



**Mackenzie Valley Land and Water Board**  
**7th Floor - 4922 48th Street**  
**P.O. Box 2130**  
**YELLOWKNIFE NT X1A 2P6**  
**Phone (867) 669-0506**  
**FAX (867) 873-6610**

August 11, 2014

File: MV2005C0032

Ms. Veronica Chisholm  
De Beers Canada Inc.  
Gahcho Kué Project  
Suite 300, 5120-49<sup>th</sup> St.  
YELLOWKNIFE NT X1A 1P8

Email: [Veronica.Chisholm@debeersgroup.com](mailto:Veronica.Chisholm@debeersgroup.com)

Dear Ms. Chisholm:

**Issuance of Type A Land Use Permit  
Gahcho Kué Project – Kennady Lake, NT**

Attached is Land Use Permit MV2005C0032 granted by the Mackenzie Valley Land and Water Board (MVLWB) in accordance with the *Mackenzie Valley Resource Management Act* (MVRMA). The MVLWB has approved this Land Use Permit for a period of five (5) years commencing August 11, 2014 and expiring August 10, 2019. The Reasons for Decision (attached) have been combined with those for the associated Water Licence (MV2005L2-0015), that have been submitted to the Minister of Environment and Natural Resources.

Please read all conditions carefully making particular note of Land Use Permit condition 56 regarding the posting of security deposits. Security has been set for an amount totaling \$16,687,088 based on the schedule presented in Table 1 below. Pursuant to section 32 of the *Mackenzie Valley Land Use Regulations* and as delegated under Schedule A of the Delegation Instrument under the MVRMA, these deposits are **payable to the Government of the Northwest Territories**, and shall be posted with the Government of the Northwest Territories, Department of Lands, North Slave Region, #16 Yellowknife Airport, Yellowknife NT, X1A 3T2. Please send a copy of the receipt for the security deposit to the MVLWB office prior to the start of your operation.

**Table 1: Condition 56 Regarding Posting of Security Deposits.**

(a)	prior to the commencement of Construction, the Licensee shall post and maintain a total security deposit of \$11,816,392
(b)	prior to Year 1 of Operations, the Licensee shall post an additional security deposit in the amount of \$2,001,471 to maintain a total security deposit of \$13,817,863

(c)	prior to Year 4 of Operations, the Licensee shall post an additional security deposit in the amount of \$1,382,934 to maintain a total security deposit of \$15,200,797
(d)	prior to Year 7 of Operations, the Licensee shall post an additional security deposit in the amount of \$831,146 to maintain a total security deposit of \$16,031,943
(e)	prior to Year 11 of Operations, the Licensee shall post an additional security deposit in the amount of \$655,145 to maintain a total security deposit of \$16,687,088

The Board would also like to draw your attention to Tables 2 and 3 below which outline the various Plans/Programs that are required under this Land Use Permit.

Table 2 presents the Plans/Programs that have already been submitted by De Beers Canada Inc. for Board approval. These Plans/Programs will be circulated for review and brought to the Board for consideration.

**Table 2: Required Plans/Programs that Have Been Received**

<b>Condition Number</b>	<b>Title of Plan/Program</b>	<b>Date Received</b>	<b>LUP Requirement</b>
35	Erosion and Sediment Management Plan	July 1, 2014	Board approval required prior to commencement of land-use operation
42	Explosives Management Plan	July 1, 2014	Board approval required prior to commencement of land-use operation
45	Wildlife and Wildlife Habitat Protection Plan	May 30, 2014	Board approval of habitat protection measures outlined in the Plan required prior to commencement of land-use operation
47	Waste Management Plan	(Pieces received June 30 and July 1, 2014)	Board approval required prior to commencement of land-use operation
69	Spill Contingency Plan	July 22, 2014	Board approval required prior to commencement of land-use operation
91	Vegetation and Soils Monitoring Program	June 30, 2014	Board approval required prior to commencement of land-use operation

Table 3 outlines the Plan that requires resubmission for Board approval. Once received, this Plan will be sent out for review and brought to the Board for consideration.

**Table 3: Plan that Require Re-Submission**

<b>Condition Number</b>	<b>Title of Plan/Program</b>	<b>LUP Requirement</b>
89	Engagement Plan	Submission required for Board approval

Please note that the federal Minister has delegated powers, duties, and functions with respect to securities for land use permits on non-federal lands and the designation of inspectors for use of land on non-federal lands to the Minister of Lands of the Government of the Northwest Territories through the Delegation Instrument (see attached).

A copy of all related correspondence and documents has been filed on the Public Registry at the office of the MVLWB. Please be advised that this letter, its attached procedures, inspection reports, and related correspondence is part of the Public Registry and is intended to keep all interested parties informed of the manner in which the Permit's requirements are being met. All Public Registry material will be considered if an amendment to the Permit is requested.

The full cooperation of De Beers Canada Inc. is anticipated and appreciated. If you have any questions or concerns, please contact Angela Love at (867) 766-7456 or email [angela.love@mvlwb.com](mailto:angela.love@mvlwb.com).

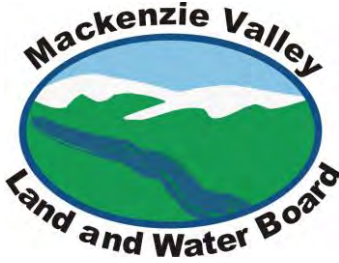
Yours sincerely,



Willard Hagen  
Chair

Copied to: Distribution List

Attachments: Delegation Instrument  
Land Use Permit MV2005C0032  
Reasons for Decision



## Land Use Permit

Permit Class	Permit No	Amendment No
A	MV2005C0032	-

Subject to the Mackenzie Valley Land Use Regulations and the terms and conditions in this Permit, authority is hereby granted to:

De Beers Canada Inc.

