

**Environmental Monitoring Advisory Board (EMAB)
December 6-7, 2012
Yellowknife**

Day 1 – December 6, 2012

Present:

Doug Crossley, Chair, Kitikmeot Inuit Association
Floyd Adlem, Secretary Treasurer, Canada
Charlie Catholique, (alternate) Lutsel K'e Dene First Nation
Mike Nitsiza, Tlicho Government
Seth Bohnet, (alternate) Diavik
Napoleon MacKenzie, Yellowknife Dene

Present in the afternoon:

Arnold Enge, North Slave Metis Alliance

Staff:

Mark Fenwick, Executive Director
Michele LeTourneau, Program Manager

9:30 a.m.

Chair Doug Crossley noted a quorum was present and reviewed the two-day agenda.

Doug Crossley stated that one item, budget, was moved to the afternoon session. There is also a Christmas Open House in the Champagne room at 4:30 p.m.

For tomorrow's session Mark will lead discussion on oversight and monitoring from within the Strategic Plan. There are Traditional Knowledge handouts (2) of about 39 and 50 pages in length. It needs to be decided if EMAB is adopting them and they haven't gone to the parties yet. Tracy Covey is expected to give the Inspector's Report; there will be updates from Kevin O'Reilly and other reports.

Community Updates

Doug Crossley mentioned that the purpose of why EMAB is doing community updates is to help create awareness in the Aboriginal communities. There is a need to substantiate how the money is used and Doug Crossley turned it to EMAB staff for direction.

Charlie Catholique stated that if EMAB does community updates, it's an information session, if it's a wildlife committee, they pay the Elders and Michele pays the translation, so there is money in certain designated areas (in the policy it's defined).

It is important for communities to have communications, for example, in August everyone was out of town but the meeting went ahead anyways. Doug Crossley had previously sent a letter to the Chief

advising of the session, so now Michele LeTourneau has a clear process in place. If there's an issue in future, EMAB will change the dates.

Napoleon Mackenzie noted that the Elders in Dettah and N'dilo need translation equipment for people to hear what is going on, open to the public IBA, caribou are big issues, meetings going on in the community, band selection tomorrow morning, so Napoleon Mackenzie alerted EMAB that he might not be present for tomorrow morning's EMAB session.

The authorization of payment of \$350/day (board member honoraria) is only for the use of a Board Member and it is not intended to pay for other parties at the meetings.

ACTION ITEM

Doug Crossley will clarify that the \$350/day honoraria for pre-approved days is for board members only and not the parties.

EMAB staff will do follow-up on the template for the operations manual as well.

Item 1: Approval of agenda and minutes

Item 1:

Agenda

Motion:

Approve agenda for December 6-7, 2012 as presented.

Moved: Charlie Catholique

Second: Mike Nitsiza

Carried

Minutes

Motion:

Approve minutes of September 26-27, 2012 meeting.

Moved: Floyd Adlem

Second: Mike Nitsiza

Carried

Email Resolution Motion November 2, 2012

Motion:

Concerning a draft letter on air quality monitoring level.

Moved: Floyd Adlem

Second: Mike Nitsiza

Carried

Item 4: Board Member Roles

EMAB needs to formalize a document outlining board member responsibilities. During a Strategic Plan exercise, a document was drafted at Trapper's Lake Lodge. Mark Fenwick read aloud the two documents for board members.

Doug Crossley discussed the previous inconsistencies in how community work was addressed. It can be up to four days for community updates. The intent is that the document would be included in EMAB's operational manual and distributed to the aboriginal parties. It was also suggested that an Expense Form Template could be used, with names checked off when completed to satisfy EMAB, the auditors and Diavik.

ACTION ITEM

Mark to create a template for reporting of pre-approved days and forward to the Executive for approval.

Aileen Stevens from the GNWT was not present at today's meeting, so Mark Fenwick shared her information with the EMAB members. He read aloud the email between Aileen Stevens and David Wells concerning the GNWT's comments concerning the acquisition of equipment.

Further consideration was asked for the equipment and recommendations were made by Aileen Stevens. Last Friday, there was a meeting with David Wells and the high volume units were looked at. They're from the mid-90s. They talked to the manufacturers and would need to be refurbished. BHP also has issues with them and they were recommending not to use them.

Mark Fenwick would need to send a follow-up email concerning the monitoring instruments and what is decided.

Mark Fenwick noted the monitor is almost 20 years old and due to costs, it wouldn't pay to refurbish it. They are proposing not using it. Charlie noted it was open pit, underground and it should have been done some time ago.

Doug Crossley asked about timeframes and Mark Fenwick noted the equipment has to be ordered this month as his budget year finished the end of December. It would be 2-3 months until the equipment arrives, then it would need to be calibrated and set up in warmer temperatures.

Aileen Stevens would like to see data, thresholds and measures.

ITEM 5: Communications

The Annual Report was printed and mailed out, with 10 copies for the Environmental Agreement parties. A new design is being developed for future Annual Reports and with it, a poster for each community. The Christmas card is also done.

There were issues with the website yesterday concerning the Canadian domain registration. EMAB staff members were trained on the software and it is user-friendly. Cold Mountain staff members were the trainers and they set up the EMAB network previously in March.

Traditional Knowledge Reports can be posted on the website in a place solely for EMAB members. Also, EMAB.ca can route email directly to EMAB members.

There is \$1,500 in the budget per year for website management. Initial set-up costs might be more but regular maintenance should fall in line with that budget amount.

Communications Plan

At the last meeting Michele LeTourneau was instructed to write letters to the leadership from board members concerning the board members' intention to go into the communities on the Traditional Knowledge Plan. The letter went out to the leadership and the KIA office in Kugluktuk. In January, Michele LeTourneau will meet on the TK Elders panel issue and from there, build a communications plan.

The Tlicho Government letter was signed by Doug Crossley and further, there will be time spent with the Elders in Whati and Gameti to go over information.

Concerning the NSMA, a personalized letter to leadership, it was signed by Doug Crossley and there were a few outstanding issues to be resolved, then it can move forward.

