



BHP Diamonds Inc.

Gordon Lennie Chairperson Mackenzie Valley Environmental Impact Review Board 5102-50th Ave. P.O. Box 938 Yellowknife NT X1A 2N7

November 10, 1999

Re: Report on Pre-Consultation Phase of Community Consultation for the BHP Sable, Pigeon and Beartooth Environmental Assessment

Dear Mr. Lennie;

Since May of 1999, BHP has been involved in pre-consultation for the environmental assessment of the Sable, Pigeon and Beartooth project. BHP offered to consult with Aboriginal groups (IBA), Environmental NGO's that have offices in Yellowknife and government on our February 1999 Draft Project Description. The City of Yellowknife, Dogrib Treaty 11, the Yellowknives Dene, Lutsel K'e, the North Slave Metis Alliance and the Inuit of Kugluktuk all requested that BHP provide informational briefings. Additionally BHP hosted two open houses in Yellowknife on the 1998 Environmental Annual Report, the 1999 Socio-Economic Annual Report and the Proposed Sable, Pigeon and Beartooth Project. The last of those 10 meetings occurred on November 3, 1999.

In late July, BHP met with DIAND to determine how government wished to participate in consultation with the Aboriginal groups. DIAND asked to be kept informed of our schedule. DIAND representatives were present at one of the meetings with the Yellowknives Dene and at the public meeting on environment in Yellowknife.

BHP would like to express its appreciation to the MVEIRB for having their staff participate in all of the meetings with the Aboriginal groups. We believe your staff participation helped people better understand the up-coming review process.

Now that revision 3 of the Project Description has been tabled with the MVEIRB, BHP will institute another round of consultation. The company will again contact the above mentioned groups and provide them with an opportunity to consult with BHP on the specifics of the updated project description.

BHP has enclosed for the public record copies of our memos on the community consultations that have taken place since May 1999 and copies of the cover letters for

revision 3 of the Sable, Pigeon and Beartooth Project Description. The cover letter contains our invitation to open the next stage of consultation.

Sincerely yours;

Jina Markovi

Tina Markovic

Senior Resource Planning Coordinator

cc. Jim Excell, Graham Nicholls, Scott Williams, Chris Hanks, David Searle (Davis and Company), David Livingstone (DIAND), the IBA groups

Encl.



BHP Diamonds Inc.

DATE:

August 5, 1999

TO:

Scott Williams

FROM:

Chris Hanks

C.C.:

Graham Nicholl, Tina Markovic, John Bekale

Our File:

RE:

Community Consultation in Kugluktuk on the 1998 Socio-Economic Report, the 1999 Environmental Annual Report and the Sable, Pigeon and Beartooth Proposal

BHP held a community meeting in Kugluktuk on the evening of August 3, 1999.

The meeting was attended by:

John Bekale, Charlie DeLuca, Robert Beaulieu, Jerry Bair, Tina Markovic and Chris Hanks attended for BHP. Juanita Robinson attended on behalf of the GNWT. Jane MacMullan and Sandy Buchan represented the Government of Nunavut. Louie Azzolini represented the Mackenzie Valley Impact Review Board. Stephanie Brisco represented the KIA. Jimmy Miyok and David White were there on behalf of the Hamlet of Kugluktuk. Red Pedersen was present on behalf of the Independent Monitoring Agency. Lena Atatahak, Agnes and Owen Allen, Mike Webbster, Phillip Kadlun, Eliz Algonia, Susan and Gerry Atatahak, Charlie Evahlok, Ben and Bessie Hikoniak, Jack Alonde, Abraham and Annie Ohagak, Kristine Kayogaina, Jack Allonole, Paulette Ohagak, Ernie Bernhart, Allen Algona, Mary Algona, Valery Myok, Glen Tiktolik, Frank Bort, Fred Taptuna, David and Helen Enogalook, Helen Hala, Willie Pijolok, Martha Taletok, Lena Portas, Lenny Hikonide, Agie Kadlun, Margaret Beverge and Ida Neglak represented the citizens of Kugluktuk.

The Agenda included presentations and discussion with community members on the 1998 Socio-Economic Report, the 1999 Environmental Annual Report and the proposed addition of the Sable, Pigeon and Beartooth kimberlite resources to the EKATI™ reserves. There was good discussion between BHP and the community on all of the presentations.

Valery Myok asked how BHP defines a northerner to calculate its statistics. Charlie DeLuca explained the heath care card and/or 6 months residence. Valery was worried about people who come north long enough to obtain a health card and then live down south.

Several former Lupin employees inquired about job opportunities.

There was a questions regarding whether or not the proposed new kimberlite resources would have any impact on the Coppermine River. Chris Hanks explained reviewed the new activities and suggested there would not be an impact.



BHP Diamonds Inc.

DATE:

October 4, 1999

TO:

Scott Williams

FROM:

Chris Hanks

C.C.:

Tina Markovic, John Witteman, John Bekale, Denise Burlingame and Jim Excell

Our File:

RE: Meeting with Yellowknives Dene Land and Environment Committee -9-29-99

Tina Markovic and I met with the Land and Environment Committee in order to present the Environmental Agreement Annual Report and the proposed Sable, Pigeon and Beartooth Project Description.

