a report on this issue to the Wek'eezhii Land and Water Board (WLWB) by September 30, 2014.

Action Item #2: Eric to provide the Agency with a 2013 satellite image. Eric committed DDEC to providing the Agency with the requested image early the following week.

Action Item #3: Eric to check on the submission date and dates for community engagement around the Wildlife Management Plan. Eric noted that the company would be carrying out community engagement on the proposed Ekati Wildlife Management Plan in the summer and fall of 2014.

Action Item #4: AANDC (Aboriginal Affairs and Northern Development Canada) to check into what kind of letter or document that can be provided to the Agency for posting to its website on the change in ownership and transfer of the Environmental Agreement to DDEC. As the federal government did not have a representative at the meeting, Joe Holder for GNWT undertook to get an appropriate document for the Agency. It was noted that the Assumption Agreement for the water licence has been posted to the WLWB website.

HEMA PRESENTATION ON REVIEW OF THE ANNUAL REPORT

Bill reviewed the Agency's recommendations for the 2013-14 Annual Report and other findings by the Agency (see PowerPoint presentation for details, distributed before the meeting and available from the Agency).

The Agency has four recommendations in this year's Annual Report. These recommendations focus on financial security (for the water licence and Environmental Agreement), road traffic management to reduce wildlife impacts and the freezing of the Fox and Misery Waste Rock Piles. Bill also explained that the Jay-Cardinal Project is now the Jay Project, but for reporting on last year's information, the annual report refers to the Jay-Cardinal Project.

Responses to the recommendations were requested by May 30, 2014 but there were no responses by that date (DDEC responded on June 10). The Agency needs to have responses by Wednesday June 18, 2014 in order that they appear in the Annual Report. Bill explained that Agency Society Members and the public appreciate having responses to the recommendations in the Annual Report and noted that DDEC's responses had been inserted into the presentation.

<p>Action Item #1: Mary Tapsell will get a response to the 2013-14 Agency Annual Report recommendations from GNWT.</p>
--

Eric noted that it would be better to delete the wording "no response required" of DDEC on those recommendations not addressed to the company. He also mentioned that where the GNWT is drawn into DDEC's responses, it may want to comment on those recommendations.

Regarding the process for setting the Environmental Agreement security, Kevin mentioned that there were two meetings in October and November 2013 and the Agency understood that DDEC was going to put together a proposal as required under the Environmental Agreement. It is not clear if and when the company intends to submit the proposal.

Rick explained that right now the GNWT and the company are discussing the steps in the process and but the timing is still unknown. He does not expect that the July 1st deadline, as set out in the Agency's Annual Report will be reached.

Kevin reminded everyone that according to the Environmental Agreement, the Agency is to also be part of this process.

Mary explained how Devolution has impacted the process. GNWT has a new Lands Department, and ENR has been reviewing this file. Rick was concerned that there might be some overlap between the new Lands Department and ENR. For the company, it is important that there is a one window into the GNWT to discuss this matter instead of dealing with the two departments.

Joel clarified the new Lands Department is the part of GNWT that now holds the securities. A difference between GNWT and AANDC is that GNWT has staff that are assigned only to securities, while AANDC staff dealt with securities and water issues. ENR will continue to represent the GNWT at the Environmental Agreement Implementation Meetings.

Rick asked the Agency whether it believes there is a problem with DDEC's traffic management or whether the issue is a lack of a plan. Bill responded by saying that DDEC has a good record when it comes to wildlife collisions but it is less clear how the company responds to wildlife near roads to minimize disturbance and barrier effects. Rick indicated that this is consistent with the discussion he had with Kevin during the recent site visit.

DDEC PRESENTATION ON COMMUNICATIONS RESPONSIBILITIES

Eric reviewed the company's community engagement projects.

Community Communications Requirements:

DDEC views the review processes for the Lynx and Jay Projects as forms of communications. The Ekati Mine Community Engagement Plan, approved by the WLWB in May 2013, gives direction on the style and methods of engagement under various circumstances. For example, how the monitoring program results are being communicated to communities.

Community Engagement Projects:

- DDEC held community and elder workshops in Yellowknife and other communities in June 2014 that primarily focused on the Jay Project. The company also continued with its on-going quarterly engagement meetings. In the workshops, Tlicho participants suggested to compare relevant natural eskers to rock piles and draw on any parallels between the two for rock pile construction. The point was not to make waste rock piles look like eskers, but rather to find out what makes eskers useable habitat that could be applied to waste rock piles.
- In September 2014 Tlicho elders and some company staff will go to Mesa Lake, a culturally important area. An engineer will be there to discuss the waste rock pile design. At this workshop, Traditional Knowledge will be discussed and DDEC will prepare a report that relates waste rock piles designs and eskers. Bill noted that this project may also overlap with research under the Interim Closure and Reclamation Plan.
- Earlier in 2014, DDEC hosted a Yellowknives Dene First Nations archaeological site visit. The point of this workshop was to gather ideas, suggestions, and identify possible additional sites.
- There was a caribou monitoring site visit, which has become an annual event. Communities send elders and youth on these the trips that are coordinated with the Diavik Diamond Mine where possible as community representatives like being able to visit both mines. Workshops are held sequentially, two communities at a time, not five all at once. The community people are also given the opportunity to observe caribou behaviour at the site and may fly out on the land to make further observations.