ACTION ITEM

Once issues resolved, then seek approval to send out the NSMA letter.

There are issues with the EMAB office communicating with the Yellowknife Dene office and difficulty getting emails and phone calls to the EMAB board member there. It was suggested that to resolve this, a point of contact is needed so it was suggested that an alternate be found for the Yellowknife Dene.

ACTION ITEM

A letter is to be drafted to request the Yellowknife Dene appoint an alternate EMAB member. A letter is also to be drafted to DIAND to appoint an alternate EMAB member for the federal government.

Michele LeTourneau mentioned the Open House which is at 4:30 p.m. later today in the Champagne Room in the same building as today's meeting.

Mike Nitsiza asked if there would be an opportunity for board members to go for computer training on the website/internet. EMAB board members who indicated an interest in training were: Mike Nitsiza, Charlie Catholique, Doug Crossley (Chair) and Napoleon MacKenzie.

ACTION ITEM

Michele LeTourneau will look into computer basics, windows, internet, emails, attachments training after Christmas break for the small group of EMAB board members.

December 6, 2012

1 p.m. - Afternoon Session

Item 2: Budget Submission – 2013-2015 Budget and plan

At the last meeting, the EMAB board approved the budget for 2013-15 and the board adopted it and submitted it to Diavik by October 1. In the agreement within 60 days Diavik and the board shall work to find an agreement with the contents of the budget and contents therein. EMAB has not done this yet, but a letter went to the Minister of Aboriginal Affairs requested a two-week extension to the December 1 deadlines and that was approved, however there is no agreement yet. Currently Diavik is disagreeing with EMAB's draft budget. They would like us to allow for \$150,000 less.

Doug Crossley commented that the EMAB maintains that EMAB members and staff have put in a lot of work into the 5-year plan.

If no agreement can be reached with Diavik, EMAB will have to submit rationale to the process to the Department of Aboriginal Affairs and it would be a decision by that agency. To clarify, both sides submit budgets to the Minister and he chooses one.

Mark Fenwick then read out the following correspondence to EMAB Board Members:

- November 1, Gord Macdonald sent an email thanking EMAB for a submission, asking for a recommended process and timeline.
- November 5, EMAB response to Gord Macdonald concerning the feeling that it is a realistic plan. The TK IQ panel will be able to assess environmental programs et cetera and a conference call or meeting can be arranged.
- November 7, Response from Gord Macdonald concerning the draft budget received. Diavik reviewed the draft budget and is available to meet. The budget amount is more than DDMI expects to achieve.
- November 13 - Response noted that the Diavik letter of February, 2011 for 2011-2013 budget was reviewed.

Concerns are:

- Contents of the 2013 budget
- Sharing office costs is an issue, unable to understand how staff of one can carry out all the duties EMAB, DCAB.
- Workshops: EMAB only has one workshop on Air Quality Monitoring Program, also focused on panel.

Concerning DDMI's budget expectations, a lot of work went into the budget and work plan. EMAB believes this budget and plan follows the guidelines. If there is a budget reduction, it could be viewed that EMAB is not fulfilling its mandate. EMAB welcomes comments from Diavik.

Due to the 4.84 Clause, they shall confer with the Minister and each party can submit to the Minister the budget with two weeks to agree.

- November 14, letter from Gord Macdonald: Diavik feels costs should align with other boards. \$600-\$650,000 budget should fall into those lines, mandates being the rationale. Available November 20, 2012 to discuss this further. An additional two weeks for this budget for consideration would be allowed.
- Letter: Thank you for letter of November 20. They agree to the two-week extension, must come to agreement on the budget.
- Memo from Gord Macdonald regarding specifics of what was spent and what was left over amounts. And \$147,000 was applied to this year's budget.

Mark Fenwick noted that EMAB drafted a letter which has been handed out to board members if it is decided to proceed with the letter.

Doug Crossley noted that Diavik did respond and provided further rationale for their standpoint. EMAB's options are to challenge it or accept it. Concerning inclusions in the environmental agreement, it is for EMAB to decide what happens with the spending or excess. EMAB members need to provide their thoughts on what EMAB is proposing, what is spare and what accountabilities, opportunities and obligations are needed to meet agreement. To move this to the next stage, there needs to be agreement on the amount and a cheque being cut on February 1.

Doug Crossley opened the floor to comments.

Arnold Enge stated that the proposed activities for which the budget has been prepared is similar to what work has been done in the past year (the document approved in September). Being a new member, Mr. Enge did not participate in the budget preparations, so that is why he was asking this question.

Doug Crossley noted there is more emphasis on Traditional Knowledge. In the past, other program issues such as closure and water licensing requirements were the focus as mandated for review. So, the topic has changed but is very similar to what it has been since 2001. Doug highlighted the main sector areas of the budget, which have been there since day one. Those items are pegged in with the workplan.

Arnold Enge asked Seth Bohnet if there were regular regulatory reports going forward to regulatory agencies, that have not been identified in the budget where time and resources would be needed.

Seth Bohnet, stated the opposite is true, there are probably items that could be cut out. For example, work on A21, the water license renewals and none of that will be happening in the next two years. The submission for renewal does not happen until October, 2015 so it's not in this budget period. Other items, such as redesign of AMP, that won't happen next year, it will just be ongoing monitoring. Face-to-face discussion has not happened and Doug Crossley stated it was his issue. From Diavik's perspective, there is room there to make some cuts. Gord Macdonald could discuss it further.

Doug Crossley discussed the Science Program and programs that were envisioned by EMAB such as an aquatics effects management plan.

Michele LeTourneau noted that the following areas were identified by Diavik Diamond Mines Inc. (DDMI) for further examination: Administration, Board Expenditures and Management Services. Floyd Adlem feels there is a need to further discuss this with Gord Macdonald.

Doug Crossley stated EMAB has remained in the parameters and no surplus is cushioned in there to get the work done beyond what the Environmental Agreement guides.

Arnold Enge noted surplus money was kept by the agency or board and that area was kept for clarification and it was decided that carryovers were not allowed. Concerning any monies identified in this budget for the next two years, any surplus goes back to Diavik.