The meeting was attended by Rachel Crapeau, Eileen Liske, Isadore T'Setta, Alfred Baillargeon, Noel Crapeau, Paul Mackenzie, George Goulet, Lawrence Goulet, Jimmy Beaulieu, James Sangris Angus Martin, Celine King, Peter Sangris, Mary Rose Sundberg, Christine Baillargeon, and Alfred Liske.

I led off with the presentation on the Environmental Agreement. There were so many questions that after an hour and a half, I was still only half way through the presentation. The dialogue with the Land and Environment Committee was productive conversation.

The majority of the questions had to do with the materials management system. There were questions on cleaning solvents, management of waste oil, spill management, concerns about ground water in the pits, questions about pit wall stability, pit abandonment, and the interaction of caribou with decommissioned pits.

The elders ask if we could get a video that would show them how hydrocarbon spills are cleaned up on land and in the water. Isadore T'setta indicated he did not understand how one picked oil up off water. Generally the committee felt that we needed more maps, drawings and pictures. A long slide tour of the site would not have been out of order.

Alfred Baillargeon indicated that they were dissatisfied with how traditional knowledge was being used. He agreed that they had learned a lot from the mine tours but they were not sure how we would incorporate their input. He felt there should be more visits per year. We very briefly touched on the revision of their 1998 Phase II Study Report. I am not sure from the discussion where that projects stands. Rachel admitted that the relationship with BHP has improved. Two years ago they did not want to talk with the company.

Rachel Crapeau summarized their comments by saying that the Yellowknives Dene want to be part of the monitoring process both during the operation and reclamation phases.

Eventually, we ended the environmental report in favor of going over the Sable, Pigeon and Beartooth proposal. Questions were asked to Tina about the drainage of creeks around Sable. The maps in the project description confused people. Members of the Lands and Environment Committee commented that Sable would be a very deep pit. They were concerned about worker safety with relationship to pit wall stability and ground water. Isadore T'Setta was concerned that the pits would not be completely refilled with waste rock. Tina explained that the top bench would be blasted to make a gentle slope and that we were considering using a siphon to refill the lake more quickly.

The questions asked by the Land and Environment Committee are a preview of the type of questions that will come up at the community meeting on October 6th.



BHP Diamonds Inc.

DATE:

September 30, 1999

TO:

Scott Williams

FROM:

Chris Hanks

C.C.:

Tina Markovic, Denise Burlingame, John Bekale, Jim Excell, Robert Beaulieu,

John Witteman and Graham Nicholls.

Our File:

RE:

Socio-Economic Agreement Meeting in Lutsel K'e 9-30-99

The meeting on the 30th was originally designed to cover the Socio-Economic Agreement, the Environmental Agreement, and the permitting of the Sable, Pigeon and Beartooth Resources.

John Bekale, Robert Beaulieu, Dale Sooley, Tina Markovic and Chris Hanks represented BHP. GNWT had Juanita Robinson (RWED), Lloyd Jones (RWED), Sydney O' Sulivan (Ed, Empl and Cult), and Evan Walz (Health). Louie Azzolini represented the Mackenzie Valley Environmental Impact Review Board.

The Lutsel K'e Land and Environment Committee (LEC) sponsored the meeting, which was jointly chaired by Charlie Cathlique and Chief Felix Lockhart.

Grade 9 and 10 students in attendance were: Amanda Marlowe, Leslie Lockhart, Samantha Basil, Patricia Lockhart, Leeann Basil, Justin Catholique, Darren Marlowe, Roland Catholique, ?ekecho Lockhart, Rocky Catholique, Darren Sanderson, Sheldon Catholique, Charles Nataway, Kyle Enzo and Joey Fatt.

The community was represented by Joe Desjarlius (LEC), August Enzoe (LEC), Brenda Parlee (Staff), Agatha Marlowe (Staff), Sara Basil (Translator), James Marlowe (Band Councilor), Albert Boucher (LEC), Pierre Marlowe, Evelyn Marlowe, Paul Catholique, Bernice Marlowe, Ramana Sanderson (LEC), Billy Enzoe, Joe Fatt, Gilbert Abel, Wally Desjarlais (Staff), Sep Casaway, J.C. Catholique (Staff), Ernie Michel, Billy Lockhart, Mary Fatt, Pierre Fatt, Eddy Drygeese, Stan Desjarlais, Rene Fumeleau, Jerry Kaliek, Georgie Marlowe, Fred Marlowe, Maurice Lockhart, Dennis Drygeese, Robert Pogson, John Catholique, Floyd Abel, Mary Rose Enzoe, Tommy Lock hart, Dwayne Catholique, Jim Fatt, Emily Saunders, Rose Ann Lockhart, Florence Cathlique, and Emily Kaliek.

Felix Lockhart opened the meeting. He indicated that the community was interested in:

- the status of the IBA's with regard to the proposed addition of resources.
- · the impact of the union on Aboriginal workers, and

the environmental impact of the new pits.

