

Independent Environmental Monitoring Agency

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September 29, 2014

Brett Wheler Executive Director Wek'eezhii Land and Water Board #1-4905 48th Street Yellowknife NT X1A 3S3

Dear Brett

Re: Agency Comments on Ekati Mine Water Licence Amendment – Part C Security

The Independent Environmental Monitoring Agency has reviewed the proposed amendment to the security provisions of the water licence for the Ekati Mine operated by Dominion Diamond Ekati Corporation (DDEC). We strongly support the inclusion a requirement for posting of security within a reasonable period to ensure timely compliance with decisions of the Board with regard to posting of security.

The Agency is on record with our concerns with regard to the significant delays in the posting of financial security as follows:

- January 21, 2014 Agency letter to Aboriginal Affairs and Northern Development Canada (AANDC) and the Territorial Environment and Natural Resource (ENR) Ministers on the significant gap in security for Ekati. On March 3, 2014 the AANDC Minister responded but there has been no response from ENR;
- March 5, 2014 Agency comments on the 2013 ICRP Annual Progress Report submitted to the WLWB. Agency stated that no consideration should be given to security reductions until full security under the water licence is posted; and
- September 2013 Agency 2013-14 Annual Report released with a recommendation that security be posted under the Ekati water licence no later than July 1, 2014.
 GNWT stated it is working with DDEC to finalize security by the end of the summer.

To the best of our knowledge, full security has still not been posted for the Ekati water licence by DDEC. The Agency remains very concerned that the security is still outstanding after more 14 months and, while the Agency has no reason to believe that financial security would be needed in the immediate future, we are unable to assure our

Society members or the general public that there are sufficient resources to properly close the Ekati Mine based on the plan approved by the Board in November 2011.

We thank you for the opportunity to submit comments and we would be happy to discuss them with you and others at your convenience.

Sincerely,
M.A. Pore

Bill Ross Chairperson

cc. Chiefs Edward Sangris and Ernest Betsine, Yellowknives Dene First Nation

Chief Felix Lockhart, Lutsel K'e Dene First Nation

Grand Chief Eddie Erasmus, Tlicho Government

Bill Enge, President, North Slave Metis Alliance

Charlie Evalik, President, Kitikmeot Inuit Association

Hon. Minister Michael Miltenberger, Environment and Natural Resources, GNWT

Bob Gannicott, Chief Executive Officer, Dominion Diamond Corp.

Veronique, D'Amour-Gauthier, Fisheries and Oceans

Sarah-Lacey MacMillan, Environment Canada