

**Exploration** – No exploration activity occurred on the main Ekati claim block or at other Arctic Diamond Claim blocks, exploration is to resume in 2021. Arctic Diamond announced their intension to mine kimberlite deposits at Point Lake. The proposal will act as a bridging project for potential longer term mining operations.

**Wildlife** – Caribou documented at the mine in 2020 included 5,604 incidental observations, 4,850 caribou during road surveys, and 740 caribou during Misery Road power line surveys, all mainly during winter periods. With the reduced number of personnel on site beginning late March 2020, there were lower than usual incidental observation and wildlife incidents.

**Water** – Due to the temporary suspension very little ore was processed in 2020, resulting in less process water, reducing the changes in the water quality in lakes downstream of the mine. Mercury was measured in increasing levels in fish in the Koala watershed in 2018 and is now included in the list of evaluated water quality metals. Downstream of Sable Pit, there was no effluent discharge from Two-Rock Sedimentation Pond for the second consecutive year. Low action level exceedances for plankton have been reported for the first time.

**Closure & Reclamation** – The WLWB and Arctic Diamond held a closure workshop in March 2021 to discuss closure objectives for the updated Interim Closure and Reclamation Plan version 3.1. The WLWB approved the return of security for Old Camp reclamation activities with a holdback for outstanding risks and for future monitoring. The temporary mining suspension emphasizes the importance of advancing the level of detail in the reclamation and closure plan, including through the incorporation of results from reclamation research.

**Air Quality** – Air quality remains good with no exceedances of ambient air quality standards and guidelines reported. The three-year Air Quality Management Program report is expected in 2022.

**Waste Rock Management** – Significant questions persist over methods used to evaluate the ability of waste rock to neutralize acidic conditions. Submission of a Seepage Management Framework and broad site-wide study into waste rock Effective Neutralization Potential have been delayed.

**Traditional Knowledge & Engagement** – Due to the limitations caused by COVID-19, there were no in-person engagements with communities. In addition, minimal Traditional Knowledge projects and preservation programs occurred throughout 2020.







MESSAGE FROM THE CHAIR

I am pleased to present the 2020-21 Annual Report of the Independent Environmental Monitoring Agency. The report summarizes our activities over the past year and offers recommendations to the company and regulators on how they may improve their environmental management of the Ekati Diamond Mine. The report is available in technical and plain language versions.

This past year has been a difficult and challenging one for all of us, and the mine. The COVID-19 global pandemic brought about many changes in how we do business, from working from home and cancellation of in-person meetings and consultations, to the temporary suspension of operations at the mine for worker health and safety. As you are reading this, I hope that you and your family are well.

Beginning in mid-March 2020 the company suspended operations at the Ekati Diamond Mine in response to COVID-19. A care and maintenance crew stayed on-site to maintain mine infrastructure. During the temporary suspension, the company was still responsible for all regulatory compliance and subject to inspections. The only exception was where the regulator provided an exemption from the requirements due to unforeseen circumstances and important health and safety requirements that made compliance monitoring difficult. The company resumed mining operations in February 2021.

In April 2020 Dominion Diamond Mines ULC (Dominion) filed for insolvency protection under the *Companies’ Creditors Arrangement Act*. A part of this process was searching for a new buyer for the mine. In February 2021 Dominion sold the Ekati mine. The new operator is Arctic Canadian Diamond Company Ltd (Arctic Diamond).

This past year the Agency continued to monitor the company’s activities at Ekati and continued to review and provide recommendations on their environmental management and monitoring activities. The Agency also communicated with the company on a weekly basis for any updates. We all learned to use Zoom for important “in person” meetings such as our Annual

SCORECARD

Topic	Rating	Evaluation
Air Quality	Satisfactory	The 2020 Air Quality Monitoring Report shows that monitoring results were similar to historical data. Arctic Diamond has not yet submitted the site wide Air Quality Emissions Monitoring and Mitigation Plan that has been promised since 2016.
Closure and Reclamation	Satisfactory	A March 2021 workshop focusing on the Closure Objectives has resulted in the approval of closure objectives for the mine. The emphasis now is towards finalizing closure criteria. The Old Camp area has been closed in accordance with their closure plan, post closure monitoring continues.
Financial Security	Good	Arctic Diamond has posted security to cover the reclamation cost associated with the current Closure Plan.
Traditional knowledge	Unsatisfactory	The Traditional Knowledge Elders Group for the Ekati Mine have not met since September 2018. Future meetings have not been scheduled. Arctic Diamond had limited engagement with communities and minimal Tradition Knowledge projects and programs were supported by Arctic Diamond in 2020 in the presence of COVID-19 restrictions.
Water and Aquatic Life	Satisfactory	There are no new water quality issues this year. The temporary suspension of operations at the mine resulted in much less ore being processed. Arctic Diamond transferred 4.8 million m³ of water from the LLCF to the Koala Pit, and the volume of water discharged from the LLCF was substantially greater than in any of the previous five years.
Wildlife	Unsatisfactory	The 2020 WEMP contains detailed reporting on waste management and wildlife observations and incidents. However, the Agency is disappointed by the unsubstantiated claims of the effectiveness of current mitigation to caribou movements and by the company's reluctance to thoroughly analyze data collected to assess current mitigation effectiveness and improve mitigation at the mine.

Scorecard rating definitions

**Unsatisfactory** – Arctic Diamond failed to meet the expectations of the Agency, failed to carry out important commitments, or its performance resulted in sanctions or violations.

**Satisfactory** – Arctic Diamond met the expectations of the Agency, monitored and managed environmental impacts, and its performance did not result in sanctions or violations.

**Good** – Arctic Diamond exceeded the expectations of the Agency, actively investigated and managed issues of concern, and its performance demonstrated best practices, best available technology, initiative and/or leadership.

General Meeting. The Agency had plans to conduct a community meeting in Wekweètì in May, but COVID-19 restrictions prevented this meeting from occurring. We hope to be able to visit soon.

In 2021 there was a change in Agency staff. Our Communications and Administrative Specialist, Shannon Moore left to take up another challenge. We thank her for contributions and welcome Jamie Mistry to the Agency.

I am looking forward to a new year where we can meet again face to face with the company and communities to discuss the important issues at Ekati. On behalf of all Agency Directors, I would encourage you to contact the Agency at any time with your comments and concerns, or if you wish for us to visit your community.

Marsi, mahsi, quiannamik, qana, merci, thank you



Jaida Ohokannoak  
www.monitoringagency.net

AGENCY RECOMMENDATIONS

**Recommendation 1 – To Arctic Canadian Diamond Company Ltd.:** The Agency recommends that Arctic Diamond re-activate preparation and distribution of a clear language periodic newsletter designed to inform the public of major developments and activities taking place at the Ekati mine.

**Recommendation 2 – To Arctic Canadian Diamond Company Ltd.:** The Agency recommends that Arctic Diamond update the current Traditional Knowledge Management Framework (2017) so that it is applicable for the entire Ekati mine site and the TK obtained is in correspondence with guiding principles and protocols from whom the knowledge is gathered. It is recommended that the framework be developed in collaboration with and approved by Indigenous Governments and Organizations.

**For responses to these recommendations, see the full report on our website: [www.monitoringagency.net/annual-reports/](http://www.monitoringagency.net/annual-reports/)**