Robert Beaulieu and John Bekale did BHP's socio-economic presentation. Following their presentations there were a number of community questions, which I have summarized below.

George Marlowe was the first member of the community to speak. George works in Mine Operations as a truck driver. He mentioned:

- · the need for community fuel subsidies,
- encouraged the students to stay in school,
- described the difficulties he had to over come with Tracess Computerized Training System.
- mentioned the IBA with regard to the new pipes,
- asked about bereavement benefits for aunts, uncles, grandparents and cousins and
- praised BHP for our priority on Safety and asked about a family day for Lutsel K'e employees, and
- he was concerned about the recent truck roll over when a driver swerved to miss a group of caribou
 - I responded that safety was our first priority and so in a situation where he did
 not think he could miss the animals safely, that no one would criticize a driver
 who hit a caribou. I stressed our good record; no caribou have ever been killed
 on the roads at EKATI™.

Elder Pierre Marlowe spoke next. He encouraged the students to stay in school so that they would one day qualify for professional positions. It was an inspirational talk.

Dennis Dryness, one of the band researchers, indicated that they would like to come to site and interview employees to better understand the impact of wage employment. He gave Robert Beaulieu a letter. We indicated that we would take his request under consideration.

Elder Sep Casaway indicated he was very worried about the environmental impact of the mine. He said that past mines had ripped up the land and not provided any benefits to the Aboriginal people.

J.C. Catholique picked up Sep's theme. He commented that the employment and business opportunities sounded good, but the other side is protection of the environment.

After a length period of discussion, the GNWT made four presentations and then answered more questions. By the end of that discussion, the meeting had been under way for four hours. The community asked if BHP would come back on the 12th to continue the meeting.

In a closing statement, Chief Felix Lockhart indicated that the community had not received many contracts. He stressed that Lutsel K'e needs to do business with BHP, but notes that they are an isolated settlement without a lot of resources.

Felix went on to note that the Aboriginal communities had not been allowed to sign the environmental agreement, but were none the less very interested in environmental issues. He indicated that they wanted to have a full discussion with BHP concerning:

- compliance with the environmental agreement,
- the status of the current winter road,
- proposals by BHP to mine additional pits and
- government proposals to build an all weather road to Lac de Gras.

Felix finished by indicating that he expected that there would be extensive community conciliation on future plans for EKATI™.

Chris Hanks, Tina Markovic, Steve Moore, and Helen Butler will attend the October 12th meeting.



BHP Diamonds Inc.

DATE:

October 6, 1999

TO:

Scott Williams

FROM:

Chris Hanks

C.C.:

Tina Markovic, Charlie Deluca, Robert Beaulieu, John Bekale, Jim Excell, Graham

Nicholls, Denise Burlingame, Jerry Bair

Our File:

RE:

Meeting with the North Slave Metis Alliance Board regarding the Socio-Economic Agreement, the Environmental Agreement and the proposed development of the Sable, Pigeon and Beartooth kimberlite resources

Representatives from BHP and the Government of the Northwest Territories met with the Board of Directors of the NSMA.

Tina Markovic, Jerry Bair, Robert Beaulieu, Charlie Deluca, Dale Sooley, Chris Hanks and Denise Burlingame represented BHP.

Juanita Robinson (RWED), Evan Walz (Health), Robert Murphy (RWED) and Bob Worsley (Ed., Empl., and Culture) presented upon behalf of the GNWT.

Clem Paul, Dennis Kachkowski, Chantelle Le Mouel, Kathy Overvold, Edward Mercredi, Ernie Camsell, Bob Turner, and Kathy Arden attended for the NSMA.

Roland Semjanovs represented the Mackenzie Valley Environmental Impact Review Board.

Both Clem Paul and Bob Worsley questioned BHP regarding our definition of a northerner. Dennis Kachkowski used this point to question our statistics. Robert and Jerry responded that our statistics were based on the requirements of the Socio-Economic Agreement. Clem Paul wanted to know if we paid property taxes to the GNWT.

The bulk of the questions went to Bob Worsley regarding government support of job training, apprenticeship, and resume writing. Clem Paul ask about welding programmes that were less then a full apprenticeship. He points out that a box welder can be trained in a few months.

Kathy Overvold asked the only question on the Environment presentation. She wanted to know how we designed the fishout programme and who determined who decided if the fish were fit for human consumption.

Clem Paul asked Tina a couple questions regarding mine planning, and the review process. He also wanted to know what constitutes consultation. We told him that sending them the project description last May was the start of the process. This meeting was what the MVEIRB considers pre-consultation. It is intended to provide a brief overview of the proposed development. Tina and I offered to come back once the revised project description was submitted later in October to field questions. We stressed we wanted to meet with their membership once the EIS was released early in the new year to explain the document. We then offered over the 5-month review period to meet with the Metis as often as was necessary to answer their questions. Roland Semjanovs indicated that the MVEIRB wanted to improve consultation with developers.



BHP Diamonds Inc.