Permittee

to proceed with the land use operation described in the Application of:

Signature Ms. Veronica Chisholm	Date November 28, 2013
Type of Land Use Operation Mining and Associated Activities	
Location Gahcho Kué Project – Kennady Lake, NT	

This Permit may be assigned, extended, discontinued, suspended, or cancelled pursuant to the Mackenzie Valley Land Use Regulations.

Dated at Yellowknife this 11 day of August, 2014

Signature Chair

Signature Witness

Commencement Date

August 11, 2014

Expiry Date

August 10, 2019

### ATTENTION

It is a condition of this Permit that the Permittee comply with the provisions of the *Mackenzie Valley Resource Management Act* and Regulations and the terms and conditions set out herein. A failure to comply may result in suspension or cancellation of this Permit.

## Conditions Annexed to and Forming Part of Land Use Permit #MV2005C0032

### Part A: Scope of Permit

1. This Permit entitles the Permittee to conduct the following land-use operation: Mining and directly associated activities on the De Beers Canada Inc. Gahcho Kué Project (the Project) and includes the following:
  - i. dykes and berms to facilitate the Dewatering of Kennady Lake;
  - ii. Open Pit mining of the Hearne, 5034 and Tuzo kimberlite pipes;
  - iii. milling facilities and infrastructure;
  - iv. ore and low grade ore stockpiles;
  - v. a Fine Processed Kimberlite Containment Facility;
  - vi. a Coarse Processed Kimberlite Containment Facility;
  - vii. a West Mine Rock Pile;
  - viii. a South Mine Rock Pile;
  - ix. deposition of kimberlite and Waste Rock into the Hearne and 5034 Open Pits;
  - x. quarrying;
  - xi. the existing exploration camp, winter access spur road camp, and a mining camp;
  - xii. fuel, lubricant, and glycol storage facilities and laydown areas;
  - xiii. explosives storage facilities and use of explosives;
  - xiv. a Landfarm;
  - xv. Construction and Operation of the winter access spur road;
  - xvi. site facilities and infrastructure including but not limited to the Water supply facility, Sewage Treatment Plant, pipelines, incinerator, site roads, all-season airstrip and apron, power plant, electrical distribution, and material storage and sorting facilities; and
  - xvii. use of equipment, vehicles and machines.

All Activities will be bounded by the following locations:

63° 25' 12.5" N, 109° 06' 13.7" W and 63° 58' 49.3" N, 110° 17' 59.7" W.

2. This Permit is issued subject to the conditions contained herein with respect to the use of land for the activities and area identified in Part A, item 1 of this Permit.
3. Compliance with the terms and conditions of this Permit does not excuse the Permittee from its obligation to comply with the requirements of any applicable Federal, Territorial, or Municipal laws.

## Part B: Definitions

### 2. Definitions

**Act** - the *Mackenzie Valley Resource Management Act*.

**Archaeological Impact Assessment** - a study as defined by the Prince of Wales Northern Heritage Centre – Guidelines for Developers.

**Board** - the Mackenzie Valley Land and Water Board established under Part 4 of the Act.

**Coarse Processed Kimberlite Containment Facility** - the constructed facility designed to store material that is generally 0.25 mm to 6 mm in diameter, rejected from the process plant after the recoverable diamonds have been extracted.

**Construction** - any activities undertaken to construct or build any components of, or associated with, the development of the Project, including any Construction activities undertaken during Operations and closure phases of the Project.

**Controlled Area** - the isolated subwatersheds within Kennady Lake watershed after dewatering and Drawdown, where mining activities will be undertaken and Water associated with mining activities will be managed. Specifically, areas 1 through 7.

**Drawdown** - the removal of Water from Kennady Lake. This excludes withdrawals from the Water Management Pond.

**Drilling Fluids** - any liquid mixture of Water, sediment, drilling muds, chemical additives or other Wastes that are pumped down hole while drilling and are specifically related to drilling activity.

**Drilling Waste** - all materials or chemicals, solid or liquid, associated with drilling, including drill cuttings and Drilling Fluids.

**Durable Land** - land that is able to withstand repeated use, such as gravel or sand with minimal vegetative cover.

**Engagement Plan** - a document, developed in accordance with the Board's June 2013, or subsequent editions, *Engagement and Consultation Policy* and the *Engagement Guidelines for Applicants and Holders of Water Licences and Land Use Permits*, that clearly describes how, when, and which engagement activities will occur with an affected party during the life of the Project.

**Engineered Structure** - any structure or facility related to Water Use or the deposit of Waste that is normally designed and approved by a Professional Engineer, that are associated with the Construction, Operation, closure and Reclamation of the Project, including but not limited to, the dykes and berms, Fine Processed Kimberlite Containment Facility, Coarse Kimberlite Containment Facility, West Mine Rock Pile, South Mine Rock Pile, and the Landfarm.

**Environmental Impact Review** - means the totality of the Mackenzie Valley Environmental Impact Review Board Public Registry, for Environmental Impact Review 06070-001, as established under the authority of Part 5 of the Act for this Permit application. This includes, without limiting the foregoing, all documents, records, and materials of any kind submitted to the Mackenzie Valley Environmental Impact Review Board Public Registry which are relevant to Land Use Permit Application MV2005C0032 made by De Beers Canada Inc.

**Fine Processed Kimberlite Containment Facility** - the constructed facility designated to store material that is generally less than 0.25 mm in diameter, rejected from the process plant after the recoverable diamonds have been extracted.

