



Independent Environmental Monitoring Agency

P.O. Box 1192, Yellowknife, NT X1A 2N8 • Phone (867) 669 9141 • Fax (867) 669 9145

Website: www.monitoringagency.net Email: monitor1@yk.com

**Summary of Discussion from the
Inter-Agency Coordinating Team (IACT)
Meeting of May 23rd, 2008**

Participants

Charity Clarkin - BHPB
Laura Tyler - BHPB
Ben Counts - BHPB
Anne Wilson - EC
Ryan Frequet - WLWB
Erika Nyssonen - GNWT
Lionel Marcinkoski - DIAND
Malcolm Robb - DIAND
Nathan Richea - DIAND
Marc Cassas - DIAND
Kevin O'Reilly - IEMA
Sean Kollee - IEMA

Agenda

- BHPB overview on LLCF processed kimberlite spill event
- Nitrate/chloride management at Ekati
- Next IACT tour/visit
- Round table update

LLCF Spill Event

BHPB described the situation at the LLCF where processed kimberlite was observed to be flowing from the north end of cell B to the receiving environment at Fay Lake. Fortunately Fay Lake was frozen to the bottom at the time of the spill (it is fairly shallow at that section of the lake). Equipment was mobilized to cut off any flow and the road/berm was rebuilt to make it more resistant to flow (it is possible that kimberlite had also pushed up through the road). Immediate action was taken to remove kimberlite from the lake ice and a temporary road was built onto geotextile covering the tundra and the flow path of the spill. On Tuesday morning the authorities and affected parties were contacted. Inspectors came from Yellowknife to site and samples were taken. The DIAND inspector is still on site as of May 23, 2008. Pumps are out there and the ice is being cleaned. 5000 metric tonnes is an estimate of material that spilled onto the land and lake. Less than 5% of the spill remains on the ice.

Ekati Life of mine plan

BHPB provided an update on the life of mine plan that is driven by the need for mill throughput. Currently there are eight pipes in the plan. The decision and rate of development of pits at Ekati is based on optimizing cash flow or the net present value of the resource. BHPB plans to mine about 4.6M dry tonnes per year of ore. Value per tonne currently mined is highest at Koala UG and much lower at Fox Pit. Sable, Jay, Fox, Pigeon and Fox UG are valued at less than 70\$/t. The highest volume of ore exists at Jay and Fox Pits.

Nitrate Management at Ekati

BHPB provided a presentation on nitrate levels and management at Ekati. Nitrate in cell E of the LLCF is currently above the potential CCME guideline for nitrate (0.4 mg/L in June during the freshet is the low but it can reach 5.6 mg/L in April during an under ice high level) and the likely CCME guideline limit is 2.93 mg/L. The summer nitrate average is 3.9-4.2 NO₃-N mg/L. BHPB may a) hold water back during the freshet to avoid discharging water over the CCME guideline and b) explore nitrate options to reduce the level of nitrate in the water.

Discharge could be retained until the summer of 2009 where the water level could then approach the freeboard limit. BHPB is considering development of a site specific guideline and EC is contributing to this work through its approach to derivation of the nitrate CCME guideline. BHPB believes in the event of retention of LLCF outflow the water level from Leslie Lake and downstream would be based on precipitation. BHPB has yet to consider the effect of not discharging on the Koala Watershed but will do so.

BHPB's next steps are monitoring, investigation of sources of nitrate and finally an evaluation of treatment methods.

Fish monitoring

BHPB is considering follow up to the fish sampling of 2007 that identified the hydrocarbon metabolites. The 2007 test may not be statistically significant due to the sample size involved nor can sculpin be used as a surrogate. It is also possible that the sampling itself may be causing change to the community structure. In order to avoid harm to fish population in Leslie and Moose BHPB may consider sampling the LLCF cell e.

Round table updates

DIAND

Meetings have been ongoing since January on the AQMP. GNWT and EC are working with BHPB on air quality and lichen monitoring. Recent or pending events include the ICRP meeting, AMP review, AEMP review and other documents such as the annual environmental report will need to have a deadline for comments prepared once BHPB submits the plain language version. DIAND minerals will follow up on alternative mining methodologies with the company. A letter has been sent on the resolution of the 2006 BHPB annual environmental report approval following the delivery of the

Minister's Report and review process. The EIR remains outstanding and no final word has yet been received from GNWT on its satisfaction with the proposed changes from BHPB. The next three-year review period is reported to be 2009. In response to the question of if the EA five year review has had any action or consultation initiatives DIAND replied that it appears that BHPB and GNWT are not interested in any changes to the EA.

Agency

The Agency is preparing its annual report and will be meeting on June 2nd with the EA signatories to review Agency recommendations and improve implementation of the EA. The Agency would like responses within a short period following the release of recommendations at that meeting from the recipients. The next Agency board meeting will take place from June 3rd – 5th. The Agency's annual audit is underway. The Agency and EMAB hired Jacques Whitford to review the Diavik and BHPB Adaptive Management Plans and a draft is available of the report. The Agency plans a Lutsel K'e Board Meeting and Ekati site visit in September and an agenda for the tour will be agreed to with BHPB. The Agency and BHPB have completed a mediation process regarding the use of the Agency separate fund for participation in public hearings. The Agency also met with BHPB to discuss its reclamation research plan and viewed this as a productive event.

EC

EC is actively working on the spill at the LLCF but has no report yet on sample results. Various reviews are underway such as the Annual Report, AEMP and the ICRP (Anne is taking over the position on the working group from Sevanna). EC is active in air quality meetings with BHPB and GNWT. The Aquatic Toxicity workshop will be chaired by Anne (mining section) and a call for abstracts is coming soon. The conference is set to take place in Saskatoon at the new toxicology centre. Kodiak Lake sediments and Counts Lake (control) sediments were sampled for congeners of dioxin and furan from incinerator runoff. A specialized lab in Ontario is doing the work for EC.

WLWB

The WLWB has distributed the ICRP section four responses. The next meeting will take place at the Fraser Tower boardroom and an agenda will be out next week. The meeting will be facilitated by Jacques Whitford. The WLWB encourages any comments to be resolved ahead of time that can be taken care of. The Sable, Pigeon and Beartooth renewal exemption request is before the Board and direction will be provided. The issue of the licence amalgamation request has been decided and a letter from the WLWB will be distributed next week. The Board will also provide guidance on when the WAMP review will be initiated soon.

IACT Schedule – Tuesday has fly in and out options at Ekati. The wet season could be an issue. Potentially August 26th or September 16th, 23rd.