

BHP Billiton Diamonds Inc.



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May 31, 2007

Independent Environmental Monitoring Agency  
P.O. Box 1192  
Yellowknife, NT  
X1A 2N8

Attention: Mr. Bill Ross  
Chair

Dear Mr. Ross:

**Re: BHP Billiton Response to IEMA Letter on Deposition of Wastewater into Cell D, Long Lake Containment Facility (LLCF)**

BHP Billiton Diamonds Inc. would like to thank the Independent Environmental Monitoring Agency (IEMA) for their letter of October 25, 2006 regarding deposition of wastewater from Fox Pit into Cell D of the Long Lake Containment Facility (LLCF). Management decisions regarding the LLCF are made in accordance with the Wastewater and Processed Kimberlite Management Plan (WPKMP) that was approved by the Wek'èezhìi Land and Water Board on September 12, 2006 and in accordance with the Water Licences managed by the Board.

In our comments table regarding the WPKMP submittal, tracking item # 10 addresses operational minewater discharge into Cell D with the following response:

*"BHP Billiton requires the adaptability to pump minewater to various cells of the LLCF including Cells A, B, C and/or D because operational requirements may dictate that adaptive measures be implemented quickly to protect the safety of the mining operations and the downstream receiving environment. We require the flexibility of utilizing the various Cells of the LLCF. While Cell D is included it is not the preferred option for minewater discharge. Also, minewater from the various Pits and Underground is pumped via a pipeline system with in-line flocculant plants that may be utilized, depending on the nature of the sediment load, for treatment of suspended solids prior to discharge to the LLCF.*

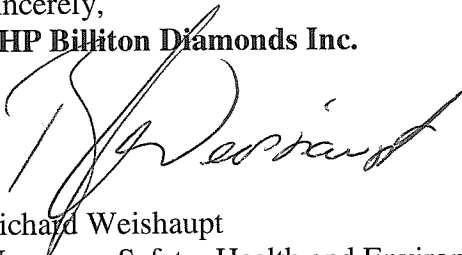
*BHP Billiton is aware of the concern associated with potentially discharging into Cell D and is adaptively managing the LLCF so as to minimize this potential."*

The approved WPKMP states in Section 2.1.3 Management of Operational Mine Water page 12 that: *“The water is currently directed to Cell C of the LLCF. However operational requirements may dictate that water may be discharged to other cells of the LLCF, including Cells A, B and D.”*, and page 14 of Section 2.1.3 under the sub-heading of Open Pits and Underground Workings, Fox Pit it states that: *“An in-line flocculent treatment may be utilized, on the Fox dewatering line depending on water quality, prior to discharge to the LLCF (Cell C and/or D).”*

A mine water discharge point is clearly identified in the WPKMP, Figure 2, Long Lake Containment Facility and Associated Infrastructure for Cell D on the Fox discharge line (copy of Figure attached). It also should be noted that we are depositing wastewater and not fine processed kimberlite (FPK) into Cell D. In regards to fine processed kimberlite (FPK) and extra fine processed kimberlite (EFPK) as opposed to mine water the WPKMP states in Section 3.4.2 Option 3aM Objectives that: *“ Delay discharge of FPK to Cell D for as long as possible. If the use of Cell D can be delayed beyond 2014 there is a potential for a mined-out pit to become available for depositing processed kimberlite, thereby avoiding the storage of FPK in Cell D.”* On the above basis and the fact that water will not be released from the LLCF unless it meets the Licence discharge criteria we disagree with the Agency’s assessments of the facts.

We trust that this information addresses the concerns of the Agency at this time. We look forward to future discussions with the Agency and our stakeholders regarding EKATI’s adaptive environmental management approach. If you have any questions or concerns, please do not hesitate to contact me at 867-880-2440.

Sincerely,  
**BHP Billiton Diamonds Inc.**



Richard Weishaupt  
Manager - Safety, Health and Environment  
EKATI Diamond Mine

RJW/rbm/cjm...

