

**Notes from the
Inter-Agency Coordinating Team
May 11th, 2001 Meeting**

Participants:

Scott Williams	BHP
John Witteman	BHP
Helen Butler	BHP
Tamara Hamilton	DIAND Environment & Conservation
Darren Unrau	DIAND Operations
Marc Lange	Department of Fisheries and Oceans (DFO)
Steve Harbicht	Environment Canada
Laurie Bruno	Mackenzie Valley Land and Water Board (MVLWB)
Greg Smith	Mackenzie Valley Land and Water Board (MVLWB)
Zabey Nevitt	Independent Environmental Monitoring Agency (Agency)
Robin Staples	Independent Environmental Monitoring Agency (Agency)

Meeting began at 1:30

Round Table Updates:

Laurie began by mentioning that she has been busy preparing for the upcoming public hearing for the Fox water licence amendment and noted that the land treatment aspect has been removed from the Fox application. She then asked the other IACT participants if they had concerns regarding the modification to the application. If there are no objections to the modified application then she noted that the hearing would be going ahead as planned. Laurie also mentioned that the Lutsel K'e Dene First Nation intends to send a delegate to the hearing and those who are interested in receiving transcripts of the hearing can register for them at the door. In addition, Laurie noted that she and Robin have been looking into missing pages in the approved July 1998 waste rock management plan regarding the Fox pipe. She indicated that BHP would be sending the missing page via email. Laurie also noted that the MVLWB has extended BHP's mineral exploration land use permit N1999C0046 to July 29, 2002.

In response to a question on BHP's land use permit/water licence applications for the Sable road, Laurie noted that the review of these applications has been started prior to the acceptance of the environmental assessment report by the Minister in order to help speed up the regulatory process as much as possible. She also noted that the MVLWB will not review the application until the assessment report has been approved. Laurie also mentioned that because the assessment report has not been approved, the deadline for reviewer comments will remain flexible.

John noted that caribou have not yet arrived at the mine site, but mentioned that wolves are present. He also noted that wolverines are present at the mine site and are continuing to present a management problem. Recently one wolverine was destroyed at the mine site, as it had become habituated to the camp. It tested negative for rabies.

John noted that environmental staff at BHP is once again working hard on effectively managing food waste in response to problems identified at the land fill sites. A bear fence around the Misery camp is also been constructed as a mitigation measure.

It was also noted that BHP environmental staff are getting prepared for this year's summer programs and John mentioned that the dissolved oxygen level in Little Lake has stabilized and aeration of this lake has stopped. Dr. Welch, of Northwater Consultants, is also working on a review of oxygen in lakes north of the tree line for BHP. The draft version of the paper has been sent to personnel at DFO and Environment Canada for comments. Dr. Welch's review indicates that other lakes at EKATI™ have low levels of dissolved oxygen and it was noted that shallow lakes under four metres in depth could suffer from winter kill. John indicated his opinion that these lakes represent only temporary fish habitat. Steve added that these dissolved oxygen levels are variable and depend on local geology among other factors. John noted that Dr. Welch will be presenting his final paper at 1:30 on June 1st, 2001 at Northern United Place. John also mentioned that high iron levels have been observed in King Pond, indicating a certain degree of anaerobic conditions and mentioned that it too may only provide temporary fish habitat.

In addition, environmental staff at BHP met with personnel from RWED, the Canadian Wildlife Service and the Agency at the end of April to discuss outstanding concerns with the Wildlife Effects Monitoring Program. As a result of this meeting it was determined that the Loon monitoring program would be cut back to half of the previous years and that caribou surveys will now be finishing up each season at the beginning of October. John also mentioned that a helicopter crash had unfortunately occurred at the mine site on Lac de Gras. An investigation is currently underway. Construction of the all-weather road to the proposed Fox pipe is also ongoing and the fuel tank installation will begin shortly past the end of Long Lake in an area away from water. As well, elders will shortly be visiting the site for the caribou spring migration and John noted that the elders make many useful wildlife management recommendations at this time. Mechanisms for more detailed reporting of elder visits are still being worked on. In response to a question on the destination of the decant water from Fox, John noted that the decant water, similar to the mine water, will be sent to the Long Lake Containment Facility. Lake water from Fox will be discharged directly into the receiving environment during dewatering. John also responded to a question regarding the monitoring of Long Lake discharge and he noted that the SNP station, 1616-30, monitors the discharge and that nitrate and conductivity levels have been observed to be rising, since discharge began out of Long Lake into Leslie.

Scott gave a quick update on the merger between BHP and Billiton and noted that the shareholders will be voting shortly and that management of the EKATI™ site should remain relatively unchanged. He indicated that the companies have quite different assets and should complement each other well. Scott mentioned that Billiton is based out of London and that should help to access new markets. Mention was also made that DiaMet shareholders will also be voting soon on the take-over bid from BHP. Scott also noted that the plain English summary for BHP's annual report would be distributed around the 15th of June.

