

**Independent Environmental Monitoring Agency
99th Meeting of the Board of Directors
Yellowknife, NT
December 5-6, 2017
Summary of Discussion**

Directors

Jaida Ohokannoak
Emery Paquin
Kim Poole
Tim Byers
Ron Allen
Jesse Jasper

Staff

Marc Casas, Executive Director
Jessica Simpson, Communications and
Environmental Specialist

AGENCY BUSINESS

Tuesday, December 5, 2017. Meeting Chaired by Jaida. Start 9: 00 am.

Information Updates:

Directors and Staff

Directors worked on recruitment for the Communications and Administration position, and reviewed items such as the Misery Underground and Potassium amendments including the technical sessions hosted by the Wek'èezhìi Land and Water Board (WLWB). Directors also planned upcoming Agency events such as the Christmas Open House, annual general meeting, and Environmental Workshop. Some Directors attended the Geo-Science Forum, the Advisory Committee for the Cooperation of Wildlife Management (ACCWM) to discuss caribou management plans, and the Zone of Influence (ZOI) Technical Task Group where recommendations on assessing and mitigating the ZOI were discussed. Agency policies were also reviewed. Some directors also attended the Diavik Diamond Mines closure and reclamation planning workshop, which was attended by staff from other diamond mines. One director provided an update to communities.

TK Elders Group

The Agency invited the Traditional Knowledge Elders Group (TKEG), to meet informally during the December 5 and 6 meetings. The request was made to Dominion Diamond. Dominion Diamond is not the administrator for this group, so Claudine forwarded the request to the TKEG.

The Agency did not receive a reply. The Agency is interested in contacting the TKEG for informal discussion and possible input at the upcoming waste rock workshop.

Correspondence

The Agency had a number of important outgoing correspondence regarding various document reviews, response plans and changes to the Environmental Agreement. These have been posted on our website (monitoringagency.net).

Review of previous Action Items

All of the Agency Action Items from the September 2017 Board Meeting were completed.

Communications update

- The Agency sent out plain language annual reports to people mainly by e-mail. Hard copies were sent to Society Members and other community organizations. The Agency also had 50 copies of the technical report printed in case people request a hardcopy.
- Agency video is completed and posted on the new Agency website.
- The video translation is ongoing with translation completed for 3 of the 4 Aboriginal languages of the Agency's Society Members.
- Updating of the new website is ongoing but not fully completed.
- The Ekati Monitor edition 17 Agency newsletter was completed.

Update on Communications and Administration Position

Agency posted the Job Add for the vacant Communications and Administration Position in local papers and online. Job interviews will be conducted December 7 with a decision to be made shortly thereafter.

Financial Report

2017-18 Year-to-Date Expenditures and Variance Report – updated variance report predicts a surplus in the current budget. Directors would like to pursue communications projects, in particular infographics, a new website for Timeline, a new sign for the building and a banner. Directors also encouraged professional development training, for staff and Directors.

Action Item 1: Staff to send development of infographics out to tender in accordance with Agency policy.

Action Item 2: Integrate timeline with current website provider.

Action Item 3: Look into developing new sign and banner with our updated logo.

Action Item 4: Staff to arrange Plain Language course for the next Board meeting in March.

Currently out for review/Current Items

Misery Underground (MUG) Technical Sessions: MUG is a proposal to extend the mining at Misery camp by 16 months, by using underground mining techniques to access ore below the open pit. It won't increase the mine footprint, and is a bridge project between now and when Jay Pit comes online. It is a minor sized project in comparison to what is normally proposed at Ekati, therefore timing of the review moved quickly.