DATE:

October 21, 1999

TO:

Scott Williams

FROM:

Chris Hanks

C.C.:

Tina Markovic, John Bekale, Robert Beaulieu, Tim Butler, Denise Burlingame,

Jim Excell, Graham Nicholls

Our File:

RE:

Attempt at Consultation with the Dogrib Treaty 11 Regional Council on 10-7-99 in Rae Regarding the Socio-Economic Agreement, Environmental Agreement and the proposed Sable, Pigeon, and Beartooth Development

BHP was represented at the Rae meeting by Scott Williams (Env.), Tim Butler (HR), Robert Beaulieu (HR), Maurice Zoe (HR), John Bekale (HR), Tina Markovic (Env), John Witteman (Env), Denise Burlingame (External), Charlie Deluca (Purchasing), and Chris Hanks (Env). Steve Moore from Rescan Environmental Services was present to provide technical support.

The Government of the North West Territories was represented by Juanita Robinson (RWED), Bob Worsley (Ed, Empl. and Cult), and Evan Walz (Health).

Louie Azzolini represented the Mackenzie Valley Environmental Impact Review Board.

The 201 people who attended the session represented the Dogrib communities of Rae/Edzo, Wha Ti, Rae Lakes and Snare Lakes. A list of attendees is attached below.

18. Aphonse Nitsiza 19. Bobby Drybones 20. Louie Quitte 21. Eddie Erasmus 22. Leonard Lafferty 24. Louie Wedawin 25. Michael Nitsiza 26. Chief Charlie J. Nitsiza 27. Aphonse Tsatchea 28. Phillip Tsatchea 29. Germain Eyakwo 30. Frank Arrowmaker 31. Charlie Gon 33. Harry Simpson 34. Phillip Dryneck 35. Johnny Dryneck 36. Francis Washie 37. Chief Joseph Judas 38. Joseph Whane 39. Louie Whane 40. Bobby Pea'a 41. George Weyallon 42. Pierre Washie 43. Joe Black 44. Archie Black 45. Phillip Rabesca 46. Harry Apples 47. Frank Beaulieu 48. Peter John Zoe 49. Edward Bishop 50. Ernie Mantla 51. Joe Wedzin 52. Leon Nasken 53. Pierre Blackduck 54. John Lafferty 55. Francis Zoe Fish 56. Sonny Zoe Fish 57. Joe Erasmus 58. Nick Black 59. Alexis Arrowmaker 60. Tony Lafferty

61. Charlie Martin

63. Gabriel Wetrade

64. Gordon Bohnet

65. John Mantla

68. Archie Zoe

66. Charlie Tatzia

67. Archie Beaulieu

93. Sam Flunkie 94. Albert Nitsiza 95. Jackson Lafferty 96. Leon Zoe 97. William Quitte 98. Lloyd Daniels 99. Susie Mackenzie 100. C. Neg. John B. Zoe 101. Gary Wedzin 102. Richard Bishop 103. Leon Football 104. Edward Rabesca 105. Joe Mantla 106. Mary Adele Drybones 107. Antoine Flunkie 108. Jimmy Mantla 109. Joe Quitte 110. Erie Gargon 111. James Rabesca (MLA) 201. Benny Mantla 112. Lena Zoe 113. Jimmy Nedlin 114. Linda LaBlanc 115. Narcisse Bishop 116. George Whane 117. Aphonse Eronchi 118. Jimmy Koyina 119. Mary Ann Football 120. Tony Rabesca 121. Elizabeth Quitte 122. Paul Apples 123. George Beaulieu 124. Edward Camille 125. Adeline Camille 126. Roger Camille 127. Michael Charlo 128. William Charlo 129. Louie Chinkon 130. Elizabeth Ekendia 131. Leon Ekendia 132. Jessica Football 133. Moise Flunkie 134. Jonas Kotchilea 135. Melanie Washie 136. Monique Mackenzie 137. Nora Beaulieu

138. Ernestine Mackenzie

139.Gabriel Mantla

140. Charlie Eyakwo

164. Archie Lafferty 165.Mary Jane Lafferty 166. Joseph Zoe 167.Marcel Zoe 168. John Yakkiena 169.Francis Richardson 170. Joseph Pea'a 180.Pierre Beaverho 181.Phillip Huskey 182. Jusley Lamouelle 183. Ernie Smith 184 Mary Tinqui 185. Morris Tinqui 186. Jimmy Kodzin 187.Sam Mantla 189. Alise Legget (TK) 190. Joe Etsemba 200.Chief Joe Rabesca 202. Robert Beaulieu 203 Violet Camsell-Blondin (IBA Rep) 69. Aphonse Quitte
70. Romie Wetrade
71. Joachim Rabesca
72. Isadore Zoe Fish
73. William Mantla
74. Francis Williah
75. Eddie Weyallon
141. Frank Michel
142. Georgina Migwi
143. Peter John Quitte
144. Jason Rabesca
145. Michel Louie Rabesca
146. Pierre Tlokka
147. Celine Wanazah

The consultation session was intended to provide the Dogrib with information on the Socio-Economic and the Environmental Agreements during 1998, and the proposed development of the Sable, Pigeon and Beartooth kimberlite resources. Both Dogrib Treaty 11 Grand Chief Joe Rabesca and Scott Williams from BHP made the scope of the meeting clear to people.

