Inter-Agency Coordinating Team (IACT) for the Ekati Diamond Mine Summary of Discussion December 6, 2010

In Attendance

Lionel Marcinkoski (INAC) Lorraine Seale (INAC) Jason Brennan (INAC) Velma Sterenberg_(INAC) Keith McLean (BHPB) Eric Denholm (BHPB) Charity Clarkin (BHPB) Bruce Hanna (DFO) Kevin O'Reilly (IEMA) Monica Krieger (IEMA) Anne Wilson (EC) Jane Fitzgerald (EC) Gavin More (GNWT) Erika Nyyssonen (GNWT) Patrick Clancy (GNWT)

BHPB UPDATES

STAFFING UPDATES

Keith McLean was introduced as the new Superintendent, Environment Operations replacing Dave Abernethy. Charles Klengenberg will be starting in January as the newly created position of Advisor, Traditional Knowledge (Yellowknife office). Recruiting is ongoing for other vacant Environment staff positions on site.

OPERATIONS

Summer 2010 satellite image of Ekati is now available. Eric is to send pdf versions to Monica for upload to the Agency website, including one without labels.

Panda Diversion Channel (PDC) slope enhancement project is planned over the next two winters to improve physical stability and address continual minor sloughing of rock and soil into the channel. Benches about 18m wide (to accommodate turning rock trucks) will be cut on both sides of the channel, through a 770m section including the rock canyon and soil section immediately downstream. Sediment control berms with geotextile will be placed on the inside edges. A pad of frozen snow and ice 1-3m thick will be created in the channel bottom to catch blast fragments, and scraped clean prior to freshet. Time required for pad thawing may delay grayling entry to the channel in spring, but a v-notch will be cut to allow water flow. BHPB submitted a letter to WLWB requesting a modification to the water licence for this work, as well as detailed designs from EBA Engineering.

Misery open pit pushback is proceeding. Final internal approvals are underway, and a request for a water licence modification (reconfiguration of the Waste Rock Storage Area) will be filed with the WLWB by end of December. The new WRSA footprint eliminates the "thumb" out from Carrie Pond in favour of an additional 15m lift over the currently approved height. Half of Desperation Pond is also preserved to use for seepage water, as an additional safety measure while the pile undergoes construction and freezing. Over two years of pre-stripping will be required, planned to start in spring/summer 2011.

Updated Life of Mine Plan was presented including the Misery pushback as well as Pigeon (internal approvals still required). Sable no longer qualifies as "reserves" so is not included. Fox has lesser value than the other pipes but continues to be used to fill the mill to capacity. Cardinal and Jay pipes remain conceptual only.

> ENVIRONMENT/PERMITTING

The 2008 **Air Quality Monitoring Program (AQMP)** report is being revised. Jamie Steele is meeting with Aileen Stevens (GNWT) regarding snow sampling protocols. No changes to sampling locations are planned for 2011 but improved methodologies are the goal.

The Wildlife Effects Monitoring Program (WEMP) review continues with the October workshop report undergoing final edits and likely released later this month. The 2011 WEMP and wildlife research permit application are being finalized, with monitoring at Misery given importance due to renewed activity. Kevin expressed concern that the permit application will be the only notification of further changes to the WEMP. He suggested that a covering letter should be attached to the report, identifying the companies' responses to the results of both the technical and community workshops and indicating any planned changes. Keith stated that any major changes were discussed at the workshop, notably for peregrine falcon and wolverine. Gavin noted that since the review process for WEMPs is not defined in the Environmental Agreement as other programs are, the only process in place is for the wildlife research permit. However, consultation requirements should be met through the development of monitoring plans and programs, not through the permit applications themselves. He also questioned whether the companies will be re-issuing updated versions of the wildlife management plans as this is the place where the detailed objectives and methodologies should be spelled out, not in the annual WEMP reports.

BHPB is working with DFO on closure for the **PDC/Nero-Nema** compensation plan, including habitat features and documenting what did and did not work. The independent review of the 10-year PDC monitoring report by Bill Tonn (commissioned by the Agency) will also be included in the discussion.

The design report and compensation plan and monitoring for the **Pigeon Stream Diversion Channel** will be ready to submit to DFO/WLWB within the next couple weeks, and the **Pigeon Aquatic Effects Monitoring Program (AEMP)** will be submitted to the WLWB in January.

Work continues with Rescan on the **Long Lake Containment Facility (LLCF) nitrate reduction experiment** to investigate why it was successful in summer 2009 but not in 2010. **Beartooth pit** continues to be used for underground minewater. An updated report will be issued for the **LLCF water model**, specifically for nitrate and chloride. BHPB will likely pursue a site-specific derivation for the **molybdenum water quality objective**. Rescan would research any new toxicity data, and it would be circulated for technical review through the WLWB. Kevin asked whether this was linked to the Misery pushback, as increased molybdenum levels were noted previously when Misery ore was being milled. Eric replied that some recent work by SRK indicates molybdenum is a site-wide issue and probably present in all the pipes.

The WLWB decision on the **Interim Closure and Reclamation Plan (ICRP)** is expected later this week.

