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Box 1500  
YELLOWKNIFE NT X1A 2R3

December 1, 2006

*Your file - Votre référence*

*Our file - Notre référence*

Mr. David Scott  
Manager, Environment and Technical Services  
Ekati Diamond Mine BHPBilliton Diamonds Inc.  
#1102 4920-52<sup>nd</sup> Street  
YELLOWKNIFE NT X1A 3T1

Dear Mr. Scott:

**RE: BHPBilliton Ekati Diamond Mine 2006 Environmental Impact Report,  
2005 Annual Report, Security Deposit**

I am writing in response to your letters of September 28, October 13, and October 30, 2006 concerning various environmental management matters at the BHPBilliton Ekati Diamond Mine. I understand that representatives of BHPBilliton, the Government of the Northwest Territories – Environment and Natural Resources (GNWT-ENR) and Indian and Northern Affairs Canada (INAC) met on October 26, 2006 to discuss these and other issues and that some progress has recently been made.

In particular, I note the following:

- INAC and Justice Canada are working with counsel for BHPBilliton and the Royal Bank of Canada to review the revised draft Irrevocable Letter of Credit provided by BHPB on September 28, 2006.
- INAC and GNWT-ENR staff are currently reviewing the air quality information and reports provided in BHPB's October 13 and 30 letters.
- Having received your letter of November 15, 2006 concerning appointments to the Board of the Independent Environmental Monitoring Agency, INAC wrote to the Aboriginal parties on November 24, 2006 to advance the consultation required under Article IV (4) of the Environmental Agreement.

I would be pleased to meet with Sean Brennan, President, Ekati Diamond Mine and other senior management personnel, as requested during the October 26 meeting. Dorothy Morrison at 669-2648 or Lionel Marcinkoski at 669-2591 is available to assist in arranging a mutually convenient time for such a meeting.

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If you have any questions about any of the above, please do not hesitate to contact David Livingstone at (867) 669-2647. I look forward to working with you and other members of the BHP Billiton team to ensure sound environmental management of the Ekati Diamond Mine.

Sincerely,



Bob Overvold  
Regional Director General  
Northwest Territories

CC: Mr. Bob Bailey, Deputy Minister, GNWT-ENR  
Ms. Doris Eggers, Director, Policy, Legislation and Communication,  
GNWT-ENR  
Mr. Sean Brennan, President and Chief Operating Officer, BHPBilliton  
Ms. Jane Howe, Chief, Environmental Officer, BHPBilliton  
Mr. David Livingstone, Director RRE  
Mr. Bill Ross, Chair, Independent Environmental Monitoring Agency