**Fuel Storage Container** - a container for the storage of *petroleum* or *allied petroleum products* with a capacity of less than 230 litres.

**Fuel Storage Tank** - a closed container for the storage of *petroleum* or *allied petroleum products* with a capacity of more than 230 litres.

**Greywater** - all liquid Wastes from showers, baths, sinks, kitchens, and domestic washing facilities but not including toilet Wastes.

**Habitat** - the area or type of site where a species or an individual of a species of wildlife naturally occurs or on which it depends, directly or indirectly, to carry out its life processes.

**Inspector** - an Inspector designated by the Minister under the *Mackenzie Valley Resource Management Act*.

**Landfarm** - the lined, Engineered Structure designed to contain and treat hydrocarbon contaminated materials.

**Minister** - the Minister of Indian Affairs and Northern Development.

**Open Pit(s)** - the Hearne, Tuzo and 5034 pits created by the extraction of Overburden and Waste Rock to mine the kimberlite ore.

**Operations** - the activities which occur following the commencement of mining ore for milling in the process plant.

**Ordinary High Water Mark** - the usual or average level to which a body of Water rises at its highest point and remains for sufficient time so as to change the characteristics of the land. In flowing Waters (rivers, streams) this refers to the "active channel/bank-full level" which is often the 1:2 year flood flow return level. In inland lakes, wetlands, or marine environments, it refers to those parts of the Watercourse bed and banks that are frequently flooded by Water so as to leave a mark on the land and where the natural vegetation changes from predominately aquatic vegetation to terrestrial vegetation (excepting Water tolerant species). For reservoirs, this refers to normal high operating levels (full supply level).

**Overburden** - the materials (i.e., lake-bottom sediments and till) that overlie the Waste Rock and kimberlite deposit.

**Permafrost** - ground (soil or rock) that remains at or below 0°C for at least two consecutive years.

**Professional Engineer** - a person who is registered with the Northwest Territories and Nunavut Association of Professional Engineers and Geoscientists in accordance with the *Engineering and Geoscience Professions Act*. S.N.W.T. 2006, V.16, or subsequent editions, as a Professional Engineer, and whose principal field of specialization is appropriate to address the components of the Project at hand.

**Project** - the Gahcho Kué diamond mine operation in its entirety as described in the Report of Environmental Impact Review 0607-001, dated October 22, 2013, and in the Updated Project Description and supporting materials submitted on November 28, 2013.

**Reclamation** - activities which facilitate the return of areas affected by the Project to viable and, wherever practicable, self-sustaining ecosystems that are compatible with a healthy environment, human activities, and the surrounding environment.

**Secondary Containment** - containment that prevents liquids that leak from Fuel Storage Tanks or Containers from reaching outside the containment area and includes double-walled Tanks, piping, liners, and impermeable barriers.

**Seepage** - Water or Waste that drains through or escapes from any structure designed to contain, withhold, divert or retain Water or Waste.

**Sewage** - all toilet Wastes and Greywater.

**Sewage Treatment Plant** - the treatment plant that is designed to contain and treat Sewage.

**South Mine Rock Pile** - the structure designed to contain Waste Rock constructed immediately south of area 6.

**Spill Contingency Plan** - a document, developed in accordance with Indian and Northern Affairs Canada's April 2007, or subsequent editions, *Guidelines for Spill Contingency Planning*, that describes the set of procedures to be implemented to minimize the effects of a spill.

**Sump** - a man-made pit or natural depression in the earth's surface used for the purpose of depositing Waste that does not contain Toxic material, such as non-Toxic Drilling Waste or Sewage, therein.



**Toxic** - any substance that enters or may enter the environment in a quantity or concentration or under conditions such that it:

- a) Has or may have an immediate or long-term harmful effect on the environment or its biological diversity;
- b) Constitutes or may constitute a danger to the environment on which life depends; or
- c) Constitutes or may constitute a danger in Canada to human life or health.

**Waste** - any garbage, debris, chemical, or Toxic material to be used, stored, disposed of, or handled on land, and also as defined in section 51 of the Act.

**Wastewater** - the Water that is generated by Project activities or originates on site and contains Waste and includes but is not limited to runoff, Seepage, or minewater.

**Waste Management Plan** - a document, developed in accordance with the Board's March 2011, or subsequent editions, *Guidelines for Developing a Waste Management Plan*, that describes the methods of Waste management from Waste generation to final disposal.

**Waste Rock** - all unprocessed rock materials that are produced as a result of the Project. This material has been referred to as "mine rock" during the Environmental Impact Review and in the application and supporting materials documents.

**Water(s)** - any Waters as defined by section 1 of the *Waters Act*.

**Watercourse** - a natural body of flowing or standing Water or an area occupied by Water during part of the year, and includes streams, springs, swamps and gulches but does not include groundwater.

**Water Management Pond** - areas 3 and 5 of Kennady Lake after milling commences, where Wastewater will be collected and stored from various locations and sources within the Controlled Area.

**Water Use** - a use of Water as defined by section 1 of the *Waters Act*.

**West Mine Rock Pile** - the structure designed to contain Waste Rock constructed within the catchment of the Water Management Pond in areas 3 and 5.