In a letter to BHP dated September 20, 1999, the Dogrib Chiefs had indicated the session would last from 10:00 in the morning until the agenda was completed. On the day of the meeting, the Dogrib delayed the start of the BHP presentations until 2:00 and then at 4:30 indicated the hall was needed for Bingo and that consultation was complete for the day. It was not possible to get them to commit to another date at that time.

Following the first presentation by Robert Beaulieu on employment targets, the meeting was taken over by questions from the floor related to employment, business opportunities and the IBA. Some of the issues included:

- Would BHP do school presentations to Dogrib students on what was required to obtain skilled and professional positions?
- How are summer students selected?
- Why is BHP not hiring more Dogrib?
- What is the process for selection and retension of employees,
- Why is the scholarship programme not larger?
- Why does BHP deal with the GNWT with regard to the Socio/Economic Agreement?
 - Implied BHP should deal with Dogrib and not the GNWT,
- BHP should have provided more money to support the meeting, and
- Jim Rothwell and Jim Excell should have been present.

As a result of this exchange and the shortened meeting, the section on business opportunities, the GNWT presentation, the Environmental Annual Report and the report on changes to the mine plan were not made.

Efforts will be made to schedule another session to continue the consultation process.



BHP Diamonds Inc.

DATE:

October 20, 1999

TO:

Scott Williams

FROM:

Chris Hanks

C.C.:

Tina Markovic, John Bekale, Jim Excell, Denise Burlingame, John Witteman,

Graham Nicholls

Our File:

RE:

Meeting with Yellowknives Dene Land and Environment Committee on

Environmental Management and the Sable, Pigeon and Beartooth Proposal 10-19-99

A follow up meeting to the October 4, 1999 Yellowknives Dene Lands and Environment Committee was held on October 19, 1999. The L&E requested the second meeting to follow-up on issues raised in the first meeting.

Chris Hanks and Tina Markovic attended for BHP. Louie Azzolini attended on behalf of the MVEIRB. Rachel Crapeau, Eileen Liske, Angus Martin, Noel Crapeau, George Goulet, Alfred Liske, Mike Francois, Isadore T'setta, Michel Paper, Joe Martin, Frankie Paper, Paul Mackenzie, Lawrence Goulet, Peter Sangris and Narcis Charlo attended on behalf of the I &E.

Rachel inquired about the up-coming L&E tour of the EKATI™ Diamond Mine. I suggested we would run the tour once the new Materials Management building was open. Rachel asked if there were any Aboriginal employees working in waste management. Tina told her that Peter Zoe worked in the Sewage Treatment Plant, but that we were not sure of the names of the technicians that would work in the new Waste Management building. Since the meeting, I have checked with Derek Chubb and found out that Charlie Beaulieu and Ron Desjarlis are the waste management technicians. Derek suggests that the first week in December would be a good time for a tour. Construction is a little behind schedule. I have passed this information on to Rachel.

In response to the 1998 - Environment Annual Report presentation, Rachel asked for a list of the lakes where fish had been removed and where they remained. I told her since 1997 the fish had been removed from Panda, Koala, Airstrip, Misery, and Long Lake Cells A, B, C and D. I explained that at the request of Environment Canada, the fish were being left in Cell E of Long Lake. As that cell will never be filled with processed Kimberlite, the fish were in no danger, but would be sampled from time to time to determine if any bioaccumulation was occurring.

Rachel asked for a definition of ore. Tina explained that at EKATI™ it was kimberlite that contained diamonds.

Isadore Setta asked Tina to explain how the pits would be reclaimed. Tina used conceptual drawing on slides that showed the reclamation of a lake using a kimberlite fill with the upper bench lowered and one where only the upper bench had been lowered. Isadore indicated that more discussion was necessary, as he would like to see the pits refilled.

George Goulet indicated that he was confused when he looked at the map as to how the Sable road skirts around the Pigeon pipe. Tina acknowledges that a better drawing was necessary in the final draft of the project description. There were also questions on the where drainage from the Pigeon waste rock pile would go. Tina had a new map with her showing the drainage patterns. The map will be in the updated project description.

Tina explained that following our last meeting with the L&E where people had questioned the need to place rock from Sable in Ulu Lake, she had gone back and ask the engineers if that was actually necessary. It has been determined that mine plan could be revised so that the rock fill does go into Ulu. This change will be reflected in the new project description.

Isadore Setta told us that the problem with the Con and Giant Mines was that they never talked to people. He felt excluded from decisions being made about their land. He indicated that he appreciated that BHP had been back to the L&E several times and that we appeared to listen to what people said as we planned the mine. Isadore told us he appreciated the tours we had done of the mine. He felt that the staff was respectful and helpful.

Louie Azzolini made a presentation on the role of the MVEIRB. He introduced the board and briefly explained the process of environmental assessment. Louie stressed the importance of the public registry as the source of information for the board.



BHP Diamonds Inc.