- At the technical session, the WLWB went through all of the reviewers' comments, grouping them into sections. All of the Agency's comments were addressed, and only one remained outstanding. Dominion Diamond refused to answer closure cost through the comment response system and refused to answer verbally at the technical session, so the Agency submitted it as an Information Request (IR). Dominion Diamond has until December 15 to respond to it.
- The cost of managing salvageable and non-salvageable materials at the end of underground mining was discussed. Dominion Diamond considers this to be an operational cost, and not part of the closure cost. The Agency considers this a closure cost so the government isn't on the hook for it if the company goes under. GNWT-ENR did agree that it should be under closure costs.
- Mine water management was discussed. Water will be moved to various pits as pits become available. Dominion stated there is operational flexibility for this to happen including the rate at which the Lynx pit is mined.
- The question of what kind of materials will be left underground and what constitutes as "inert" materials was raised. Examples from Con Mine, where mining materials were left underground, was raised. In the flooded Con Mine shafts, the water has stratified and they are finding that the upper levels have higher levels of arsenic, and the lower levels have higher dissolved metals than what was anticipated.
- The subject of phosphorous in Cujo Lake and Lac du Sauvage was raised. The 95th percentile estimate of total phosphorus loadings (850 kg/yr) were projected to be greater than the loading-based EQC in years 2032 to 2035 although the average loadings was expected to meet the EQC in the current water license. Dominion Diamond wants an increase in the total load of phosphate per year from 780 kg as max to 850 kg. This is also tied into the IR #47 from Jay environmental assessment where Diavik Diamond Mine was

requesting Dominion Diamond to run the models to see how all of the changes emanating from Jay may impact downstream users. Phosphorous was of particular concern; this was something raised by Don Hart and the WLWB at the technical session. Dominion Diamond thought they could meet their EQC which requires Dominion to leave Lac du Sauvage in an oligotrophic state, which is a whole-lake average benchmark of 0.01 mg/L of phosphorous.

- Interventions are due January 16, 2018.

Potassium EQC Amendment Application: Dominion Diamond are/is?? requesting that the potassium EQC be raised, as recent trends and updated models indicate that EQC's are likely to exceed current WL limits.

- The company has requested an increase in the Potassium Water licence grab limit from 41 mg/L to 64 mg/L, the same level as the Site Specific Water Quality Objective (SSWQO) that was recently approved by the WLWB. The SSWQO represents the level in the receiving environment that if exceeded could, based on available data, have effects on the receiving environment. Often a mixing zone is applied to the SSWQO and the EQC, such that the compliance point or last point of discharge, is back calculated from the accepted SSWQO. In this case, the WLWB confirmed that no mixing zone will be applied. The company exceeded the low action level for potassium as defined in the Aquatic Response Framework; this resulted in further investigation and the defining of medium and high action levels. Through the response plans Dominion Diamond has determined the cause of the elevated potassium and was able to update their models accordingly. Results indicate that the proposed SSWQO of 64mg/L would be exceeded in Leslie and Moose lakes for a number of winter months from 2019-2021 and again around 2028 when Panda Pit is estimated to require discharge. Dominion Diamond acknowledged that the SSWQO would be exceeded but believes that the SSWQO to be a conservative number and that there will likely be no effect on the receiving environment if it was exceeded for a few (2-4) months of the year. This is interesting as it is requesting the WLWB approve an EQC knowing it will very likely result in the SSWQO being exceeded within a few years.
- The Agency raised the question during the Technical session of whether Dominion Diamond should do a back calculation to determine what the EQC would have to be to ensure the SSWQO was not exceeded. The company did not respond and took the question as an Information Request.

Questions about the company's conduct were raised. The Agency found that they were evasive, not answering questions directly during the technical session and not committing to response

actions/mitigation. Some Directors noted that this was a disturbing trend that does not seem to be improving.

Two Rock Outflow Plan: The Two-rock sedimentation pond is the discharge point for the Sable pit. It is split by a filter dyke to help filter water before discharge to the receiving environment (Horseshoe Lake). The Two-rock outflow plan is currently out for review and the Agency will review the document and provided comments if necessary.

POLICY REVIEW

Director's reviewed all of the Agency's policies, which are to be reviewed every year. Policies reviewed and updated were:

- Access to Information December 2017
- Administration and Personnel Policy December 2017
- Business Continuity Plan December 2017
- Code of Ethics - December 2017
- Community Consultation Policy Dec 2017
- Contracting and Purchasing Procedures Policy - December 2017
- Decision-Making Between Meetings Policy - December 2017
- Financial Management Policy - December 2017
- Honouraria and Travel Claims Policy - December 2017
- Information Exchange, Communication and Coordination Policy December 2017
- Parental Leave - Supplemental Unemployment Benefit Plan (SUB) - December 2017
- Peer Review Policy - December 2017
- Photo and Video Agreement December 2017
- Risk Management Plan December 2017
- Workplace Harassment Policy December 2017

Discussion:

- Directors discussed sending the Information Exchange, Communications, and Coordination policy to Dominion Diamond since there are many new faces within Dominion Diamond and they are likely not aware that the Agency and the original proponent agreed to these terms. It could help increase the corporate history dating back more than 10 years ago.
- Directors also discussed signing authority. Ron Allen will be added on as a signing authority.