**Part C: Conditions Applying to All Activities** (headings correspond to subsection 26(1) of the *Mackenzie Valley Land Use Regulations*)

**26(1)(a) Location and Area**

- |    |   |                               |
|----|---|-------------------------------|
| 1. | The Permittee shall locate all camps on Durable Land or previously cleared areas.   | <b>Camp Location</b>          |
| 2. | The Permittee shall use an existing campsite, as described in the complete application.   | <b>Existing Camp</b>          |
| 3. | The Permittee shall not conduct a quarry operation within 100 metres of the Ordinary High Water Mark of any Watercourse, unless otherwise authorized in writing by an Inspector.              | <b>Quarry Setback</b>         |
| 4. | The Permittee shall not construct parallel lines or roads, unless an existing line or road cannot be used.  | <b>Parallel Roads</b>         |
| 5. | The Permittee shall locate all lines, trails, and right-of-ways to be constructed parallel to any Watercourse a minimum of 100 metres from the Ordinary High Water Mark, except at crossings. | <b>Parallel Watercourse</b>   |
| 6. | The Permittee shall not conduct this land-use operation on any lands not designated in the complete application.  | <b>Location of Activities</b> |
| 7. | Prior to the commencement of the land-use operation, the Permittee shall accompany an Inspector during an inspection of the proposed land use area.   | <b>Inspect Locations</b>      |

**26(1)(b) Time**

- |     |   |                               |
|-----|---|-------------------------------|
| 8.  | At least 48 hours prior to the commencement of this land-use operation, the Permittee's Field Supervisor shall contact an Inspector at (867) 765-6651.  | <b>Contact Inspector</b>      |
| 9.  | At least 48 hours prior to commencement of this land-use operation, the Permittee shall provide the following information, in writing, to the Board <u>and</u> an Inspector:<br>a) the name(s) of the person(s) in charge of the field operation;<br>b) alternates; and<br>c) all methods for contacting the above person(s). | <b>Identify Agent</b>         |
| 10. | At least ten (10) days prior to the completion of the land-use operation, the Permittee shall advise an Inspector of:<br>a) the plan for removal or storage of equipment and materials; and<br>b) when final cleanup and Reclamation of the land used will be completed.  | <b>Reports Before Removal</b> |

11.	The Board, for the purpose of this operation, designates April 25th, as spring break-up.	<b>Spring Break – up</b>
<b>26(1)(c) Type and Size of Equipment</b>		
12.	The Permittee shall not use any equipment except of a similar type, size, and number to that listed in the complete application.	<b>Only Approved Equipment</b>
<b>26(1)(d) Methods and Techniques</b>		
13.	Prior to the movement of any vehicle that exerts pressure on the ground in excess of 35 kPa, the Permittee shall scout proposed lines and routes to select the best location for crossing streams and avoiding terrain obstacles.	<b>Detours and Crossings</b>
14.	The Permittee shall construct and maintain the overland portion of winter roads with a minimum of 10 cm of packed snow and/or ice at all times during this land-use operation.	<b>Winter Roads</b>
15.	The Permittee shall not erect camps or store material, other than that required for immediate use, on the ice surface of a Watercourse.	<b>Storage on Ice</b>
<b>26(1)(e) Type, Location, Capacity, and Operation of All Facilities</b>		
16.	The Permittee shall ensure that the land use area is kept clean at all times.	<b>Clean Work Area</b>
17.	The Permittee shall not locate any Sump within 100 metres of the Ordinary High Water Mark of any Watercourse, unless otherwise authorized in writing by an Inspector.	<b>Sumps From Water</b>
<b>26(1)(f) Control or Prevention of Ponding of Water, Flooding, Erosion, Slides, and Subsidence of Land</b>		
18.	The Permittee shall install and maintain culverts such that scouring does not occur.	<b>Culvert Size</b>
19.	The Permittee shall, where Permafrost exists, insulate the ground surface beneath all structures associated with this land-use operation to prevent: <ul style="list-style-type: none"> <li>a) any vegetation present from being removed;</li> <li>b) the melting of Permafrost; and</li> <li>c) the ground settling and/or eroding.</li> </ul>	<b>Permafrost Protection</b>
20.	The Permittee shall minimize obstruction to any natural drainage.	<b>Natural Drainage</b>

21.	The Permittee shall minimize erosion by installing erosion control structures as the land-use operation progresses.	<b>Progressive Erosion Control</b>
22.	The Permittee shall not conduct off-road vehicle travel in areas without snow-covered surfaces.	<b>Off-road Vehicle Travel</b>
23.	The Permittee shall prepare the site in such a manner as to prevent rutting of the ground surface.	<b>Prevention of Rutting</b>
24.	The Permittee shall suspend overland travel of equipment or vehicles at the first sign of rutting.	<b>Suspend Overland Travel</b>
25.	The Permittee shall not move any equipment or vehicles unless the ground surface is in a state capable of fully supporting the equipment or vehicles without rutting or gouging.	<b>Vehicle Movement Freeze-up</b>
26.	The Permittee shall not use any material other than clean Water and snow in the construction of ice bridges.	<b>Ice Bridge Materials</b>
27.	The Permittee shall not use any materials other than clean snow and Water in the construction of snow fills.	<b>Snowfill Materials</b>
28.	Prior to spring break-up or completion of the land-use operation, the Permittee shall clean up and either remove or v-notch all snowfills from stream crossings, unless otherwise authorized in writing by an Inspector.	<b>Remove or V- Notch Snowfills</b>
29.	Prior to spring break-up or completion of the land-use operation, the Permittee shall clean up and v-notch all ice bridges, unless otherwise authorized in writing by an Inspector.	<b>V-notch Ice Bridges</b>
30.	The Permittee shall not cut any stream bank, unless otherwise authorized in writing by an Inspector.	<b>Stream Banks</b>
31.	The Permittee shall minimize approach grades on all Watercourse crossings.	<b>Minimize Approach</b>
32.	The Permittee shall not ford wet streams.	<b>No Fording of Streams</b>
33.	The Permittee shall slope the sides of Waste material piles, excavations, and embankments — except in solid rock — to a minimum ratio of 2:1 vertical, unless otherwise authorized in writing by an Inspector.	<b>Excavation and Embankments</b>