Doug discussed the 2011-2013 budget: Last year there was a surplus as there was an Executive Director vacancy in a position normally allocated to us, resulting in a surplus of about \$30,000 to \$40,000 until the position could be filled. Sometimes costs change due to items such as rent changes, staff changes, programs where monies are not spent as intended, so that is why there is a variance in expenditures regarding surpluses or shortfalls.

EMAB identified that surplus in any two-year period does go back to Diavik for their next decision.

One thing Doug Crossley found was that the consideration put forward by Diavik goes counter to the Environmental Agreement. He explained that they are requesting a reduction of \$100,000 or \$150,000. Eight groups signed the Environmental Agreement and the expectations are coming solely from Diavik. Floyd Adlem stated that the Federal government cannot agree to that because they were not a party to it and he doesn't believe the federal government can change that agreement. It comes down to an interpretation of the agreement and to change that would likely require an amendment to the agreement. Arnold Enge noted that for this level of funding plus CPI, Diavik has to consult with all the parties. Arnold Enge said one option might be to seek a legal opinion.

Arnold Enge felt EMAB has exhausted all avenues that could be taken. There is a mechanism in the agreement to get resolution, so he suggested triggering the clause in the agreement to get resolution from the Minister. The Minister's representative has to choose between EMAB's budget and Diavik's budget.

Doug Crossley, there's a process, a 29-month scenario, mediated and EMAB lost. It established an ongoing process. If Diavik is unable to expend what they stated, it's gone. This budget was approached in a different way for 2013-2015. Most of the board members agreed to regenerate a new Strategic Plan from the ground up. EMAB used that plan for the basis of the work to be accomplished in the next two-year period. So elements were added to how a budget is looked at. Doug Crossley believes this is the most relevant budget EMAB has put forward in 11 years. Doug Crossley is willing to meet with Gord Macdonald in a teleconference and come up with why EMAB came up with the allocations in the budget.

Issue:

DDMI has taken the position that EMAB should reduce its budget and as a result, significantly diminish its scope of work, to reflect a \$100,000 to \$150,000 overall reduction from the Environmental Agreement stipulated \$600,000 plus CPI.

The Environmental Monitoring Advisory Board (EMAB) and Diavik Diamond Mines Inc. (DDMI) have reached an impasse regarding EMAB's two-year 2013-2015 work plan and budget.

Motion: To the effect that this EMAB Budget and Work Plan was built from a zero-based budget and represents the work that EMAB as a board sees going forward for the next couple of years and this is the amount of money viewed as required for these activities, and that we submit that budget to the Minister, and Mr. Macdonald submit his budget, and the Minister decide what work will go forward for the next two 2013-2015 fiscal budget years.

Moved: Arnold Enge

Second: Mike Nitsiza

Carried

Charlie Catholique believes the issue requires more discussion.

Michele LeTourneau explained that it's a different board meeting for February, as January's meeting was cancelled. The EMAB fiscal years are from April 1 2013 to March 31, 2015.

ACTION ITEM:

A letter will need to be completed to accompany submission to Department of Aboriginal Affairs that would accompany EMAB's rationale.

A draft 2012 letter to Ms. Kathryn Bruce, Regional Director General, Aboriginal Affairs and Northern Development Canada (AANDC), was read to EMAB members by Mark Fenwick. It outlined that an impasse had been reached between EMAB and DDMI regarding EMAB's 2013-2015 two-year work plan and budget and submitting the budget for the Minister's consideration. Attachments to the letter were to include the two-year Work Plan and Budget Submission, Strategic Plan and Gord Macdonald's email dated December 4, 2012.

Arnold Enge noted that Gord Macdonald has presented his thoughts in writing already and Arnold Enge uncertain as to what can be done further. He noted Gord Macdonald is already quite aware of the activities and expenses. If EMAB does choose to meet with Mr. Macdonald between now and next week, if he does come up with additional suggestions, can the board empower the executive to make decisions or does that come back to the board which would mean another delay. Arnold Enge would prefer moving forward. Since it is critical and key to EMAB's operation, it needs to be resolved. He asked for clarification: Could the board empower the executive to make a decision like that or would it come back to the board for consideration?

Seth Bohnet stated there is no need for a meeting because EMAB's position is not changing. Floyd Adlem noted that Gord Macdonald did offer to meet three times but there was no meeting.

Doug Crossley stated that a decision was made this morning to tighten up the rules to make board member honoraria more accountable as one item to put on the table. EMAB might be able to retune the budget for next year.

Floyd Adlem noted the problem he foresees in 2015, is that it will keep eating away from \$600,000 to \$500,000 budget. The board is supposed to be independent and Diavik's input on EMAB's budget is an issue concerning EMAB's independence.

Arnold Enge stated that the board fully participated in developing the budget and work plan and feels this should be put forward and that EMAB get on with business. Arnold Enge suggested that EMAB should remind Diavik that yes, EMAB is independent and also, Diavik will get any surplus money that is not spent.

Board Members Roles

Doug Crossley explained that EMAB board members are appointed by the aboriginal groups, but EMAB doesn't represent them. EMAB's role is to ensure that EMAB's recommendations assist the aboriginal parties with their needs for Environmental Protection for the mine sites, but EMAB cannot speak for the Aboriginal groups. Arnold felt that input from Diavik is valuable.

Budget Submission to the Minister

A copy of the business rules should be included in the documents for the Minister:

ACTION ITEM

Michele Letourneau will include the following items in the Minister's package:

- The letter (when approved)
- Two-year budget submission for 2013-2015 and work plan
- Strategic Plan
- Business Rules
- Any correspondence where EMAB submitted clarification emails, letters to Diavik should also be included.

Doug Crossley summarized that with this approach, a decision will be made and it won't drag on in terms of time and dollars.

Environmental Monitoring Advisory Board (EMAB)

DAY 2

9:30 a.m.

