

BHP Billiton Diamonds Inc.
Operator of the EKATI Diamond Mine

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

Attention: All on distribution list at end of this letter

To all concerned:

Based on recent discussions with ENR, Rio Tinto's Diavik Diamond Mines Inc. (DIAVIK), De Beers Canada's Snap Lake Diamond Mine (Snap Lake), and respective independent monitoring agencies, BHP Billiton Diamonds Inc.'s EKATI Diamond Mine (EKATI) is proposing changes to improve the Wildlife Effects Monitoring Program (WEMP).

This letter brings to your attention the scope of these changes prior to EKATI's formal application for the renewal of the Wildlife Research Permit WL005662 to conduct the WEMP at EKATI, due to expire on 15-May-2009.

An important part of making these changes is our continued commitment to the Environmental Agreement and consultation with communities prior to initiating changes to the WEMP; in this case a willingness to provide communities with written communications and/or visit communities (if invited to do so) to discuss the proposed changes prior to implementing them as follows:

- **Upland Breeding Bird Study (UBBS):** Ceasing to conduct the UBBS that has now accumulated 13 years of data which, after analysis, has shown community density and species diversity has either not changed or has increased over time. The UBBS has met the following three objectives and now generates very little new information each year:
 - determine if proximity to the mine influenced bird density or temporal trends in density of individual species of upland breeding birds from 1996 to 2008;
 - determine if proximity to the mine influenced the density, species richness and species diversity of the bird community from 1996 to 2008;
 - identify species of conservation concern breeding in the EKATI study area.

EKATI intends to produce a stand-alone "closing" report during 2009 that will provide detailed analysis of the 13 years' data from the UBBS and be made available to all stakeholders. EKATI believes it has the support from the Independent Environmental Monitoring Agency (IEMA) to implement this change.

- **Aerial Caribou Surveys:** EKATI is working with DIAVIK on a plan to share resources (helicopter, staff, and training) that will see slight modifications to DIAVIK's transects to be added onto EKATI's existing study area, enabling improved data to be collected from aerial caribou surveys, cost savings, and improved safety. Flying surveys with a combination of EKATI and DIAVIK staff will minimise helicopter use and potential disturbance to the animals. Ensuring that both EKATI and DIAVIK staff are trained to collect data in a standard and consistent manner will improve the quality and value of each survey. Reducing costs of the aerial surveys may enable improved caribou behavioural work to be done.

- **Caribou Behavioural Studies:** In conjunction with ENR biologists, EKATI is working with DIAVIK on a plan to share resources (helicopter, staff, and training) aimed at improving collection of behavioural data. This is still very much under review and is a tentative idea.
- **Grizzly Bear Studies:** It is likely that changes in grizzly bear presence or habitat use from mining activity within the EKATI study area may not be detectable from the current study design because the farthest plot away from the mine footprint (21km) is within a buffer zone considered to potentially influence grizzly bear habitat use (23km) (Johnson et al. 2005¹). The addition of hair snag traps to monitor DNA in hairs left by grizzly bears would answer the question of whether high numbers of bear sign observations may simply be from one bear (or family group) spending longer periods of time around one plot. EKATI is considering eliminating the grizzly bear sign survey this year and improving survey design and methodology before re-implementing the study in future years. This is still very much under review and is a tentative idea.

EKATI is continuing the commitment to effectively monitor wildlife and communicate the results with our stakeholders. EKATI looks forward to submitting the official application for renewal of the Wildlife Research Permit WL005662 later this month, with specific details about proposed changes and the steps taken to involve communities in the decision-making process associated with implementing them.

Regards,




Andrew Nichols

Environment Advisor - Wildlife

EKATI Diamond Mine

BHP Billiton

#1102 4920-52nd Street, Yellowknife, NT, X1A 3T1, Canada

Mailto andrew.i.nichols@bhpbilliton.com

Internet <http://www.bhpbilliton.com>

Phone +1 867 8802115

Mobile n/a

Fax +1 867 8804012

Please consider the environment before printing this email

¹Johnson, C. J., M. S., Boyce, R. L. Case, H. D. Cluff, R. J. Gau, A. Gunn, and R. Mulders. 2005. Cumulative effects of human developments on arctic wildlife. *Wildlife Monographs* 160:1–36.

DISTRIBUTION LIST

Susan Fleck – Wildlife Director, Environment and Natural Resources, Government of Northwest Territories

Lance Schmidt – Superintendent North Slave Region, Environment and Natural Resources, Government of Northwest Territories

Geoff Clark – Director of Lands, Environment, and Resources, Kitikmeot Inuit Association

Sheryl Grieve – Environmental Manager, North Slave Métis Alliance

Eddie Erasmus – Director, Lands Protection, Tlicho Government

Sonya Almond – Manager (Acting), Wildlife Lands & Environment Committee, Lutsel K'e Dene First Nation

Todd Slack – TE GIS, Yellowknife Dene First Nation

Kevin O'Reilly – Manager, Independent Environmental Monitoring Agency

Kathy Racher – Regulatory Director, Wek'èezhii Land and Water Board

Gavin More – Manager, Environmental Assessment and Monitoring - Environment and Natural Resources, Government of Northwest Territories