Lionel requested a copy of the presentation on the Jay Project that was give on the IACT tour.

Action Item #2: Eric to circulate a copy of the presentation given by DDEC during the June 10 IACT site visit.
--

Eric also reviewed Ekati operations and regulatory submissions. A Waste Management Plan and Aquatic Response Framework were submitted to the WLWB. For the Pigeon Project, the last two approvals are dewatering plans for Big Reynolds and Pigeon ponds have been submitted to the WLWB.

A similar round of plan amendments and submissions will be required for Lynx. The company is planning to begin construction at Lynx in 2015. A revised draft terms of reference for the Jay Project will be provided to the Review Board next week with an addendum to the project description. The Developers Assessment Report (DAR) will be submitted at the end of September 2014.

Bill complimented the company on its enhanced engagement by having its senior staff travel to communities. Rick responded that the next round of community meetings will likely be in September, just before the DAR.

IEMA PRESENTATION ON COMMUNICATIONS

The Agency's communications responsibilities are the same as in the past. Currently, the Agency is updating its materials that were translated into other languages, and developing a voice-over for a presentation which will be available on the website.

- Earlier in the week, the Agency visited the Ekati Mine. A thank-you letter will be sent and will say how productive the visit was and the how the Agency thought the way in which the truck spill of diesel fuel was handled in an exemplary fashion.
- The Agency is planning a visit to Lutsel K'e in late September. Agency Director Tim Byers will be at the workshop that DDEC is hosting in Lutsel K'e this week and will verify with the community whether those dates will work.
- The Agency is planning its Annual General Meeting for December 4, 2014. Whether the Agency will also host an Environmental Workshop is to be determined.
- Agency staff recently gave a update to the SLEMA Board.

Eric asked when the Agency's 2013-14 Annual Report might be available. It should be back from the printer about mid-August to early September 2014.

OTHER BUSINESS

Bill noted that the Government of Canada was missing from the meeting but should be here as agreed to in the Resolution Agreement. There is no reference to quorum for these meetings, but not having one of the parties to the Environmental Agreement creates uncertainty.

Bill asked if there was any progress regarding the proposed changes to the Environmental Agreement.

Mary explained that the GNWT is in discussions with AANDC, who essentially have one staff member left who is familiar with Environmental Agreement. GNWT will be taking on a larger role and will have more to do with the other federal departments in reviewing this particular file. AANDC and GNWT are still working towards have only the GNWT as a signatory to the agreement and how the GNWT will engage with the other federal agencies. There have been

some discussions about possible agreements or memos of understanding whereby federal departments would respond to the Agency.

Since the beginning of April, GNWT has been corresponding with AANDC to try to begin some further consultations on changes to the Environmental Agreements. Mary said that the GNWT intends to get out and engage with the Aboriginal governments, and they would like AANDC to join them but AANDC currently has some capacity issues, and the main challenge is finding someone from AANDC that can go with them. GNWT also understands that this process is taking a while and would like to have everything resolved by the fall of 2014.

Joel asked whether there was a deadline specified for comments from the Aboriginal governments on the proposed changes to the Environmental Agreement. Kevin responded by saying that in a letter dated March 28, 2014 to AANDC, GNWT and the company, the Agency recommended that such a deadline be set but that was not done. Bill said that the Agency understood the timeframe was to be in order of a month, as the three responses from our Aboriginal Society Members to date (from the Yellowknives Dene First Nation, Lutsel K'e First Nation and Tlicho Government) all came within that time period. The Agency did not receive any letters from KIA or NSMA, but also is not expecting anything from them either.

In the March 28 letter the Agency suggested that consideration should be given to having the Canadian Northern Economic Development Agency serve as the representative of the federal government for the Environmental Agreement. Mary says that AANDC's main role was to coordinate with other federal departments on matters pertaining to Ekati Mine. There is no reason why the GNWT cannot play the same role without adding another layer of coordination. The other federal departments do have an onus to respond to issues at Ekati Mine but those roles are also evolving as shown by the recent changes at Fisheries and Oceans. AANDC and the GNWT are still talking about how to go forward on these matters.

Bill says that in determining what changes to the Environmental Agreement should ultimately be made, the Agency wants to ensure that the Resolution Agreements are also considered.

ROUND TABLE DISCUSSION

It was noted that Lionel would be retiring from government service before the next meeting. GNWT will identify the new contact person for the Ekati Environmental Agreement but it would likely be Laurie McGregor.

Rick commented that it was good to have the Agency visit the site this past week, and he was glad that an Agency director will be attending the company's meeting in Lutsel K'e next week. Eric was also happy to have the Agency and the IACT tour this past week.

Mary said that it is great to be back at the table to discuss the Ekati Environmental Agreement. She was working for the Department of Indian Affairs and Northern Development (now known as AANDC) in 1997 when the Environmental Agreement was signed and she had a role in getting the Agency and IACT started. Since then she was involved in Ekati through different agencies such as Environment Canada. She commented that it is great to see how the Mine has grown and changed. Mary noted that she will be retiring in the fall and will advise when a replacement has been selected.

DATE OF NEXT MEETING

The date for the next meeting will be scheduled for January 2015.

Meeting concluded 3:45 pm