Day 2 – December 7, 2012

Present:

Doug Crossley, Chair, Kitikmeot Inuit Association
Floyd Adlem, Secretary Treasurer, Canada
Charlie Catholique, (alternate) Lutsel K'e Dene First Nation
Mike Nitsiza, Tlicho Government
Arnold Enge, North Slave Metis Alliance

Not Present:

Seth Bohnet, (alternate) Diavik
Steve Ellis, ENR GNWT (Telephone – unavailable)
Kerri Garner, Tlicho Government (not present)

Present in the afternoon

Napoleon MacKenzie, Yellowknife Dene
Tracy Covey - Inspector's Report and PowerPoint Presentation

Staff:

Mark Fenwick, Executive Director
Michele LeTourneau, Program Manager

Item 6: Oversight and Monitoring

- **Guidance Document for Contractors**
- **Template protocol for timely review**

Guidance Document for Scientific Experts

Mark Fenwick outlined the points and review process for dealing with contractors including the process Entitled: Guidance Document for Scientific Experts. The purpose of the document is to provide EMAB contractors with an understanding of what the EMAB is, why it was created and EMAB's expectations of its contractors when under contract with EMAB.

Michele LeTourneau explained that this task was identified in the Strategic Plan at a previous Trapper's Lake meeting that a document be created of guidelines for contractors as there was not one in place previously and it needed to be formalized.

The next step is to go through Standing Offers and review them as an Action Item.

Doug Crossley stated that Standing Offers, Requests for Proposals (RFPs), and Tenders should be part of the guidelines as well. There is a policy on that and it has to be done every two to three years. How EMAB goes about selecting a contractor should also be part of the background.

Michele explained that it follows EMAB's categories under the Strategic plan's supporting documents such as Fish, Wildlife, Air, Traditional Knowledge, et cetera. In clarification, in the Strategic Plan, it was a workshop learning process for the board. Here it says for presentation and discussion. EMAB identified it as increasing board capacity. Concerning the document, if travel is needed, EMAB members will be notified prior to commencing review. End of first sentence final paragraph, bottom of page need to add: including travel if required.

Floyd Adlem suggested sending this document to a consultant and asking the person to review the document to get his comments on the document. Arnold Enge suggested sending this new contract document to all contractors EMAB will be using in the next year and seeking feedback on the document. Traditional Knowledge is a separate process and will be formalized in a different way.

ACTION ITEM:

Michele LeTourneau will ask another organization to share their documents with EMAB on process for contractors.

Template Protocol

Additional discussion included creating a template protocol for timely review of reports. Mark Fenwick asked for comments from EMAB members.

Michele LeTourneau noted communities are only getting Consultants' Reports a day or two before deadline so they are not useful to the Aboriginal party. Previously, it had been suggested by Seth Bohnet to send the reports when they are in draft form to the communities.

Doug Crossley summarized that EMAB needs to decide if it is proceeding with this, with a background letter, comments from the EMAB board and the Consultant's report. To clarify, this is to the aboriginal communities, not the board members. For example, there's an annual review, EMAB receives the report at the same time as the Wek'èezhìi Land and Water Board (WLWB) does, end of March and they want comments by end of May, so a two-month review time. Michele LeTourneau noted these are fixed dates and not unusual timelines. If there's a scenario with a tight turnaround an extension could be asked for more time to review the document by the community. There should be a date in the water license when it's due and it could be spreadsheeted, asking the consultants to make themselves available to review the document to streamline the process.

ACTION ITEM:

Michele LeTourneau will put a table together with timelines. EMAB will try to anticipate when these reports are coming out and deal with them in a timely manner.

Arnold Enge stated EMAB board members are not supposed to represent the Aboriginal Parties, we're just appointed by them. Michele noted there are capacity issues for staff in aboriginal communities. To clarify, it's the aboriginal party or community, not the Aboriginal board members.

Doug Crossley explained it's an issue of convenience and trying to engage effectively with Aboriginal communities. In trying to accommodate their needs, EMAB tries to give the aboriginal communities as much time as possible to review the reports.

Michele LeTourneau shared the Mandate of the Advisory Board : to provide a meaningful role of Aboriginal Groups on a project.

Arnold Enge noted that many of the issues are similar year to year so it's the one-offs that need in-depth review. The Mackenzie Land and Water Board has a schedule of events as an example of how they deal with the timelines.

ACTION ITEM:

Arnold Enge would like to read it. Michele LeTourneau will ensure a copy of the Consultants' report is forward to Arnold Enge concerning Aquatic Effects. (Consultants' Report was 15 pages).

A report was reviewed on Impact and monitoring the changes. Discussion centered around Ammonia loads. Another issue was Phosphorous which comes from blasting because it encourages Algae growth. It's coming from the discharge water and could possibly affect the fish. It's an impact the mine has on Lac de Gras, there is potential for an invasive species coming from the water source.

Item 7: TK Panel

Traditional Knowledge Reports

a) March report: Bridging Science and Aboriginal Knowledge in Caribou Monitoring at the Diavik Diamond Mine

Motion:

Convey the March report to Diavik

Moved: Floyd Adlem

Second: Arnold Enge

Carried

Michele LeTourneau gave a recap that the panel worked really hard to reach consensus on the caribou report. The transcripts used were valuable and the participants reviewed everything they said and were verifying that was indeed their words so it was a good process to go through.

This is the first report of the TK Panel and reflects what was discussed including recommendations to the mine. This was a two-day session, so it was not a lot of time. The first morning was spent with introductions and the Elders of going through a process of being angry and being called together to discuss things that keep coming up without results.

Some of these recommendations were immediately expedited through EMAB to Diavik and Diavik is working on some of the items already.

Michele LeTourneau stated they want these conveyed to the other two mines and agencies, so everyone becomes informed. It will be conveyed to Diavik and the other mines and agencies. Floyd Adlem asked if the panel members agreed to release the information and send it to everybody? Michelle LeTourneau explained that there is a signed document with everybody's signature agreeing to release the information. There's a copyright and no prejudice clauses and it represents the work of the Elders and not the Aboriginal Parties to the Agreement.

ACTION ITEM

The March report will be sent to Michele's list and be included in the public registry. The June report will go to Diavik with permission to share it with the WLWB.

