

BHP Billiton Canada Inc.
Operator of the EKATI Diamond Mine



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December 12th, 2011

Nicole McCutchen, Manager Wildlife Research and Management,
Susan Fleck, Director of Wildlife
Environment and Natural Resources
Government of the Northwest Territories
Box 1320
Yellowknife, NT X1A 2L9
Email: Nicole_McCutchen@gov.nt.ca and Susan_Fleck@gov.nt.ca

Re: 2012 BHP Billiton Grizzly Bear Hair Snagging Monitoring Program

Dear Ms. McCutchen and Ms. Fleck,

We would like to thank the Government of the Northwest Territories (GNWT), Department of Environmental and Natural Resources (ENR) for arranging a grizzly bear monitoring workshop that was held on November 2nd, 2011 in Yellowknife, NT. One of the action items that resulted from the workshop was that each diamond mine (EKATI, Diavik, Snap Lake) and the proposed Gahcho Kué Project were to indicate by December 12th, 2011 if they were willing to participate in a joint regional hair snagging program that would support the revised objective endorsed by ENR, namely ***“to determine if mine-related activities influence the relative abundance and distribution of grizzly bears in the study area over time”***.

Representatives from each of the mines listed above met on December 5th, 2011 to discuss this item. We would like to inform you that this meeting resulted in agreement in principle among the diamond mines to proceed with a joint approach to conducting a regional grizzly bear hair snagging program. The details of this program relating study design, methodology and logistics are yet to be finalized and we look forward to ENR's continued input in this process. We are very pleased that the proactive field work conducted by BHP Billiton during 2011 at EKATI will be used as the basis for the full-scale designs.

BHP Billiton plans to conduct an expanded Grizzly Bear DNA hair snagging program in 2012 based on the experience learned from the 2010 and 2011 monitoring programs. As part of EKATI's summer community participation program, Elders and Youth were invited to help identify preferred Grizzly Bear habitat and assist in refining the program methodology. This input will be used in the design of the 2012 Grizzly Bear hair snagging monitoring program.

Some of the other mines/projects plan to join the regional study in the summer of 2013. This will then generate information over a broader geographic area. As recommended by community participants of the 2010 Wildlife Monitoring Program Review Workshop, BHP Billiton agrees this type of collaborative approach in wildlife monitoring may be useful to support broader initiatives and objectives. Nonetheless, BHP Billiton sees value for the EKATI mine in conducting the survey at EKATI in 2012 as well.

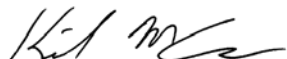
Additionally, we would appreciate ENR's continued commitment to house the data in its Wildlife Management Information System in order that this data remains available to future developers and researchers as well as to support any future efforts toward cumulative effects assessment and grizzly bear management plans.

We would also like to discuss the option of developing a Memorandum of Understanding (MOU) to more clearly lay out each party's commitments relating to the grizzly bear monitoring program.

If you have any questions or comments please contact the undersigned.

Yours sincerely,

BHP Billiton Canada Inc.

A handwritten signature in black ink, appearing to read "Keith McLean". The signature is fluid and cursive, with a long horizontal stroke at the end.

Keith McLean

Superintendent – Environment Operations