- |   |   |   |
|---|---|---|
| 34.   | The Permittee shall not excavate land within 100 metres of the Ordinary High Water Mark of any Watercourse, unless otherwise authorized in writing by an Inspector.   | <b>Excavate Near Watercourse</b>            |
| 35.   | Prior to the commencement of the land-use operation, the Permittee shall submit an <b>Erosion and Sediment Management Plan</b> , for approval by the Board. The Permittee shall not commence this land-use operation until this Plan has been approved by the Board.  | <b>Erosion and Sediment Management Plan</b> |
| 36.   | The Permittee shall adhere to the Erosion and Sediment Management Plan, once approved, and shall annually review the Plan and make revisions to reflect any changes in Operations, or as directed by the Board. Revisions of the Plan shall be submitted to the Board for approval.   | <b>Erosion and Sediment Management Plan</b> |
| <b>26(1)(g) Use, Storage, Handling, and Ultimate Disposal of Any Chemical or Toxic Material</b> |   |   |
| 37.   | At least seven (7) days prior to the use of any chemicals that were not identified in the complete application, the MSDS sheets must be provided to the Board and an Inspector.   | <b>Chemicals</b>                            |
| 38.   | Prior to the expiry date of this Permit or the end of Operations, whichever comes first, the Permittee shall backfill and restore all Sumps, unless otherwise authorized in writing by an Inspector.  | <b>Backfill Sumps</b>                       |
| 39.   | The Permittee shall maintain a record of all spills. For all reportable spills, in accordance with the GNWT <i>Spill Contingency Planning and Reporting Regulations</i> , the Permittee shall: <ul style="list-style-type: none"> <li>a) implement the Spill Contingency Plan;</li> <li>b) report the incident immediately via the 24-hour Spill Report Line (867) 920-8130 in accordance with the instructions contained in the Spill Report form NWT 1752/0593 or subsequent editions;</li> <li>c) report each spill and unauthorized discharge to the Board and an Inspector within 24 hours; and</li> <li>d) submit a detailed report on each spill and unauthorized discharge, including details of root causes, response actions, and any changes to procedures to prevent similar occurrences in the future, to the Board, within thirty (30) days.</li> </ul> | <b>Report Spills</b>                        |
| 40.   | The Permittee shall dispose of all Toxic material as described in the approved Waste Management Plan.   | <b>Waste Chemical Disposal</b>              |
| 41.   | The Permittee shall dispose of all Waste petroleum products by removal to an approved disposal facility or by incineration in a device designed for this purpose, as described in the approved Waste Management Plan.   | <b>Waste Petroleum Disposal</b>             |

42. Prior to the commencement of the land-use operation, the Permittee shall submit an **Explosives Management Plan** to the Board for approval. The Permittee shall not commence this land-use operation until this Plan has been approved by the Board.

**Explosives  
Management  
Plan**

43. The Permittee shall adhere to the Explosives Management Plan, once approved, and shall annually review the Plan and make revisions to reflect any changes in Operations, technology, chemicals, or as directed by the Board. Revisions of the Plan shall be submitted to the Board for approval.

**Explosives  
Management  
Plan**

### **26(1)(h) Wildlife and Fish Habitat**

44. The Permittee shall take all reasonable measures to prevent damage to wildlife and fish Habitat during this land-use operation.

**Habitat  
Damage**

45. Prior to the commencement of the land-use operation, the Permittee shall submit a **Wildlife and Wildlife Habitat Protection Plan (WWHPP)** to the Board. The Permittee shall not commence this land-use operation until the Habitat protection measures outlined in the Plan have been approved by the Board.

**Submit  
WWHPP**

46. The Permittee shall operate in accordance with the Habitat protection measures in the Wildlife and Wildlife Habitat Protection Plan, once approved, and shall annually review the Plan and make any necessary revisions to reflect any changes in Operations or as directed by the Board. Revisions to the Plan shall be submitted to the Board and any revisions to the Habitat protection measures outlined in the Plan shall be for approval by the Board.

**WWHPP**

### **26(1)(i) Storage, Handling, and Disposal of Refuse or Sewage**

47. Prior to the commencement of this land-use operation, the Permittee shall submit a **Waste Management Plan** to the Board for approval, in accordance with the Mackenzie Valley Land and Water Board's March 2011, or subsequent editions, *Guidelines for the Development of a Waste Management Plan*. The Permittee shall not commence this land-use operation until the Board has approved the Plan.

**Waste  
Management  
Plan**

48. The Permittee shall adhere to the Waste Management Plan, once approved, and shall annually review the Plan and make revisions to reflect any changes in Operations, technology, chemicals, fuels, or as directed by the Board. Revisions of the Plan shall be submitted to the Board for approval.

**Waste  
Management  
Plan**

49. The Permittee shall keep all garbage and debris in a secure container until disposal.

**Garbage  
Container**

50. The Permittee shall dispose of all garbage, Waste, and debris as described in the approved Waste Management Plan, unless otherwise authorized in writing by an Inspector. **Remove Garbage**

51. The Permittee shall dispose of all Sewage and Greywater as described in the approved Waste Management Plan. **Sewage Disposal**

**26(1)(j) Protection of Historical, Archaeological, and Burial Sites**

52. The Permittee shall not operate any vehicle or equipment within 30 metres of a known or suspected historical or archaeological site or burial ground. **Archaeological Buffer**

53. The Permittee shall not knowingly remove, disturb, or displace any archaeological specimen or site. **Site Disturbance**

54. The Permittee shall, where a suspected archaeological or historical site, or burial ground is discovered: **Site Discovery and Notification**

- a) immediately suspend Operations on the site; and
- b) notify the Board at (867) 669-0506 or an Inspector at (867) 765-6651, and the Prince of Wales Northern Heritage Centre at (867) 920-6182 or 873-7688.