Doug Crossley stated it is their intent and EMAB's intent to see this implemented in the monitoring activity that Diavik does.

Measures of Success is now an internal topic of the panel and they're coming up with values and criteria such as how is it known this truthful knowledge.

Michele LeTourneau is going to meet with the Elder panel members in January. They met eight days total in a 365 day year, 12 individuals from five aboriginal groups and there was not a lot of time to reach a consensus. Inuit, Tlicho, North Slave Metis Alliance's ways of seeing things. This first report called: "Thinking Like a Caribou" which seemed to be a theme. Mike Nitsiza explained that the Tlicho sees themselves as caribou, Inuit see themselves as hunters.

The TK Elders met in March, June and October and the October report will be given to Michele in December. She will take it to the Elders to look at in January. In February, at the board meeting, there will be an afternoon for EMAB and the TK panel to meet.

b) June report: Envisioning Mine Closure and Reclamation of the North Country Rock Pile, Diavik Diamond Mine.

Motion:

Convey the March report to Diavik and distribute it

Moved: Arnold

Second: Charlie

Carried

This report included biodiversity, shape of the landscape, eskers and naturally-occurring rock piles. The Elders felt uncomfortable releasing this report as the Elders felt they were just learning. Also, a new member joined so the situation got the Elders' panel sidetracked.

Also, Elders asked how they could talk about this rock pile. The recommendation was the Elders needed to see the site, so Diavik jumped on that and two thirds of the Traditional Knowledge panel went to the site in August, followed by a day of discussion after that. It was Diavik-funded.

Michele LeTourneau summarized that now that these two reports are done, the focus can be on Measures of Success.

Mike Nitsiza gave an analogy to explain how the hunters, trappers or fishers would think. For the ore, there has to be water to separate them. For hunters, same thing, have to have grease or fat, they crush the bones and boil it, cool down, fat on top, take the fat off and use the water for the soup, they offer the bones back to the land. In mining, they crush the rocks, separate them with water, sometimes chemicals, filters to make it drinkable to release it back to the lake. For the big hole left in the earth, they have to look at how to put it back the way it was. Michele LeTourneau explained that putting the rock back in the pit will not happen. Some Elders thought they should do that.

Arnold Enge asked the following question: For country rock, granite and medi-sediment, type 3, what has potential to cause the greatest impact, country rock or process kimberlite? The Process Kimberlite contains ammonia nitrate, so Process Kimberlite has the most impact so it should be the focus.

One reason country rock pile is being looked at is that Diavik will soon be closing this infrastructure. So the PKC will likely be on the list.

The interim closure and implementation plan were approved. How will they deal with PKC in the closure plan? Michele LeTourneau noted they're dealing with wet or dry, so that part has not been finalized. The document needs to be revised by 2017. Floyd Adlem stated the whole reclamation issue needs to be done with objectives and outcomes, so it's still early days. Doug Crossley noted that is why it is important to have the TK component. There's been confusion in objectives versus methodology. A sample Objective would be: Keep water out, Process: Re-seed it.

Floyd Adlem noted the Mackenzie Land and Water Board just went through a process for a mine in developing a process and they have a list of objectives so it helps a mining company sort out what is the objective and what is the end result.

ACTION ITEM

Floyd Adlem will follow-up and give a copy of sample Objectives and Methodology to EMAB board members and staff as an information item.

Arnold Enge commented on the June report and he felt there was very little substance in there, but it is what it is. Elders want to learn more from Diavik.

Michele noted the International nature of security protocols is an example of something the Elders didn't know, they want to learn about SOPs that Diavik uses. There is no example globally of five aboriginal groups getting together in this fashion and it's something to be proud of. Others and government are interested in seeing the work this Elders panel does because no one else is doing it. Hopefully, the process and model can be repeatable for others.

Michele Letourneau asked for approvals and nothing was noted at this time.

- c) October Interim Report. Discuss recommendations. Response to each and decision on which if any to convey to Diavik.**

Item 7

October 23-25, 2012 Recommendations page 8 for Diavik, Michele LeTourneau would send the recommendations to Diavik that EMAB approves. Doug Crossley suggested this be shared with the community and that it be translated for them. All of this material will be in the big report which will be done next week. EMAB needs to review page 8 recommendations and approve them individually.

Recommendation 1 – Caribou Work

Background

There are many more considerations about caribou and Diavik that have not yet been addressed.

Recommendation 1

The TK/IQ Panel should develop a report that more fully represents our knowledge and practice for maintaining the well-being of the caribou.

Recommendation 2 – State of Knowledge on TK/IQ

Background

There has been a lot of TK/IQ documented in the past and there is currently no way of assessing this knowledge or how it is being applied in mine planning, monitoring and management.

Recommendation 2

Diavik should carry out and make public a review of its use of TK/IQ in its environmental plans and programs. This review should document the successes and lessons learned from TK/IQ studies and what changes or improvements in adaptive management can be attributed to TK/IQ.

Recommendation 3 – Monitoring Implementation of TK/IQ Panel Recommendations

Background

The TK/IQ Panel wants assurance that Diavik will document and report on progress made in implementing recommendations and action items.

Recommendation 3

Diavik to develop and maintain a tracking sheet for documenting progress on recommendations and action items.

Motion: To accept and approve all three recommendations as recommended by Elders.

Moved: Charlie

Second: Mike

Carried.

Other recommendations:

- Women to have opportunities to participate in TK/IQ Panel – especially for the session on caribou.
- Extend length of session to four days

Diavik did not attend the sessions but are aware of them Michele LeTourneau noted.

It's a direction, and it needs to be decided if it should go to Diavik for their review and implementation.

#2 – Michele LeTourneau noted they want people to document things such as information about roads versus oral history, so a document could be created to show that Elders' knowledge has been used. Michele explained there are two steps:

Every session has two results:

- signoff of recommendations all agreed to by the group
- Another report, with more recommendations

Michele noted that there has been a request by the Elders for another three-day meeting regarding caribou.

ACTION ITEM

Michele to follow-up with further meetings with the TK Elders on caribou.

