

BHP Billiton Canada Inc.
Operator of the EKATI Diamond Mine



BHP Billiton EKATI Diamond Mine
#1102 4920-52nd Street
Yellowknife NT Canada X1A 3T1
Tel 867 669 9292 Fax 867 669 9293
bhpbilliton.com

December 23, 2011

Chief Antoine Michel
Lutsel K'e Dene First Nation
P.O. Box 28
Lutsel K'e, NT X0E 1A0

Re: Caribou Mortality at EKATI Airport

Dear Chief Michel,

BHP Billiton Canada Inc. is notifying EKATI Diamond Mine Impact Benefit Agreement communities of the dispatch, on Wednesday December 20 2011, of a female caribou that had taken up residence in the vicinity of the EKATI airport and runway. We at BHP Billiton understand the value and importance of caribou to the people of the North and we strive to uphold these principles with the way wildlife safety is managed at the EKATI Diamond Mine. BHP Billiton only considered these actions necessary after considering the safety of personnel and aircraft using the EKATI airport and after exhausting other non-lethal deterrent options. This letter is to inform our IBA stakeholders of this action; to explain why it was deemed necessary and what other deterrent options were used.

In late November, a healthy young female caribou was observed around our airport. No concern was noted as she spent most of her time elsewhere around the area of the mine site. During the week of December 5th she decided to remain within the vicinity (fenced in area) of the airport. As typically occurs in winter conditions, the plastic wildlife fence that was installed to encourage wildlife to avoid the runway was partially drifted over by blowing snow and caribou were able to cross.

The risk of an interaction between an airplane and an animal is very serious and this is why the runway was protected first by an electrified fence and then replaced by an improved plastic wildlife fence (preventing entanglement of animals within the wire strands). EKATI has many aircraft that transport personnel and equipment to and from the mine site in daylight and night-time conditions. This caribou was observed to cross the airstrip occasionally and did rest and feed directly beside the airstrip (within 50-100 meters).

Protecting human safety is the most important of our core values and we are unable to accept the risk of having an interaction between an aircraft and the caribou. Environment personnel were assigned to first use and explore various non-lethal deterrent techniques to move the caribou and viewed dispatching the animal as only a final course of action.

Numerous attempts to deter the animal from the airport were tried, all with no success. Because the caribou had good grazing areas around the airport (due to less snow on the ground there), she continually returned to her favourite grazing and resting areas beside the airstrip. On several occasions the caribou was observed crossing the runway, presenting a high risk to aircraft landing or taking off

BHP Billiton contacted Environmental and Natural Resources (ENR) for their advice and discussed different methods to deter the animal without using lethal force. All these actions were taken and are described below:

- Use of Bear Bangers and “Bear Screamer”
- Use of air horns and vehicle horns
- Herding the animal away from the airstrip by using people (12) on the ground and vehicles (3). On all three occasions this was attempted she ran away temporarily, but always circled around and returned to her favourite spots along the airstrip.
- Use of rubber slugs and beanbags. She responded to people approaching her and always stayed out of range of this deterrent method. The shotgun noise or the bear bangers did not bother her.
- In addition to using deterrents, Wildlife Technicians scouted the airstrip before every airplane landing (night and day) to visually observe that the runway was clear. This included a 24 hour period from December 11th to 15th when we had Hercules aircraft flights during the night. Even this approach could not guarantee the safety of landing aircraft.

Although the snow conditions were good for grazing, they did not allow us to use snowmobiles to deter the caribou (because there are a lot of rocks around with little snow cover). This option was closely examined and ready to be implemented, however it was determined that there was not enough snow on the ground.

Unfortunately none of our efforts to deter the caribou from the airstrip were successful and the risk of an interaction with an aircraft is something that we could not accept. For this reason, with permission from ENR, we regrettably had to dispatch the caribou on December 20th.

An IBA community member working at EKATI was asked to skin and prepare the animal and generously offered to do so. As instructed by ENR, we will send the meat, head, and organs (heart, kidneys, and liver) to their office in the New Year. A Mortality Report was also submitted to ENR on December 20

If you have any questions or wish to discuss this situation, please contact me at 1-867-669-6156.

Yours sincerely,

BHP Billiton Canada Inc.

Richard Morland

Head of HSEC