Attachment:

cc. Ms. Violet Camsell-Blondin , Chair; Wek’èzhii Land and Water Board  
Jason Brennan, DIAND Resource Management Officer III

ENR-SWP-PKWW-05 Wastewater and Processed  
Kimberlite Management Plan

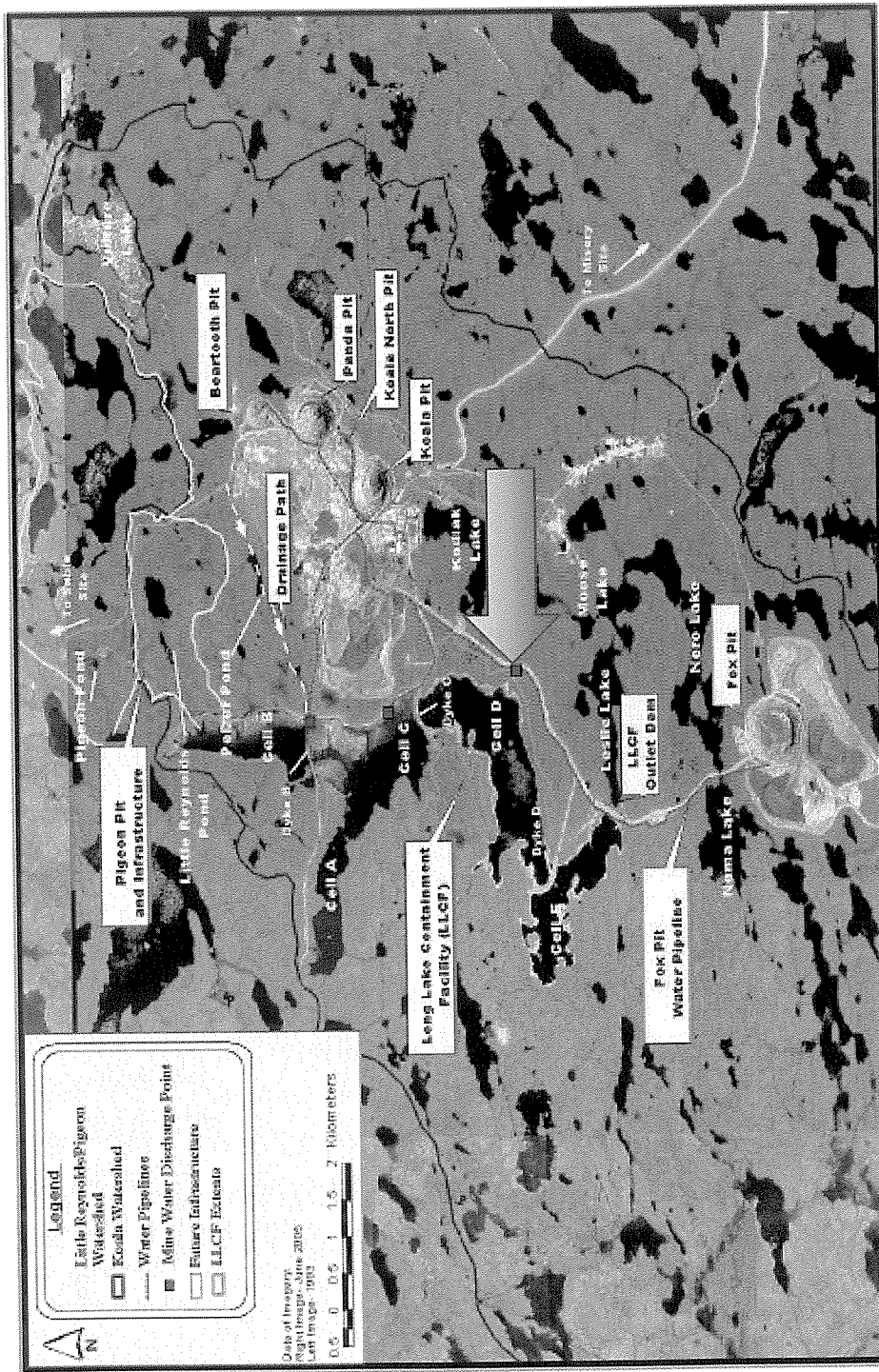


Figure 2 – Long Lake Containment Facility and Associated Infrastructure

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