Action Item 5: Staff will look into an additional signing authority for a Director, Ron Allen, living in Yellowknife.

Action Item 6: Marc will look into the Agency banking accounts, and whether savings can be put into a form of investment.

PRESENTATIONS

Update on Dominion Diamond – Lynn Boettger

Lynn Boettger, Permitting Team Lead, gave a general update to the Agency Directors.

- The company's head office was relocated to Calgary, including the Environment Department. Some of the Permitting Team remains in Yellowknife.
- There has also been some reshuffling with the staff in other departments. The company's Environment Advisor-Traditional Knowledge – is no longer with the company. That role will now be filled by someone from the Permitting Team. There is also a new head of the Communities Department.
- The acquisition by Washington Companies was effective November 1, 2017. There is a name change: Dominion Diamond Corporation is now Dominion Diamond Mines ULC. Dominion Diamond Ekati Corporation is now Dominion Diamond Ekati ULC. To keep it simple, they just refer to themselves as Dominion. Future Agency documents will use Dominion Diamond or DD.
 - The Agency asked if this acquisition will have an effect on the Environmental Agreement. Lynn said that this is unfolding right now.
- The Jay water licence was issued July 6, 2017. Since then there have been various submissions to the WLWB including the Engagement Plan, Jay Waste Rock Storage Area Placement Design, and site wide WPKMP. Coming up next is the Jay AEMP in January and the Aquatic Response Framework in the new year.
- Traditional Knowledge Elders Group (TKEG) has had 4 meetings this year, including a site visit in September and a meeting today and tomorrow (5-6 December).
 - The Agency is looking for clarification on TKEG – how independent are they from Dominion Diamond? Lynn will send the Agency the Terms of Reference, which was submitted to Mackenzie Valley Environmental Impact Review Board (Review Board), which will clarify their role and interactions with Dominion Diamond. TKEG is funded by Dominion, organizations nominate their own members.

- Dominion submitted a Land Use Plan for a culture camp, and when they went to set up the camp they realized that the site is not amenable to what they need, so there will be an amendment coming.
- Jay EA Annual Report was submitted to the Review Board registry. The Review Board does not have a review process in place since they have no authority to enforce any comments. If the Agency has comments, they can be submitted to the Review Board and they will be posted to the registry. The next EA report is due in 6 months.
- Dominion Diamond worked with Department of Fisheries and Oceans Canada on the Fisheries Authorization. Dominion Diamond will submit the offsetting plan before the end of this year (2017).
- The Jay AEMP will be combined with the Ekati AEMP, which is due in 6 months. Dominion did put forward a request for extension to have an AEMP workshop in January 2018, but the request hasn't yet been answered by the WLWB, so the AEMP comments will still be due January 2018.
- Dominion Diamond gave an update on construction to be completed this winter, and what will take place in 2018.
- The Agency asked if the Misery Underground project will delay the 2018 Jay Project activities. The answer is no.
- For the Sable Project, the filter dike at Two Rock Lake is completed and so is much of the site infrastructure. The pre-stripping of the pit has started and is ongoing. Review comments for the Two Rock Outflow Design are due January 17, 2017.
- Misery Underground application was submitted in August. The technical sessions were in November 2017, and the water licence decision is anticipated from the responsible Minister in August/September 2018.
- The preliminary economic assessment for Fox Deep is currently being completed. There will be some investigative drilling in the new year to inform the prefeasibility study. If the company decides to go forward with Fox Deep, there will be an amendment application in about a year.
- Dominion Diamond continues to work with Natural Resources Canada on determining the cause of the ZOI for caribou. They hosted the GNWT and a community member doing behavioural monitoring around the mine in October.
- The company had a successful Grizzly Bear DNA program this year.
- The combined AQEMMP is being finalized and will be ready for early 2018. Next year is the 3-year report.
- The EnviroKleen report will be submitted by December 31, 2017.
- 2017 ICRP progress report will be submitted by December 31, 2017.
- The company discussed the upcoming workshops:
 - The TKEG workshop is happening now (5-6 December).

