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November 21st, 2008

Files: MV2003L2-0013

Ms. Laura Tyler BHP Billiton Diamonds Inc. #1102, 4920-52nd Street Yellowknife, NT X1A 3T1

Dear Ms. Tyler,

Re: Revised Wastewater Processed Kimberlite Management Plan

The Wek'èezhìi Land and Water Board (WLWB) has reviewed and approved BHP Billiton's Wastewater Processed Kimberlite Management Plan submitted on August 31st, 2007, as required by Part F, Item 1 of Water Licence MV2003L2-0013 and Part G, Item 1 of Water Licence MV2001L2-0008. The WLWB appreciates BHPB's thoroughness in addressing the commitments required by the Board.

If you have any questions, please feel free to contact Ryan Fequet at <u>rfequet@wlwb.ca</u> or by phone at 867-669-9589.

Sincerely,

veplandin

Violet Camsell-Blondin Chair, WLWB



STAFF REPORT

Company: BHP Billiton Diamonds Inc.	
Location: Lac de Gras	License: MV2003L2-0013, MV2001L2- 0008
Date Prepared: January 17 th , 2008	Meeting Date: February 12 th , 2008
Subject: BHP Billiton's Submission of the Wastewater Processed Kimberlite Management Plan	

Purpose/Report Summary

The purpose of this report is to present BHP Billiton's submission of the Wastewater Processed Kimberlite Management Plan to the Board for approval required by Part F, Item 1 of Water License MV2003L2-0013 and Part G, Item 1 of Water License MV2001L2-0008.

Background

On September 12th, 2006, the Wek'eezhii Land and Water Board approved the March 2006 Wastewater and Processed Kimberlite Management Plan (WPKMP) with the following five conditions to be fulfilled before the next revision which is to be submitted by March 31st, 2008:

- Revise the wording in the "Objectives" section to reflect that "exceed licence criteria" means "better than the licence criteria" as per comment EC-5 in BHPB's WPKMP Response Table – July 14th, 2006.
- 2. Include the Life of Mine Plan
- 3. Any assumptions used to make management decisions shall be summarized and supported by evidence (historical experience, monitoring results, etc.)
- 4. Uncertainties and information gaps, and the work being undertaken to resolve these are to be summarized.
- Confirm elevation data for water levels in Cell E as per comment IEMA-17 in BHPB's WPKMP Response Table – July 14th, 2006.

BHP Billiton has submitted the revised Wastewater and Processed Kimberlite Management Plan on August 31st, 2007 with all of the necessary changes. Please see the summary provided by BHPB within their August 31st, 2007 Cover Letter outlining how they have fulfilled each commitment required by the Board.

Discussion

The Board also requested that BHP Billiton provide the Board with updates on research plans for effluent treatment options and the results of that research in the Annual Reports for the water licences. Additional tasks that BHPB has committed to completing over the next two years include:

- Construction of the Cell A Processed Kimberlite pipeline and discharge spigots below the topographical divide; and
- Construction of water diversion structures east of cells B and C and west of Cells D & E

The Board also expected that BHPB would fulfill its commitment to avoid deposition in Cell D of the LLCF for as long as possible unless otherwise approved by the Board, which thus far they have continued to do. Many of the reviewer comments originally dealt with closure and reclamation issues, which the Board has directed be dealt with during the development of the Closure and Reclamation Plan.

Recommendation

Based on BHP Billiton's commitment to submitting an updated version of the 2006 Wastewater and Processed Kimberlite Management Plan in a timely fashion with all of the changes requested by the Board, I recommend that the Board approve BHPB's 2006 Wastewater and Processed Kimberlite Management Plan.

Respectfully submitted,

Ryan Fequet, B.Sc. Regulatory Specialist

Attached: i) BHP's August 31st, 2007 Cover Letter for their submission of the Revised WPKMP
ii) Revised 2006 Wastewater and Processed Kimberlite Management Plan (in CD format)