Arnold Enge asked for clarification item on the person hired to work on aspects of aquatic effects.

ACTION ITEM

Michele will give the two-page Traditional Report to Arnold Enge to assist with clarification.

DAY 2 – Afternoon

1:00 p.m.

Item 8: Inspector's Report

Tracy Covey presented the Inspector's Report, a PowerPoint presentation and short video clip.

- Material for backhaul such as fuel storage are ready to go out as they are not being used.
- Waste haul for backhaul inside tanker trailers is ready to go.
- North camp construction camp area can be reclaimed. Under discussion as to what to do with them. That's allowed to be buried right now but they're trying to find another way to deal with them other than bury them.
- Insulation is being discussed with the board.
- In the Landfill area there are large tires separating out segments of the landfill so it is well organized, so people can drop off in sections of the landfill. There are empty cement bags.
- Underground fueling station – There are 450,000 litres or more of fuel stored above ground. Now it is cold so it is a good time to look for drips as they show up on the snow. They also disappear quickly.
- There is a spill kit with signage for underground fueling station and drum with box above it with heat to keep the nozzle from freezing up and two switches so fuel doesn't run if only turn off one switch. There are also pylons in the area of the spill kit.
- Fuel containers, have a berm under them. It was done right.
- Water treatment plant, SNP Stations#17 to ensure they are labeled properly. This is where water is bled off. If something comes out of the underground they'll know. This does go to the north inlet. Seth Bohnet added.
- SNP Station #1645-18B is the second one.
- SNP Station 1645-13 is another one in the Water Treatment Plant.
- With the wind towers, there were concerns of chunks of ice falling off them but content with amount of power they are generating. They operate at about 21 turns per minute. There's an elevator up the shaft. Moves over 100 km. an hour on the tip.

The Inspector reported that it was a very uneventful inspection. It was a good time to look at fuel storage.

There were some challenges with the new incinerator and there's a deadline that it has to be working by possibly end of March. The Inspector was asked by someone if a fuel station could be located in one of the pits, and as long as they're following the permit, there didn't appear to be any issues with that.

There was a seepage event, but not certain if will meet the definition of a spill. This time of year, things freeze very quickly so more of an issue of how it happened.

Arnold Enge asked if there is Diesel storage. The Inspector doesn't recall a big fuel storage tank outside. Inside there's two large structures. It might be trucked in.

ACTION ITEM:

Tracy Covey, the Inspector, will find out more about diesel storage.

Inspector - With incineration, water filter, to finish the commissioning, they want to say training is right and ready but they have run into hitches. They have to get rid of the old incinerators by possibly March. There is the winter road or Hercules aircraft that can take it out. A big chunk of the security deposit goes back to them.

There is a need to know if there are issues with the lines leaking, as there is value in finding out why they leaked, so the Inspector let them know that.

There was a lot of construction planned, the dam, height raised over a few years, the repairs at pond 4 were done. Installation of the wells, he understands, some of it was done. It's a short season. He's content the pumps and dams have been put in as when the height raises, you want a handle on seepage as there will be more pressure and places for the water to get out.

Item 9: Kevin O'Reilly

IEMA Update on happenings and Issues

Kevin O'Reilly thanked Michele LeTourneau for her help on the Christmas Open House yesterday.

Kevin O'Reilly reported that as many people already know, BHP Billiton has reached an agreement with Harry Winston to sell the property effective March 31 of next year. There are still a few things to work out. They have to look at how to transfer the water licenses and permits and the agreement to Harry Winston. They all become binding on the new owners.

Stratos, a consulting company out of Ottawa has been hired to give assistance on how the transfer will occur. Stratos has given AANDC is Aboriginal Affairs and Northern Development Canada advice on a similar item.

On the operations side of things staff are going to be offered positions with Harry Winston. Some senior staff may go to other BHP installations, so we'll have to see how that plays out.

BHP will start mining again at the Misery pit. Underground Panda and Koala continue. Open pit mining at the Fox pit and developing a new one at Pigeon which should get into production sometime next year.

Air Quality Monitoring Report – Kevin O’Reilly stated his organization received this report in June and his group is looking at SENES Consultants to help them out with this as well. There are some issues with air quality and they’ve promised to get some training for their staff.

The incinerators are working at the mine site, the new ones. They haven’t conducted the stack testing yet, IEMA had hoped they would have done that by now. The company needs to revise its waste management plan concerning what goes into the incinerator and reduce elimination of what goes out the stack. Black soot means incomplete combustion, so we’re hoping the company can get its plan together and get the new incinerator working. It would be better than the old incinerator.

On the water side and water license renewal, the water license at the site expires in August of next year.

To the company’s credit, they did a lot on their water monitoring data and what the water will look like downstream from the mine and whether that work is significant or not. IEMA gives them credit on doing that as it will help with the water license.

There is a due date of January 7.

Technical session in October and some questions came out of that session. The company came out with some items that need answers.

The hearing is scheduled for February 12-13 and we’ll be in attendance.

The Big issues are: Chloride and Nitrate. Chloride, is the result of more ground water and it is coming from the ground water. The company is diverting water to the Bear Tooth pit. Nitrate is coming from the explosives at the diamond mine.

IEMA will likely advocate that those two things become regulated in the water license as that’s not the case now.

There is an 878-page document, where the company is re-evaluating its water aquatics program which they are required to do every three years under the water license. A technical meeting on that is mid-next week on Wednesday. It’s a very sophisticated analysis of Phytoplankton and another plankton, so they are proposing changes on how they monitor that in the future.

On the wildlife side, the grizzly bear hair snagging process went on this year and the hair samples have been sent away for analysis and it will take a few months for that to come back. The idea is to do the program again next summer, write it up and have a better understanding of it for the two mine sites. There will be some work done south of Lac de Gras next year as well.

Wolverines hair snagging was also done. It’s recommended it be done every few years, such as three to five years, to get an idea of the distribution and abundance of the animals.

There were joint aerial surveys and two organizations each took the lead on each, Diavik being one of them.

A report comes out March or April of next year. IEMA still thinks there is more work needed on caribou and why there's a zone of avoidance around the mine sites, so IEMA will talk to BHP on that concern.