55. Prior to any new land disturbance of areas that have not been subject to Archaeological Impact Assessment (AIA), the Permittee shall conduct an AIA of the areas where disturbance is planned and shall submit a summary report to the Board and the Prince of Wales Northern Heritage Centre. **AIA**

**26(1)(k) Objects and Places of Recreational, Scenic, and Ecological Value**

*Intentionally left blank.*

**26(1)(l) Security Deposit**

56. Pursuant to section 32 of the Mackenzie Valley Land Use Regulations, the Permittee shall post security totaling \$16,687,088 based on the schedule set out below: **Security Deposit**

- a) prior to the commencement of Construction, the Permittee shall post and maintain a total security deposit of \$11,816,392;
- b) prior to Year 1 of Operations, the Permittee shall post an additional security deposit in the amount of \$2,001,471 to maintain a total security deposit of \$13,817,863;
- c) prior to Year 4 of Operations, the Permittee shall post an additional security deposit in the amount of \$1,382,934 to maintain a total security deposit of \$15,200,797;

- d) prior to Year 7 of Operations, the Permittee shall post an additional security deposit in the amount of \$831,146 to maintain a total security deposit of \$16,031,943; and
- e) prior to Year 11 of Operations, the Permittee shall post an additional security deposit in the amount of \$655,145 to maintain a total security deposit of \$16,687,088.

57. All costs to remediate the area under this Permit are the responsibility of the Permittee. **Responsibility for Remediation Costs**

**26(1)(m) Fuel Storage**

58. The Permittee shall: **Check for Leaks**

- a) examine all Fuel Storage Tanks and Containers for leaks a minimum once per day; and
- b) repair all leaks immediately.

59. The Permittee shall not place any Fuel Storage Tanks or Containers within 100 metres of the Ordinary High Water Mark of any Watercourse, unless otherwise authorized in writing by an Inspector. **Fuel Near Water**

60. The Permittee shall ensure that all fuel caches have adequate Secondary Containment. **Fuel Cache Secondary Containment**

61. The Permittee shall set up all refueling points with Secondary Containment. **Secondary Containment - Refueling**

62. The Permittee shall only use stands approved by an Inspector for supporting Fuel Storage Containers that are in use. **Fuel Container Stands**

63. The Permittee shall not allow petroleum products to spread to surrounding lands or Watercourses. **Fuel Containment**

64. The Permittee shall locate mobile fuel facilities on land when the facilities are stationary for more than 12 hours. **Fuel on Land**

65. The Permittee shall mark all Fuel Storage Tanks and Containers with the Permittee's name. **Mark Containers**

66. The Permittee shall mark all stationary fuel caches and fuel storage facilities with flags, posts, or similar devices so that they are at all times plainly visible to local vehicle travel. **Mark Fuel Location**

67. Within ten (10) days of the establishment of any fuel cache, the Permittee shall report the location and quantity of the cache in writing to the Board and an Inspector. **Report Fuel Location**



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| 68.  | The Permittee shall seal all outlets of Fuel Storage Containers and store the containers on their sides with the outlets located at 3 and 9 o'clock, except for containers currently in use.   | <b>Seal Outlet</b>               |
| 69.  | Prior to the commencement of this land-use operation, the Permittee shall submit a <b>Spill Contingency Plan</b> to the Board for approval, in accordance with Indian and Northern Affairs Canada's 2007, or subsequent editions, <i>Guidelines for Spill Contingency Planning</i> . The Permittee shall not commence this land-use operation until the Board has approved the Plan. | <b>Spill Contingency Plan</b>    |
| 70.  | The Permittee shall adhere to the Spill Contingency Plan, once approved, and shall annually review the Plan and make any revisions to reflect any changes Operations, technology, chemicals, or fuels, or as directed by the Board. Revisions of the Plan shall be submitted to the Board for approval.  | <b>Spill Contingency Plan</b>    |
| 71.  | Prior to commencement of this land-use operation, the Permittee shall ensure that spill-response equipment is in place to respond to any potential spills.   | <b>Spill Response</b>            |
| 72.  | All equipment that may be parked for two hours or more, shall have a haz-mat/drip tray under it or be sufficiently diapered. Leaky equipment shall be repaired immediately.  | <b>Drip Trays</b>                |
| 73.  | The Permittee shall clean up all leaks, spills, and contaminated material.   | <b>Clean Up Spills</b>           |
| <b>26(1)(n) Methods and Techniques for Debris and Brush Disposal</b> |  |                                  |
| 74.  | The Permittee shall progressively dispose of all brush and trees and shall complete all brush disposal; all disposal shall be completed prior to the expiry date of this Permit.   | <b>Brush Disposal/ Time</b>      |
| 75.  | The Permittee shall not clear areas larger than identified in the complete application.  | <b>Minimize Area Cleared</b>     |
| <b>26(1)(o) Restoration of the Lands</b>                             |  |                                  |
| 76.  | All areas affected by construction or removal activities shall be stabilized and landscaped to their pre-construction profiles, unless otherwise authorized in writing by an Inspector.  | <b>Pre-construction Profiles</b> |
| 77.  | The Permittee shall dispose of all Overburden as instructed by an Inspector.   | <b>Disposal of Overburden</b>    |