Public Consultation Meeting

October 25, 1999

Environmental Agreement

Attendance List

Name Affiliation

BHP Diamonds Inc. Denise Burlingame BHP Diamonds Inc. Jim Excell BHP Diamonds Inc. Scott Williams Brad Skeeles BHP Diamonds Inc. BHP Diamonds Inc. Charlie DeLuca Nancy Hanks Diavik Diamond Mines Inc. BHP Diamonds Inc. Tina Markovic Jerry Bair BHP Diamonds Inc. BHP Diamonds Inc. Herman Perry Greg Andrews BHP Diamonds Inc. BHP Diamonds Inc. Chris Hanks Alfred Baillargeon BHP Diamonds Inc. Ian Goodwin Michael White BHP Diamonds Inc. Whitehorse, YT Bill Klassen Joe Acorn Gartner Lee Limited John Holman

Mike Baker Diavik Diamond Mines Inc.

Bernadette & Gordon Stewart Braden Burry Expediting

Many Tangell DIAND

D

Mary Tapsell
Dave Nickerson
Penelope Shaw
Jake Ootes
Marie Adams
Alex Thomson
George Greer
Graham Hodder

Jim Barrett Blake Rasmussen

B.M. Braden Louie Azzolini

Serge Pelletier Todd Burlingame Graham Nicholls DIAND

Monitoring Agency Voisey's Bay Nickel Co.

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Presentations included - an overview of the EKATI™ Diamond Mine, the 1998 Environmental Annual Report (Environmental Agreement), proposed additions to the EKATI™ Diamond Mine Plan and an explanation by the Mackenzie Valley Environmental Impact Review Board on the environmental assessment process for Sable, Pigeon and Beartooth under the Mackenzie Valley Resource Management Act.

Mine over View

- Brad Skeeles made the presentation on behalf of BHP.
- There were no questions from the audience.

Annual Environmental Report

- Scott Williams made the presentation on behalf of BHP
- Dave Nickerson Ask about several spelling errors in the 1998 Environment Annual Report Plain English Summary. Most of his concerns were a matter of style.

- Mary Tapsell Ask about the number of fish that spawned in Panda Diversion Channel in 1999. Scott told her that a robust spawn
 took place but indicated that he did not have the exact figure on hand as the reports were still being written. The information will be
 available for the February 2000 Aquatic Effects Monitoring Programme workshop.
- Marie Adams Inquired about progress on the Impact 2000 Environmental Assessment Report, which is required under the
 Environmental Agreement. Scott indicated that the document was in process and thanked government for its help in developing
 the format.
- Alex Thomson from the Independent Environmental Monitoring Agency Asked BHP whether or not any caribou had experienced
 difficulties negotiating their way around the Long Lake Processed Kimberlite Facility. Scott indicated that the kimberlite was
 coming out of suspension quite nicely and that as a result the areas of exposed kimberlite at the north end of Long Lake was stable
 and safe for the caribou to cross.

Revision of the EKATI™ Diamond Mine Plan

- Tina Markovic presented on behalf of BHP/
- Dave Nickerson wanted to know if BHP was happy with pace of the environmental assessment process that is being conducted by the Mackenzie Valley Environmental Impact Review Board. Tina indicated that BHP was able to accommodate the pace of the review.
- Jake Ootes asked for an explanation of why BHP considered the Leslie Kimberlite Pipe to be uneconomic. He further asked about the percentage of the known kimberlite pipes on the BHP claim block that had been evaluated? Tina explained that following the 1996 EARP hearings; BHP had reevaluated Leslie and concluded that based on the quality of the stones found in the pipe, it was not economic to mine under the current market conditions. She then told Jake that BHP had identified 120+ kimberlite pipes on the claim block and that the joint venture was currently undertaking advanced exploration on a number of those pipes.