Helen began by noting that the reclamation liability estimate for the mine has been released and a presentation on the Monte Carlo Simulation model has been given. Helen noted that a fact sheet would be sent out as a supplement to the report to help further explain the model. Further meetings can also be set up to discuss any concerns if necessary. She also mentioned that BHP would be attempting to apply this model to the water licence requirements for cost estimate as BHP feels that this model gives a more accurate value of reclamation costs. Helen also noted that land and water aspects of reclamation liability estimate will not be separated and she was receptive to providing reasons why this model was chosen over the RECLAIM model.

Following a general discussion on the approval process for the Monte Carlo Model, it was noted by Tamara that the cost estimate will be reviewed within DIAND and a meeting would be set up with the other agencies and BHP if outstanding concerns exist. Laurie also requested that those with comments on the appropriateness of both models be sent to her, so that the MVLWB could review the Monte Carlo Model as a potential replacement to the RECLAIM model. John also asked that those reviewing the cost estimate, provide their calculations if differences are found in the recommended security.

Darren mentioned that he inspected the site recently on May 8th and noted the following:

- The construction of the King Pond dam continues and that the liner system has been placed over the entire length of the dam. Thermosiphon piping was installed down the trench and heat exchange towers are being set up on the Cujo Lake side of the dam. It is anticipated that the dam will be constructed to final height in late June.
- Freshet has not yet occurred at site and the seepage survey will begin after freshet has begun. The seepage berm around the Panda waste rock pile is currently being constructed.
- Misery pit water will not be discharged and will be going into the Misery pit sump following its construction.
- Decant out of Long Lake will begin shortly and tailings continue to be discharged to cell C off of dyke B.
- The Panda Diversion Channel has recently been cleared of snow.

In addition, Darren noted that he is also reviewing the Sable haul road application and BHP's annual report.

Steve began by noting that phase one of the Long Lake kimberlite toxicity studies are nearing completion as the graduate student involved in the project is finishing up. The next phase of the studies is currently being discussed with those directly involved. Steve noted that the new director at the Aurora Research Institute has indicated that a scientific permit will be required for further studies and he was curious what permitting has been required to date for other similar graduate studies at the EKATI™ site.

Scott responded to Steve by noting that research permits are generally not required for work on site and if this becomes the norm, then graduate work at EKATI™ will no longer take place. He noted that much dialogue and consultation is already taking place for ongoing scientific research and it appears that further discussion is required with personnel from the Aurora Research Institute on this matter.

Marc began by discussing DFO's national position on lake compensation and noted that reclaimed pit lakes will not be accepted as lake compensation, mostly due to water quality concerns. Marc did mention that regionally, DFO is interested in testing the option of reclaiming pit lakes and briefly discussed opportunities for this at EKATI™ (i.e. the proposed Beartooth pit). Successful reclamation, and thorough testing of such pit lakes, may lead to the national position being reevaluated. Marc also noted that DFO intends to do some research in the Kodiak watershed studying such issues as water flow and fish movement. Ron Allen, DFO area director, has discussed this plan with BHP personnel. It was also noted that Dave Tyson, a habitat biologist with DFO, has been working on developing fish out regulations.

Following Marc's update BHP personnel initiated a discussion on how the company is attempting to implement innovative approaches to environmental management on such issues as reclamation and water treatment for example.

Zabey noted that the Agency has been busy producing this year's annual report and asked Scott to pass on the Agency's thanks to Denise Burlingame for help in supplying photographs. He also mentioned the proposed timing for the Agency's annual general meeting and site visit and noted that once these dates have become finalized he will let everyone know. In addition, Zabey mentioned that the Agency would be making a presentation at the MVLWB public hearing for the water licence amendment for the Fox pipe. The Agency will also be providing comments to the MVLWB regarding the seepage monitoring program for 2001 and to the Minister of DIAND on BHP's annual report. Zabey finished his update by mentioning that the reported spills at site have increased dramatically and that this was going to be noted in the Agency's annual report.

Scott responded to Zabey's comment on spills at the site by noting that this is a result of improved spill reporting and an increase in equipment at site. BHP's spill response is becoming much more efficient and BHP personnel are continuing to address this issue.

Tamara noted that she is preparing for the public hearing on the Fox licence amendment and noted that DIAND's letter and presentation will focus primarily on waste rock management. She is also working on integrating DIAND's comments on BHP's seepage survey. Tamara also noted that DIAND and the Mackenzie Valley Impact Review Board will start consultation discussions on the environmental assessment report for the Sable, Pigeon and Beartooth proposed development. The timing of the Minister's response will thus be dependent on this consultation process, but she noted that the beginning of June would be a reasonable date to expect the Minister's response. In addition, she noted that her department will be reviewing the cost variance report and BHP's annual report and mentioned that June 22 is the day that comments must be sent to the Minister of DIAND on BHP's annual report. Tamara also briefly noted that she went with Darren on his last inspection of the mine site and she found it a helpful exercise as it gave her a good perspective of ongoing developments.

Next meeting will be at the Agency's Boardroom at 1:15pm on June 15, 2001.

Meeting finished at 3:00pm