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| 78.   | The Permittee shall save the organic soil stripped from the land-use area and shall use the organic soil for Reclamation activities unless otherwise described in the approved Interim Closure and Reclamation Plan.  | <b>Save and Place Organic Soil</b>          |
| 79.   | The Permittee shall level all stockpiles of granular material located within the land use area prior to the expiry date of this Permit.   | <b>No Stockpiles</b>                        |
| 80.   | Prior to the expiry date of this Permit, the Permittee shall complete all cleanup and restoration of the lands used.  | <b>Final Cleanup and Restoration</b>        |
| 81.   | Prior to the expiry date of this Permit, the Permittee shall prepare the site in such a manner as to facilitate natural revegetation.   | <b>Natural Vegetation</b>                   |
| 82.   | The Permittee shall carry out progressive Reclamation of disturbed areas as soon as it is practical to do so.   | <b>Progressive Reclamation</b>              |
| 83.   | The Permittee shall restore any trails impacted by the land-use operation by removing fallen trees and any other obstructions from the trails.  | <b>Trails Restoration</b>                   |
| 84.   | The Permittee shall submit an <b>Interim Closure and Reclamation Plan</b> , to the Board for approval, in accordance with the Mackenzie Valley Land and Water Board and Aboriginal Affairs and Northern Development Canada's November 2013, or subsequent editions, <i>Guidelines for the Closure and Reclamation of Advanced Mineral Exploration and Mine Sites in the Northwest Territories</i> . | <b>Interim Closure and Reclamation Plan</b> |
| 85.   | The Permittee shall implement the Interim Closure and Reclamation Plan, as approved by the Board, and submit any revisions upon request of the Board.   | <b>Interim Closure and Reclamation Plan</b> |
| 86.   | A minimum of two (2) years prior to the end of commercial Operations, the Permittee shall submit a <b>Final Closure and Reclamation Plan</b> to the Board for approval.   | <b>Final Closure and Reclamation Plan</b>   |
| 87.   | The Permittee shall implement the Final Closure and Reclamation Plan, as approved by the Board, and submit any revisions upon request of the Board.   | <b>Final Closure and Reclamation Plan</b>   |
| <b>26(1)(p) Display of Permits and Permit Numbers</b> |   |   |
| 88.   | The Permittee shall display a copy of this Permit in each campsite established to carry out this land-use operation.  | <b>Display Permit</b>                       |

## 26(1)(q) Biological and Physical Protection of the Land

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| 89. | The Permittee shall submit a revised <b>Engagement Plan</b> , to the Board for approval, in accordance with the Mackenzie Valley Land and Water Board's June 2013, or subsequent editions, <i>Engagement Guidelines for Applicants and Holders of Water Licences and Land Use Permits</i> .   | <b>Revised<br/>Engagement<br/>Plan</b>                     |
| 90. | The Permittee shall adhere to the Engagement Plan, once approved, and shall annually review the Plan and make any necessary revisions to reflect any changes in Operations or as directed by the Board. Revisions to the Plan shall be submitted to the Board for approval.   | <b>Engagement<br/>Plan</b>                                 |
| 91. | Prior to the commencement of this land-use operation, the Permittee shall submit a <b>Vegetation and Soils Monitoring Program</b> to the Board for approval. The Permittee shall not commence this land-use operation until the Board has approved the Plan.  | <b>Vegetation<br/>and Soils<br/>Monitoring<br/>Program</b> |
| 92. | The Permittee shall adhere to the Vegetation and Soils Monitoring Program, once approved, and shall annually review the Program, and make any necessary revisions to reflect any changes in Operations or as directed by the Board. Revisions of the Plan shall be submitted to the Board for approval.   | <b>Vegetation<br/>and Soils<br/>Monitoring<br/>Program</b> |
| 93. | All revised Plans and Programs submitted to the Board shall include a brief summary of the changes made to the plan.  | <b>Summary of<br/>Changes</b>                              |
| 94. | Beginning March 31, 2015 and no later than every March 31 thereafter, the Permittee shall submit an <b>Annual Land Use Permit Report</b> to the Board, which shall contain a table detailing all commitments listed in the Report of Environmental Impact Review that are related to the content of this Permit, with descriptions of how each commitment is being or has been met. | <b>Annual<br/>Reporting</b>                                |

## Annex A: Concordance Table of Items Requiring Submission

*Supplemental information to be submitted by Permittee as required through Land Use Permit Conditions.*

*Disclaimer: If there are any discrepancies between this table and the body of the Permit, the Permit conditions prevail.*

Permit Condition(s)	Report, Plan or Program Required	Due Date
35, 36	<b>Erosion and Sediment Management Plan</b>	- Board approval prior to commencement of land-use Operations - Annual review
42, 43	<b>Explosives Management Plan</b>	- Board approval prior to commencement of land-use Operations - Annual review
45, 46	<b>Wildlife and Wildlife Habitat Protection Plan</b>	- Board approval of the Habitat protection measures outlined in the Plan prior to commencement of land-use Operations - Annual review
47, 48	<b>Waste Management Plan</b>	- Board approval prior to commencement of land-use Operations - Annual review
69, 70	<b>Spill Contingency Plan</b>	- Board approval prior to commencement of land-use Operations - Annual review
84, 85	<b>Interim Closure and Reclamation Plan</b>	- As directed by the Board
86, 87	<b>Final Closure and Reclamation Plan</b>	- A minimum of two years prior to the end of commercial Operations for Board approval
89, 90	<b>Engagement Plan</b>	- As directed by the Board - Annual review
91, 92	<b>Vegetation and Soils Monitoring Program</b>	- Board approval prior to commencement of land-use Operations - Annual review
94	<b>Annual Land Use Permit Report</b>	- March 31, 2015 - Annual on each March 31

Ministre des Affaires autochtones  
et du développement du Nord



Minister of Aboriginal Affairs and  
Northern Development

Ottawa, Canada K1A 0H4

MAR 27 2014

The Honourable Robert C. McLeod  
Minister of Lands  
Government of the Northwest Territories  
PO Box 1320  
YELLOWKNIFE NT X1A 2L9

Dear Minister McLeod:

As per section 3.17 of the Northwest Territories Lands and Resources Devolution Agreement, it was agreed that certain, powers, duties and functions of the federal Minister under the *Mackenzie Valley Resource Management Act* would be delegated to a territorial minister. Section 4(1) of the *Mackenzie Valley Resource Management Act* provides me, as Minister of Aboriginal Affairs and Northern Development, the authority to delegate any of my powers, duties and functions under the Act, by instrument in writing, to a territorial minister designated by the Commissioner of the Northwest Territories.