Environmental Assessment under the Mackenzie Valley Resource Management Act

- Louie Azzolini presented on behalf of the Mackenzie Valley Environmental Impact Review Board.
- Louie used the Bruce Domes Assessment for a small timber cut near Enterprise, NT as an example of how the MVEIRB
 approaches assessment.
- Jake Ootes asked if there was a way to speed up the time frame for environmental assessment. He felt that the 18 months
 described in the MVEIRB work plan was excessive for a project that had already undergone a major review three years ago. Jake
 was also concerned that the time frame of the review might set a precedence that would discourage other developments. Louie
 could not comment on the Board's decisions.
- John Holman inquired who the MVEIRB would use as technical experts, government regulators or consultants. He asked about
 intervenor funding. There was discussion about a database of experts who could be called upon to review projects. John wanted
 to know who would fund the technical review. Louie answered that the Board could use either government experts or contract
 consultants if it was necessary.
- Alex Thomson asked if the Independent Environmental Monitoring Agency had any status with the MVEIRB for the Sable, Pigeon
 and Beartooth review. She wanted to how the MVEIRB viewed the IEMA. Louie suggested that their status was that of an
 intervience
- Bill Braden inquired about the minister's authority to add to or change the MVEIRB's recommendation. What recourse does the public have with regard to the Minister's decision? Louie reviewed the options open to the Minister.
- Marie Adams inquired on how the Board decides the extent of an environmental assessment and determined the time frames.
 Louie indicated that he could not speak for the Board.
- Dave Nickerson commented that the addition of Sable, Pigeon and Beartooth was really a very minor change to BHPs mine plan. He wondered if the Board could come up with a more reasonable approach for handling reviews like the current BHP application. Dave suggested that this type of change to the mine plan might reasonably be a candidate for an exclusion list. Louie told Dave that once a project had been through preliminary screening and had been sent to the MVEIRB, an environmental assessment must be undertaken. In response to a supplementary inquiry by Dave on whether or not MVEIRB meetings were open to the public, Gordon Stewart indicated that there was an opportunity at board meetings for public presentations, but that normal executive sessions of the Board were not open to the public,
- Jerry Bair asked could the Minister disagree with an MVEIRB decision and approve a project. Louie again explained the options open to the Minister under the legislation.
- Jake Ootes pushed Louie on how it could take 2 years to review a project like BHP's Sable Pigeon and Beartooth proposal, which will only add 3 years to the life of the mine. Louie indicated he could speak for the Board.
- Mary Tapsell noted that she had reviewed the Board's work plan. She then asked about the scope of the assessment. Mary
 phrased a rhetorical question Will the assessment have a very narrow scope compared to original EARP review? If so could the
 timeline in the work plan be tightened? Louie indicated he could not speak for the Board.
- John Holman asked about the status of implementing the MVRMA with some land claims settled and some not settled. He asked for confirmation on which settled claims are covered. Louie indicated the Gwich'in n and Sahtu are the only settled claims currently covered by the Act. John asked how new claims are brought in under the Act. Louie indicated that the Act would have to be amended for each claim. John asked about the make up of the Board what percent are First Nations and what percentage are government appointments. Louie indicated that there are 3 government nominees and 3 First Nation nominees and a chairperson selected from the Board.

Public Consultation Meeting

October 26, 1999

Socio- Economic Agreement

Attendance List

Name

Denise Burlingame Charlie DeLuca Scott Williams Gloria Irani Barry Wilson Juanita Robinson Graham Nicholls Dale Sooley Jackie Paul Greg Andrews Robert Beaulieu Jiri Hermann John Bekale Brendan Bell Theresa Chilibeck Gary Reid Dale Sooley Kevin Stapleton Chris Chapman Ian Goodwin Ellie Sasseville Rob Sasseville Joe Ayrey Larry Adamson Peggy Near Tina Markovic

Brent Gibeauit Randy Kotylak Karen Marshall Jerry Vandenbilche Tom Hoefer Sean Ivens Bill Stirling Colin Hudsen Bob O'Connell Penelope Shaw Dave Nickerson Roy Ellis

Gordon Stewart

Peter LeMare

Bob Weber

Julia Mott

Roy Williams Maureen Crotty-Williams

Ron Gibeault **Bob Stephens** Wally Maduke Jake Ootes Blake Rasmussen John Holman Gordon & Joyce Humphreys Garry Doering Dave McCann

Lorraine Catholique

Affiliation

BHP Diamonds Inc. BHP Diamonds Inc. BHP Diamonds Inc. BHP Diamonds Inc. Nunasi Projects Inc. GNWT - RWED BHP Diamonds Inc. BHP Diamonds Inc. Paul Bros. Welding Ltd. BHP Diamonds Inc. BHP Diamonds Inc. Jiri Hermann Photography

BHP Diamonds Inc. Javaroma Coffee BHP Diamonds Inc. CA North

BHP Diamonds Inc. Great Slave Graphic Signs Acklands Grainger BHP Diamonds Inc.

YK Chamber of Commerce Northern Metallic Sales Tli cho LandTran Trans. GNWT, RWED, N.Slave

Securecheck BHP Diamonds Inc. Braden Burry Expediting

Finning

Canadian Press Ron's Auto/ Pro-Can Tools Bearing Supply / National Artisan Press Ltd. Artisan Press Ltd. Diavik Diamond Mines Inc.

Medic North

Overlander Sports Ltd. **Creative Basics** Aero Arctic Helicopters

Ellis Consulting First Air Radio Shack Radio Shack

Ron's Auto / Pro-Can Tools Lutra Associates

Lake Awry Cap & Crest

Eldonn Jewellery Kingland Ford Yellowknife City Council Akaitcho Treaty 8

Pat McMahon T. Boldt Tony Whitford Eric Christensen Jim Excell Bill Braden

Diavik Diamond Mines Inc. BHP Diamonds Inc.

Graham Nicholls provided an introduction to the BHP Socio-Economic Agreement.

Denise Burlingame presented the purpose of the Socio-Economic Agreement

Robert Beaulieu addressed the Aboriginal and northern employment targets and achievements

Charlie DeLuca reviewed the Aboriginal and Northern business opportunities targets and achievements

After the break, representatives of the GNWT made presentations:

Larry Adamson presented on behalf of RWED

Bob Worsley presented on behalf of ECE

Evan Walz presented on behalf of HSS.