- Research funding strategy workshop December 12-13, 2017 (on Caribou). The Agency requested clarification on this workshop, and no one responded. The Agency would also like these notifications to be timelier. Lynn will take information back to the company to obtain more background information.
- Dominion Diamond is planning a Jay AEMP workshop for January 15, 2018 and plan to have material in advance of the workshop so that people can review it before attending.
- The Agency's annual general meeting is January 17, 2018, and the waste rock workshop is the following day: January 18, 2018.
- The Waste Rock Workshop (WLWB) and ICRP will be February 21 and 22, 2018, respectfully.
 - The Agency will see if Bill Slater the NSMA appointee can attend despite the fact that his is not officially an Agency Director until April 1, 2018.
- Photos from the last Agency site visit have not been posted to the Agency's Facebook page because Dominion Diamond does not allow photos from the site to be posted to social media. Maybe we can make a social media policy with Dominion Diamond so that we don't have to wait for approval to use the photo's. Lynn will follow up with this.

OTHER BUSINESS

Office Renovation Update: The Agency's landlord will make many of the office renovations the Agency is requesting. The renovations will start after the annual general meeting and Environmental Workshop in January 2018. The rent will not be raised, but the Agency will need to sign a 2-3-year lease.

Action Item 7: The Agency will purchase new furniture for the front office.

Upcoming Meetings:

Directors discussed the planning of the upcoming annual general meeting and environmental workshop. These meetings were rescheduled for January, 2018 to accommodate the schedule of our Society Members. The notice of the rescheduled AGM was posted in the newspaper and Facebook. E-mail notification will be sent after this meeting. Directors also discussed the Agency's presentations. The Agency's Secretary-Treasurer will not be able to attend the AGM, so the chairperson and Executive director will do the financial presentation at the AGM.

This year's IEMA Environmental Workshop, January 18, 2018, will be on waste rock, as upcoming review items involve waste rock issues. Directors also discussed presenters.

Action Item 8: Marc will look into finding Elders and other technical experts who can speak about the Traditional Knowledge perspective on rock piles.

Next Board Meeting: March 13-14, 2018. The Agency will be getting ready for the Annual Report Writing Session in May, 2018. The Budget and Workplan for 2018-19 will also need to be approved.

Annual Report Writing Workshop: May 1-3, 2018. The Agency really liked combining the workshop with a community visit. Directors will decide at the next board meeting where the next report writing session will be held.

Action Item 9: Staff will explore options for the next community visit, including which community to visit.

Miscellaneous Discussions

NSMA Appointee

NSMA informed the Agency that Bill Slater will be the NSMA Appointee starting on April 1, 2018. Bill is a reclamation and remediation specialist and will be a very good addition to the Agency.

Agency Back up System

Agency staff also looked into a cloud backup system. Tamarack Computers does offer a cloud service.

Action Item 10: Marc will follow up with Tamarack Computers on the details of the cloud backup system including cost.

Advisory Committee for the Cooperation of Wildlife Management ACCWM

One of the Directors, acting in a role outside the Agency, attended the ACCWM, an advisory group for all land claim management boards on wildlife management. ENR and Nunavut are extensively involved. They have a draft management plan and assign a status to the herds under consideration.

IEMA Reference Library

The Agency's resource library was discussed. The Agency spoke with the WLWB about using and referencing their online registry. Part of the Agency's mandate is to provide access to relevant files. The large majority of items relevant to the Ekati mine are currently on the registry so it could be easier, more efficient and cost effective to use the WLWB system and just add the documents

the Agency has that are not currently on the Registry. The Executive Director for the WLWB seemed open to the idea.

Meeting adjourned at 4:00 pm on December 6, 2017.



**Summary of Discussion Approved by
Kim Poole, Secretary Treasurer**