Cameras along Misery road, BHP had installed. IEMA received a report on that preliminary work a few months ago and they are going to put more cameras at the mine site concerning how animals are diverted from the mine site, to understand caribou movements and behavior.

Every three years, the company has to do an Environmental Impact Report, a retrospect of the past to see how air quality and monitoring is going to determine what areas need to be worked on. IEMA reviewed it, had a few sessions with the company, before the work and after the report. Previously, IEMA suggested they do more consultation and this report was much better than the previous two reports.

For IEMA's Board, there is a new North Slave Metis Alliance member and they are very pleased to have Arnold Enge on their board. IEMA went to Whati, made a presentation and answered questions from people in the community and a couple of IEMA's directors went to the school to talk to some students there as well.

IEMA just had a board meeting and AGM and were happy to make arrangements with Michele LeTourneau as well.

Kevin O'Reilly opened the floor to questions.

Arnold Enge's question was if overall IEMA is satisfied with BHP's operation of the mine. Kevin said there's always room for improvements such as air quality and getting the incinerator working and caribou, and overall IEMA is satisfied with the way BHP is operating.

Concerning BHP's Financial Security, the closure plan, an interim plan, was approved last year by the water board, so now there's financial security to be reviewed. There have been a lot of changes to the mine site since 2004.

Floyd Adlem explained that security has gone down at Diavik recently, so EMAB wondered if an issue for BHP.

ANSI has indicated it won't but the GNWT can be involved if they want to, that's for the ACRP. There may be other financial security items through the environmental agreement. That's why the consultants were hired. It's quite complicated. IEMA hasn't figured it out, the company hasn't either. So they need a plan for remediation and cleanup. The environmental agreement is very different from Diavik's Agreement.

Kevin, hasn't really been involved in what the closure plan looks like for Diavik, so was unaware of details of a September presentation to Diavik.

BHP has 8 years left in its mine life and Diavik has 10 or 15 years left in its mine life. BHP is more spread out with pits in several locations, Diavik is more compact as it's situated on an island.

The Mackenzie Land and Water Board has more of an idea now on closure.

It was mentioned that Kugluktuk Elders wanted motion cameras.

Kevin O'Reilly stated it is a pleasure to work with Mark Fenwick and Michele LeTourneau next door, it's good that both organizations are co-located and that they work together on some things.

David White: SLEMA Update happenings

In 2011, there was renewal of the water license so SLEMA was involved in a lot of hearings and water quality objectives that were asked for. Overall SLEMA is fairly pleased with the water license.

One thing they were not satisfied with was the term. SLEMA asked for a five-year term and they got an eight-year term. DeBeers wanted 15 years. SLEMA asked for a shorter term, water quality levels, so the term would have ended just before the report. So the term is April 2012 to April 2020.

Effects of the Water Quality Monitoring Program – January we're supposed to hold a meeting and Mackenzie Valley is hosting it. Gary Zablic is being hired for that as they want to alter their water samplings so we want to ensure there's consistency if changes are made in the water sampling.

Some TDS Monitoring was done for Snap Lake, so SLEMA did some modeling with new data of collections and our model is still holding true to the data.

There are copies of SLEMA's Annual Report here and David White can bring more if needed. The actionable trigger level is 350 for water monitoring. Initial level of the lake was 10-20, so if go to 350, quite a significant increase in the TDS of the lake.

Other concerns at the mine site are water issues, getting more water in the underground mine than anticipated originally. It may or may not have been cause of issues, leakages from perimeter pumps, one into Snap Lake. There was a huge spill on the west side and they created/built a huge perimeter ditch that flows on almost the whole western section. This ties in on the water management issue, they have too much water in the mine coming in.

They were supposed to pump "paste" into the storage area and they're doing it now, it's like toothpaste. It is hard on the pumps and equipment. Up until now, they were pumping a slurry into their storage area and that's why they were getting some water and forcing action.

Perimeter pump #3, were there Sept ember 2011, that level is supposed to be lower than the lake and SLEMA raised that concern and they disagreed that it was fine. The data showed it was lower. It appears they have that under control now, they have sumps. The main plant is 35 million cu. metres a day. They're going to try to control the water seapages into the mine. They did some trials.

A lot of the Kimberlite, 40-50 per cent is supposed to be paste.

Next week SLEMA has a regular quarterly meeting and also, a meeting with the Elders.

SLEMA has been asked by Mackenzie Valley and SLEMA trying to get the Elders to talk with SLEMA on the RCRP and do follow-up with them in April. Obviously dust is a big concern and caribou. They're

supposed to cap it and make it fit with the surroundings and it needs to be determined if it will be re-vegetated and what soil would be used.

There are thermasteres in there and testing.

In SLEMA's monthly report, production rates are monitored so SLEMA can compare it with other factors. It's been low in recent times, but now it's up at about 80 per cent, so they're producing more kimberlite in the past few months. Used to be in the 70s. There were 79,181 tons of kimberlite were processed last month. Water cubic discharges were also noted.

It's an entirely underground mine with a water management pond. They had a bit of a breach last year. Napoleon Mackenzie stated that he had a suggestion for the mine, but the mine didn't follow up on it.

David White stated that there was difficulty getting a mine site visit, it had to be a real push to get one this year and they're questioning his budget this year. It's more difficult to deal with certain things.

Mark Fenwick remarked that a new mine inspector starts January 2. There has been difficulty recently with the mine's environmental staff. It's something EMAB raised in the past, they need consistency in staff or hire more staff.

The one spill from the pond just went into the tundra. The other one, water leaked from the processed kimberlite storage area, so it should dilute really quickly. It leaked into the most pristine parts of the lake.

If there are any other questions EMAB board members can check SLEMA's website and annual report.

Doug Crossley thanked David White for his report.