Questions raised by the audience included:

- Joe Handley asked about the difference of opinion between BHP and the GNWT over the definition of a Northern resident. Joe
 wanted to know why BHP has a different interpretation than the government. Graham Nicholls responded that BHP uses either 6
 months or the presentation of a valid NWT Health Card as prima faca evidence of residence. This is in keeping with the terms of
 the Socio-Economic Agreement.
- A question was asked about the status of the agreement between BHP and the NWT Status of Women Council. An agreement
 was supposed to be in place two years ago. Graham Nicholls indicated that BHP was aware of the commitment and would
 continue to work on it with the NWT Status of Women.
- There were several questions from the audience on how to take advantage of business opportunities with the EKATI™ Diamond Mine. Basically people wanted an explanation of how the BHP tender system works. Charlie DeLuca explained the tender system.
- A question was asked about whether or not BHP advertized its tenders in the newspaper? Charlie DeLuca indicated that no we did
 not advertize our tenders in the newspaper.
- A gentleman who runs a northern business indicated that he recently lost a contract to supply BHP with a variety of products, to an
 Aboriginal supplier. He wanted to know if BHP provides a preference to Aboriginal businesses over northern businesses? Charlie
 DeLuca indicate that yes BHP does practice a preference in contracting goods and services from Aboriginal groups that have IBA's
 with the company. The company also complies with the terms of the Socio-Economic Agreement.
- A final question to BHP dealt with how BHP identified who are potential suppliers. Charlie responded that the IBA's have
 mechanisms through which Aboriginal suppliers are identified. The government of the NWT supplies BHP with business directories
 as part of the Socio-Economic Agreement. If a business wants to be sure that BHP knows about them, then they should file a
 perspectus with our purchasing department.
- A number people asked question to the GNWT regarding the health statistics presented by Evan Walz. Essentially, they wanted to know how trends in health could be related to BHP based on the current data. Everyone seemed to agree that the data set is not yet sufficient to determine whether or not BHP is having any kind of impact on health.



BHP Diamonds Inc.

Notes on Meeting Yellowknives Dene Community Meeting Regarding the 1998 Environmental Annual Report and The Proposed Addition of the Sable, Pigeon and Beartooth Kimberlite Resources to the EKATI™ Mine Plan On November 3, 1999

The meeting was attended by:

Jonas Fishbone, James Sangris, George Lafferty, Chief Richard Edijricon, Darrell Beaulieu, Cecilia Beaulieu, Muriel Betsina, Eileen Liske, Christine Baillargeon, Noel Crapeau, George Goulet Shirley T'setta, Lawrence Goulet, Alfred Liske, Paul Mackenzie, Angus Martin, Michel Paper, Florence Erasmus, Isadore T'setta, Morris Martin, Alex Beaulieu, Joe Martin, Peter Liske, Jim Beaulieu, Berna Martin, Lena Drygeese, Lorraine Catholique (IBA), Chris Hanks (BHP), Tina Markovic (BHP) and Louie Azzolini (MVEIRB)

Chief Richard Edijrican introduced the meeting and explained to people that this was an information session. People were encouraged to ask questions to clarify the BHP presentations, but Rick told them that it was not a negotiation. Rick indicated that the Treaty 8 leadership would be approaching BHP in the near future to discuss the IBA.

Rick opened the discussion by commenting that the BHP presentations required more focus. He was not sure what BHP wanted from the Yellowknives Dene. Hanks explained that we did not want anything from the Yellowknives at this time, BHP was simply providing information for the use of the Yellowknives Dene on our 1998 environmental performance and our proposed future plans for the mine. Rick then ask if we would be willing to come back and discuss the proposed changes to the mine plan with the Yellowknives Dene Band Council. Hanks indicated that all they had to do was extend the invitation and we would come.

Jim Beaulieu wanted more information on the nutrification of Kodiak Lake. BHP explained that phosphates resident in the treated sewage effluent and nitrates that washed off of blast rock in the Panda Diversion Channel had caused the nutrification of the lake. Increased nutrients resulted in an algae bloom in Kodiak Lake. The decay of plant remains under the ice caused dissolved oxygen levels to drop in the lake. Water monitoring by BHP had identified the decrease in oxygen levels before harm was done to the fish in Kodiak Lake. The situation was remedied by aerating the lake in winter to raise the level of dissolved oxygen and relocating the treated sewage out-fall to the Long Lake Processed Kimberlite Facility. Nutrient level dropped significantly during 1999. On going monitoring of Kodiak Lake indicates that after freeze-up in 1999 the saturation of dissolved oxygen in the water under the ice was essentially normal. BHP will continue to monitor and is prepared to aerate if it becomes necessary. Jim and Rick both asked if BHP could

prepare a more graphic explanation. Rick specifically suggested that he felt s series of simple posters would help people grasp the issue.

Rick asked if BHP could provide the Yellowknives Dene with a list of concerns raised by other Aboriginal groups regarding the proposed development of the new pipes. He also ask if BHP could do a review on the status of environmental issues and concerns raised during the 1996 EARP process, as a way for BHP to demonstrate that progress had been made on issues of concern to the Yellowknives Dene. We told him that we would look into these requests.

Louie Azzolini's presentation on the Mackenzie Valley Environmental Impact Review Board drew a variety of comments.