> OTHER UPDATES

Pumping from Misery pit took place last summer, approximately 1/3 of the accumulated water. King Pond was also drawn down to provide extra capacity. Discussions continue with Jason Brennan regarding pumping from Misery to King Pond and discharge into Cujo Lake at the same time. **New airport fencing** has been installed, replacing the electrified wire fence that had maintenance issues as well as caused caribou deaths from entanglement. Tracks and anecdotal information indicate caribou are following the fence but not attempting to go through it, based on the fence around Beartooth pit made of the same material.

IEMA COMMUNICATIONS

Monica presented an overview of several communications initiatives the Agency has recently undertaken. The main Agency website, www.monitoringagency.net, is being reorganized and improved to be more user-friendly and easier to navigate with a full archive of historical files. The new Ekati Timeline project is still being developed but will be accessed via a link from the main website. It will describe significant Ekati events (operations-related, environmental issues, and regulatory/Agency events) and provide links to relevant documents, photos, and video footage. Agency Society members will have the opportunity to review the content before it goes online. The new November issue of the *Ekati Monitor* newsletter was also presented. This communications tool was previously produced by the Agency from 1998-2001, and has been renewed following a recommendation in the external review of the Agency conducted by SENES Consultants in March 2009. It will be published twice yearly, as well as e-mailed to Society members and available on the website.

INAC MINISTER'S RESPONSE LETTER

Lionel stated the INAC Minister's response to the BHPB 2009 Environmental Agreement and Water License Annual Report will be released later this week, and concludes the report is satisfactory. BHPB will still be requested to respond to any concerns raised by those that commented.

ROUND TABLE UPDATES

- EC: Anne Wilson and Dave Fox gave a presentation on incineration at the Agency's workshop
 on air quality November 17th, and BHPB needs to get the new incinerator operational. The
 study on dioxins and furans in Kodiak Lake sediments will be published in an upcoming
 journal article. More emphasis is needed on linking snow/ lichen/dust sampling data with the
 WEMP and AEMP. Jane Fitzgerald is now responsible for work on the ICRP as Savanna
 Levinson accepted a position with the BC government in Smithers.
- IEMA: Recent activities include September site visit, ICRP public hearings, October WEMP workshop, independent reviews of the 10-year PDC report and 2008 AQMP, air quality workshop, and Agency AGM. The Agency appreciates all participants and presenters at the air quality workshop November 17th, as well as the significant improvements BHPB has made to the AQMP, and hopes to see regional CALPUFF modelling and other coordination of activities with Diavik. Kevin has prepared background materials for Directors on the Environmental Impact Report (EIR) discussion paper. The Agency feels BHPB should focus more on longer-term effects and adaptive management instead of comparison between predicted and actual effects.
- DFO: Toxicity testing continues, to determine whether northern fish species are more sensitive than rainbow trout in LC₅₀ tests. Grayling, lake trout, and lake whitefish were successfully included but the round whitefish eggs could not be used because they were not fertilized. However, spawning locations are known and additional samples will be taken. Bruce Hanna will be away until early February.
- GNWT: Aileen Stevens will be meeting with BHPB on snow sampling protocols, John McKay
 has been providing assistance with the Continuous Air Monitoring building and is available for
 further help. GNWT wildlife staff have been involved in the WEMP review. Steven Matthews
 will be retiring in the spring, and Amy Jenkins will be on maternity leave so Patrick Clancy will
 keep the BHPB file for now.
- INAC: Malcolm Robb is the acting Director for the Contaminants and Remediation Directorate, and Kate Hearn has returned as Director of Minerals. The 2011 Northern Latitudes Mine

Reclamation workshop will be held in Fairbanks, and a call for papers has just been released (watch the Yukon Government website for updates).

Jason noted the October Surveillance Network Program (SNP) report shows trace amounts of total petroleum hydrocarbons at station 1616-30 (outlet of the LLCF) for the first time ever, likely because BHPB recently requested that the lab lower the detection limit. The amounts are still about nine times lower than the maximum allowable in the water license, but indicates there are trace hydrocarbons coming from the LLCF and being released into the receiving environment. Jason's inspection reports reflect the majority of items reviewed during his visits, and are available on the WLWB public registry. Next scheduled inspection is December 7th

• BHPB: Keith explained BHPB had contractors on site to complete installation and commissioning of the new incinerator, but the work was not completed. A new assessment on the building is planned, and Ekati President Paul Harvey has approved money for a new contractor to complete the work. Eric added that along with physical modifications, BHPB also needs to develop new operating procedures for the equipment and for transport of garbage to the new location. BHPB appreciates the assistance of GNWT staff with snow sampling protocols and the Continuous Air Monitoring building. PDC construction work is the main priority, scheduled to start mid-January. New rock trucks for Misery should be coming up on the winter road. Bluefish secondary ice road through the old Discovery mine area will be built again this year, with wide loads taking this route. Anticipated 7000-8000 loads this year, vs. about 4200 last year.

NEXT MEETING

Next meeting to be scheduled for the first half of March 2011.