

Territories Environment and Natural Resources

APR 2 3 2007

Mr. David Scott Manager, Environment and Business Planning BHP Billiton Diamonds Inc. #1102 4920-52nd ST YELLOWKNIFE NT X1A 3T1

Dear Mr. Scott:

Release of the

EKATI Diamond Mine 2005–2005 Air Quality Monitoring Program and 2005 CALPUFF Air Dispersion Modelling Assessment reports and an Update on the Status of Air Quality Monitoring Program at the EKATI Diamond Mine

On October 30, 2006, in response to concerns expressed by the Department of Environment and Natural Resources (ENR) in the review of the EKATI Diamond Mine: 2006 Environmental Impact Report (EIR), BHP Billiton (BHPB) submitted the report entitled EKATI Diamond Mine: 2005 Air Quality Monitoring Program produced by Rescan Environmental Services Ltd. for BHPB along with another Rescan report - EKATI Diamond Mine: CALPUFF Air Dispersion Modelling Assessment.

The main concerns of the 2006 EIR related to the claims and conclusions regarding the impact of mine emissions on ambient air quality and that the EIR did not adequately address the requirements of the Environmental Agreement. The EIR deficiencies were due in part to the actual data collected and reported, as well as the lack of a comprehensive air quality and emissions monitoring program to collect the appropriate data. The program would provide the basis for trend analysis and impact assessment.

The supplemental 2005 Air Quality Monitoring Program report provides no new monitoring information, but subjects the existing sparse data to more rigorous analysis and presents it in an improved format. There are however, some positive aspects to the report that could be built upon for future reports (e.g. presentation of data in a year-by-year format) but this does not address the concerns regarding the EIR.



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