Afternoon Break

Item 11: Miscellaneous

- Letter from AANDC to Diavik
- Christmas Days
- AANDC Security required

Letter from AANDC to Diavik

Diavik letter was highlighted, sent by Gord Macdonald to Kathryn Bruce on December 2, 2012. It essentially asks permission from the Minister to separate Diavik from Rio Tinto to call it "New Diavik". It would be incorporated under the NWT Act and would become the legal owner of the assets of the organization. So permission is sought to change the name and have it as a free-standing entity from Rio Tinto. It is in there as in information item.

Christmas Days for Staff

Mark Fenwick mentioned Donny Days and normally, it gets voted on every year, so EMAB would have the same office closure as the GNWT's Donny Days, so the office is closed between Christmas and New Year's Eve. If it is a "yes" Mark Fenwick asked if it can be placed in the operations manual for consistency

year-to-year. IEMA does close over Christmas. The last day of work would be December 21 and the return day would be Wednesday, January 2. Seth asked if it paid leave, and it was confirmed that it is.

Motion: That the office closes end of business day Dec 21 at 5 p.m. and re-opens on January 2nd, 2013 at 9 a.m. for Christmas holidays.

Moved: Arnold Enge

Second: Mike Nitsiza

Carried

One member, Seth Bohnet abstained.

Michele noted that both Martha and Mark Fenwick are away on holidays that week.

AANDC Security Required

This information was presented to EMAB members as an information item. Reduction in security was requested for the new Diavik. It does list the reasons for the decision.

Item 12: Reports

Mark Fenwick noted that the Grizzly Bear reports and Caribou reports were expected back in January. MSES (Management Solutions in Environment Science) (EMAB's Contractor) component responses are attached.

For the Aquatic Effects Monitoring Program, a letter was sent in two weeks ago with EMAB's approval and recommendations. Lichen Report comments were for review.

Financial Report Highlights

Mark Fenwick then reviewed the financial report highlights for the EMAB board members.

Financial Report handed out:

- Administration – a couple of items are sitting high and he gave the reasons.
- The auditor had to be changed. There was work done to correct some previous work for corrective measures.
- Now it's MacKay, used to have Chuck Jeffries and Associates.
- Annual Report, just sent in, under \$12,000 expected.
- Insurance is higher this year.
- Office rent – at 100 per cent
- Office supplies sitting high as computers' bill came in late even though bought last year so it went into this year's budget.
- Phone/Fax sitting a little higher than normal.
- Printing and Photocopying – there may be a TK costs
- Kevin West's Work
- Legal Advisor is in case of a legal emergency
- Web page is fine
- Management Services, difficult to figure out from previous years. EMAB hoped to do its own payroll since April. EMAB has only done that a month and a half ago.
- EMAB was over-budgeted in benefits, it had the NEBS insurance plan and NWT Payroll tax was lumped in with benefits, CPI increase and any bonuses were put in as benefits and should have

been in with pay, so it bumped up salaries. We have monies that can cover that from Medical Services.

- Professional Development and Travel has hardly touched this year.
- WSCC – In February we'll get a big hit on that.
- Accommodations, phone, food and beverage still fine as we only have one meeting left
- Community consultation, four pre-approved days, hardly touched at all
- Public Meetings – zero
- Honoraria is good, Per diems good
- NWT Payroll tax, CPP wasn't submitted for a few years, so about \$12,000 lump sum due
- Preparation is a line item – solely for a board member to prepare for a meeting ie. half a day to read up on items – it is good
- Four-days preparation is pre-approved by EMAB prep in community
- Personnel committee – didn't touch anything
- Community Engagements – good, will be some in January
- March TK Panel – there is a leftover amount
- October TK Panel – still expecting a bill from SENES
- Strategic Plan – sitting about \$41,000
- Science – sitting about 42 per cent right now
- Projects

Mark Fenwick stated that EMAB is sitting over on a few items, sitting at about 57 per cent , so over on some small things but don't need to worry about re-allocating now we can wait until the February meeting.

He clarified that for "Community Engagement Program" – this is community updates.

Michele LeTourneau's travel activity is scheduled in January, she will review the October material with the Elders on TK for her visits to Whati, Gameti, Lutselke, Kugluktuk, a day with North Slave Metis Alliance and meet with the panel of Elders. The aim is to do three TK Elders meetings in January. The plan is to meet for about 3 days with each group and doing the public update. Leadership and wildlife is to follow-up on the strategic plan. Arnold Enge asked if it would some of it be absorbed by the TK Panel funds. That could go toward the August meeting, Michele suggested. Some are communication functions. SMNA plans and sets up the meeting and EMAB gets invited. The Traditional Knowledge workshop is slated for February.

Motion: To accept the Financial Report as presented.

Moved: Floyd Adlem

Second: Charlie Catholique

Carried

No further questions.

Action Items

Michele -

- Revised version of the report.

- Staff to capture the structure of the March Information Session – this is an ongoing process. Coming out of the October report will be a process manual. Michelle LeTourneau was asked to align her trio of sessions to the fiscal year. The request for proposals will come at the February meeting.
- Staff to review the report, everything from the three sessions will be laid out.
- Board and panel will get together at the next session. Michele spent an hour ensuring the panel understands their role. The environmental agreement is very clear on it, so Michele LeTourneau visually explained the hierarchy: they are the advisors to EMAB. That was the message she understood in October at the end of the session.
- Request for Proposals – is deferred. Copy available in February.
- Write a letter to Dene First Nation Leadership explaining the situation, completed and sent but no reply yet.
- EMAB's Executive Director will explore cost-sharing equipment rentals from PIDO for translation equipment. SLEMA is definitely interested in partnering up.
- In EMAB Minutes: use individual names instead of attributing it to the party.
- Research Youth underage waiver: Example of Tundra Kit that EMAB could adapt if EMAB decides to include youth in a panel. Different dangers on a tundra camp versus a panel meeting.
- Mark Fenwick noted with EMAB now doing its own payroll, EMAB is now doing deductions at source.
- Michele checked with IEMA about joint board opportunities.
- Work plan conveyed to Diavik: done.
- Audit – Staff – quotes for comprehensive insurance for contents of the office and another was cheapest was with NIPS.

Any further reports: Written, formal or otherwise reports - No.

Closing Prayer

3:30 p.m.

Meeting adjourned.