Therefore, please find attached a copy of the Delegation Instrument, which delegates the powers, duties and functions under the *Mackenzie Valley Resource Management Act* to you, as Minister of Lands, with respect to securities for land use permits on non-federal lands; the designation of inspectors for use of land on non-federal lands; receiving and distributing reports from the Mackenzie Valley Environmental Impact Review Board for developments wholly on lands outside a federal area; the participation in decisions following environmental assessments and environmental impact reviews for developments wholly on lands outside a federal area; and the extension of time limits for environmental assessments and environmental impact reviews for developments wholly on lands outside a federal area (other than extensions requiring GIC approval).

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Thank you for your collaboration on the *Mackenzie Valley Resource Management Act*.  
I look forward to our continued collaboration, post-devolution.

Sincerely,

A handwritten signature in black ink, appearing to read "Bernard Valcourt". The signature is fluid and cursive, with a large initial "B" and a long, sweeping underline.

Bernard Valcourt, PC, QC, MP

Encl.

c.c.: The Honourable George L. Tuccaro, Commissioner of the Northwest Territories  
Premier Bob McLeod, Government of the Northwest Territories



DELEGATION OF AUTHORITY UNDER THE MACKENZIE VALLEY RESOURCE  
MANAGEMENT ACT

Whereas under section 3.17 of the Northwest Territories Lands and Resources Devolution Agreement certain powers, duties and functions of the Minister of Indian Affairs and Northern Development under the *Mackenzie Valley Resource Management Act* are to be delegated to a minister of the Government of the Northwest Territories designated by the Commissioner of the Northwest Territories;

Whereas certain other powers, duties and functions of the Minister of Indian Affairs and Northern Development under the *Mackenzie Valley Resource Management Act* are to be delegated to a minister of the Government of the Northwest Territories designated by the Commissioner of the Northwest Territories;

Whereas the Commissioner of the Northwest Territories has designated the Minister of Lands as the minister of the Government of the Northwest Territories who may be delegated certain powers, duties and functions of the Minister of Indian Affairs and Northern Development under the *Mackenzie Valley Resource Management Act*;

Therefore, pursuant to subsection 4(1) of the *Mackenzie Valley Resource Management Act*, I, the Minister of Indian Affairs and Northern Development, do hereby delegate the Minister of Lands for the Government of the Northwest Territories as the person who may exercise the powers and perform the duties and functions under this Act as specified in the attached Schedule A.

This instrument takes effect as of April 1, 2014 and remains in effect until revoked in writing.

Dated this 27<sup>th</sup> day of March, 2014.



The Honourable Bernard Valcourt / Minister of Indian Affairs and Northern Development  
L'honourable Bernard Valcourt / Ministre des Affaires indiennes et du Nord canadien

## **SCHEDULE A :**

### **POWERS, DUTIES AND FUNCTIONS UNDER THE MACKENZIE VALLEY RESOURCE MANAGEMENT ACT**

#### **Definitions:**

The terms used in this Schedule have the same meaning ascribed to them in the *Mackenzie Valley Resource Management Act*.

#### **Powers, duties and functions under Part 3 of the Act:**

1. The approval of the form of security and the holding of security furnished under subsection 71(1), notification of the furnishing of security under subsection 71(2), the application of security under subsection 71(3), and the refund of any security under subsection 71(5) in respect of land use permits, other than for a land use permit in respect of a federal area.
2. The designation of inspectors in relation to the use of lands under subsection 84(1), other than in respect of a federal area.

#### **Powers, duties and functions powers under Part 5 of the Act:**

3. The receipt of reports from the Mackenzie Valley Environmental Impact Review Board and the distribution of such reports under paragraphs 128(2)(a) and 134(3)(a) where a development is wholly on lands outside a federal area.
4. The participation in decisions made following consideration of the reports referred to in subsection 128(2) and the distribution of such decisions, under paragraphs 130(1)(a) and (b), and subsections 130(1.1), 130(2), 130(3), 130(4) and 130(4.01) where a development is wholly on lands outside a federal area.
5. The participation in decisions made following consideration of the reports referred to in subsection 134(3), and the distribution of such decisions, under sections 135 and subsections 136(1) and 136(1.1) where an environmental impact review has been ordered under subparagraph 128(1)(b)(i), paragraph 128(1)(c), 130(1)(a),



subparagraph 130(1)(b)(ii) or paragraph 131(1)(b) and a development is wholly on lands outside a federal area.

6. The power to extend time-limits for environmental assessments and environmental impact reviews, under subsections 128(2.2), 130(4.03), 132(5), 134(1.2), 134(4) and 136(1.2) for a development wholly on lands outside a federal area.

**Transitional provisions:**

7. Paragraphs 3 to 6 do not apply with respect to a report that has been made to the federal Minister prior to April 1, 2014 under paragraphs 128(2)(a) or 134(3)(a).