



Mackenzie Valley Land and Water Board
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Staff Report

Applicant: Harry Winston Diamond Mines Ltd.	
Location: Akaitcho Region/ Wek'eezhii Management Area Lac de Gras Project, NT	Application: MV2012C0009
Date Prepared / Date Updated February 27, 2013 / March 27, 2013	Meeting Date: March 7, 2013
Subject: Transboundary Application Determination and Type "A" LUP Application	

1. Purpose/Report Summary

The purpose of this staff report is to:

- A. Seek a transboundary determination from the Mackenzie Valley Land and Water Board (the Board or MVLWB) for Harry Winston Diamond Mines Ltd.'s (Harry Winston) Land Use Permit (LUP) Application MV2012C0009; and
- B. Provide the Board the opportunity to review this LUP Application to conduct mineral exploration activities, including the operation of a camp and fuel and equipment storage.

2. Background

- March 28, 2012 – LUP application received;
- April 4, 2012 – LUP deemed incomplete; additional information was requested to complete a preliminary screening;
- January 16, 2013 – updated LUP application received;
- January 25, 2013 – updated LUP deemed complete and sent for review and comment to the Akaitcho Region and Wek'eezhi Management Area distribution lists;
- February 11, 2013 – Review comment deadline;
- February 11, 2013 – Following closure of the review period the Applicant submitted an updated equipment list;

- February 14, 2013 – Board Staff approached the Board during a regularly scheduled Board meeting for guidance on proceeding with this updated equipment list; it was decided that reviewers should be aware of this additional information and be given additional opportunity to provide comment to the Board;
- February 18, 2013 – Harry Winston’s deadline for responses to review comments;
- February 21, 2013 – Review comment deadline regarding the updated equipment list; and
- March 7, 2013 – LUP presented to the Board.

3. Discussion

A. Transboundary Determination

In the approved Transboundary Application Policy (approved October 26, 2005), Board Staff are directed to include the interdependence, linkage, or impacts of the proposed work. This Project is between two regions of the Mackenzie Valley; the Akaitcho Region and the Wek’eezhii Management Area, and as such, meets the criteria for a transboundary development.

B. LUP Application

This Application is for mineral exploration including geochemical and geoscience surveys, diamond drilling and reverse-circulation drilling programs, fuel storage, equipment storage, use of vehicles, operation of a camp, and associated abandonment and reclamation.

Harry Winston has provided two options for accommodating their crew; the use of Mackay Lake Lodge, or construction of a tent camp at one of three proposed locations. The draft Preliminary Screening, draft Security Estimate, and draft LUP terms and conditions reflect the use of the tent camp accommodation option.

Harry Winston requested a term of five years.

A draft Preliminary Screening was conducted and the report is attached to this staff report for the Boards consideration.

4. Review Comments

Please see attached Reviewer Comment Summary Table.

Reviewer comments on the LUP Application were received by February 11, 2013 from 9 reviewers:

- Government of the Northwest Territories – Department of Transportation (GNWT-ENR);
- Department of Fisheries and Oceans (DFO);

- Aboriginal Affairs and Northern Development (AANDC) – South Mackenzie District;
- AANDC – Lands;
- AANDC – Mining Recorders Office;
- Prince of Wales Northern Heritage Centre (PWNHC);
- Yellowknives Dene First Nation (YKDFN); and,
- North Slave Métis Alliance (NSMA).

These reviewer comments are included in a comment summary table, to which Harry Winston responded on February 22, 2013 (attached). No major concerns were raised during the review phase of this LUP Application.

5. Security

Please see attached Draft Security estimate.

A new security estimate was calculated based on the completed application which amounts to \$75,417.19; this was rounded down to \$75,000.00. The draft LUP that was sent for review did not include a potential amount for security. Rationale for amounts entered is provided at the bottom of the security worksheet in the comments section.

6. Conclusion

Based on reviewer comments and Harry Winston's responses, Board staff concludes that the terms and conditions contained within this draft LUP should mitigate potential environmental impacts.

7. Recommendations

A. Transboundary Determination

Board Staff recommends that the Board confirm this is a transboundary application.

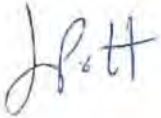
B. LUP Application

Board Staff recommends that the Board approve the attached draft Preliminary Screening and the draft LUP with the proposed terms and conditions to Harry Winston Diamond Mines Ltd.

8. Attachments

- LUP Application package
 - [..\Application\Complete Submission\MV2012C0009 - Updated LUP Application - Jan16-13.pdf](#)
 - [..\Application\Complete Submission\Harry Winston - Equipment List - updated list.xlsx](#)
 - [..\Application\Complete Submission\Harry Winston - Spill Contingency Plan - February 2013.pdf](#)
 - [..\Application\Complete Submission\Harry Winston - 2M Archaeology.pdf](#);
- Reviewer Comment Summary Table;
- Draft Preliminary Screening report;
- Draft Security estimate;
- Draft LUP Cover and Conditions;
- Draft Reasons for Decision; and
- Draft Issuance Letter;

Respectfully submitted,



Jen Potten
Regulatory Officer