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www.mvlwb.com

February 25, 2020

File: MV2019C0031

Claudine Lee  
Head of Environment  
Dominion Diamond Mines ULC  
900-606 4 Street SW  
Calgary AB T2P1T1

Sent by email

Dear Claudine Lee:

**Issuance of Type A Land Use Permit  
Mineral Exploration – Lac de Gras Property, NT**

Attached is Type A Land Use Permit MV2019C0031 granted by the Mackenzie Valley Land and Water Board (MVLWB or the Board) in accordance with the *Mackenzie Valley Resource Management Act* (MVRMA). This Permit has been approved for a period five (5) years effective February 25, 2020 and expiring February 24, 2025.

Transboundary Determination

The Board considered the transboundary nature of your Application. The Board confirms your Application is transboundary under paragraph 103(1)(a) of the MVRMA as it, “relates to a use of land or waters or a deposit of waste that is to take place, or is likely to have an impact, in more than one management area, or in a management area and an area outside any management area”.

Preliminary Screening Exemption Confirmation

Based on the evidence provided, the Board has also confirmed that the Application is exempt from preliminary screening as per Schedule 1, Paragraph 2 of the Exemption List Regulations of the MVRMA which states:

A development, or part thereof, for which renewal of a permit, licence or authorization is requested that

- a) Has not been modified; and
- b) Has fulfilled the requirements of the environmental assessment process established by the *Mackenzie Valley Resource Management Act*, the *Canadian Environmental Assessment Act* or the *Environmental Assessment Review Process Guidelines Order*.

Permit Conditions

Please read all conditions carefully. For the purpose of submitting plans in accordance with this Permit, the date of this letter, February 24, 2020, is the effective date.

Reclamation Security

In accordance with Permit condition 44, a security deposit in the amount of \$195,995.00 of security shall be posted with the Minister and copied to the Board prior to the start of the operation under section 32 of the Mackenzie Valley Land Use Regulations. As delegated under Schedule A of the Delegation Instrument under the MVRMA, this security deposit, **payable to the Government of the Northwest Territories** in the amount of 195,995.00, shall be submitted to: the Government of the Northwest Territories, Department of Lands, North Slave Regional Office, 140 Bristol Avenue, Yellowknife NT, X1A 3T2. For more information about posting security with the GNWT, please contact Charlene Coe, Land Use Advisor, at (867) 767-9187 (ext. 24194). Please send a copy of the receipt for the security deposit to the MVLWB office prior to the start of your operation.

Management Plans - Approved

The Board hereby approves the following Plans as summarized in Table 1:

**Table 1: Plans**

| Condition Number | Title of Plan/Program/Report | Date Received     |
|------------------|------------------------------|-------------------|
| 36               | Waste Management Plan        | December 24, 2019 |
| 56               | Spill Contingency Plan       | December 24, 2019 |
| 68               | Engagement Plan              | December 24, 2019 |

Discontinuance

Should you wish to discontinue your land-use operation at any time prior to the expiry date set out in the Permit, a written notice of discontinuance is required as per section 37 of the MVLUR, in addition to the submission of a final plan.

Public Registry

A copy of this Permit and all related correspondence and documents has been filed on the [Public Registry](#) at the MVLWB office. Please be advised that this letter, 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 requirements are being met. All Public Registry material will be considered if an amendment to the Permit is requested.

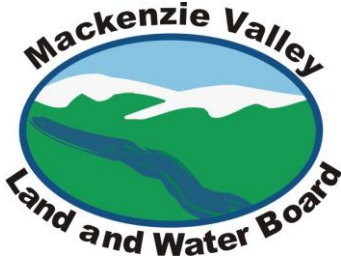
The full cooperation of Dominion Diamond Mines ULC is anticipated and appreciated. If you have any questions or concerns, please contact Tyree Mullaney at (867) 766-7464 or email [tyree@mvlwb.com](mailto:tyree@mvlwb.com).

Yours sincerely,

Mavis Cli-Michaud  
MVLWB, Chair

Copied to: Distribution List  
Charlene Coe, GNWT, Land Use Advisor

Attached: Land Use Permit MV2019C0031  
Reasons for Decision



**Land Use Permit**

|              |             |              |
|--------------|-------------|--------------|
| Permit Class | Permit No   | Amendment No |
| A            | MV2019C0031 |              |

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

Dominion Diamond Mines ULC

Permittee

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

|   |                           |
|---|---------------------------|
| Signature<br>Claudine Lee                         | Date<br>December 24, 2019 |
| Type of Land Use Operation<br>Mineral Exploration |                           |
| Location<br>Lac de Gras Project, NT               |                           |

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

Dated at Yellowknife this 13 day of February, 2020

Signature Chair

Mavis Cli-Michaud

Signature Witness

Amanda Gauthier

Effective Date:  
February 25, 2020

Expiry Date:  
February 24, 2025

**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 # MV2019C0031

### Part A: Scope of Permit

1. This Permit entitles the Permittee to conduct the following land-use operation:
  - a) Mineral exploration, including geophysical geochemical sampling, geophysics, diamond drilling and reverse circulation drilling;
  - b) Large diameter drilling and/or trenching;
  - c) Use and storage of explosives;
  - d) Use of equipment, vehicles and machines;
  - e) Construction, operation and maintenance of winter roads;
  - f) Use and storage of fuel;
  - g) Construction, operation and maintenance of temporary camps; and
  - h) Associated closure and reclamation of the above activities.
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, Tłı̨chʔ, or Municipal laws.

### Part B: Definitions (defined terms are capitalized throughout the Permit)

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

**Archaeological Impact Assessment** - archaeological research as defined by the Prince of Wales Northern Heritage Centre *Guidelines for Developers for the Protection of Archaeological Sites in the Northwest Territories*.

**Archaeological Overview** - a study of archaeological sites as defined by the Prince of Wales Northern Heritage Centre *Guidelines for Developers for the Protection of Archaeological Sites in the Northwest Territories*.

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

**Borehole** - a hole that is made in the surface of the ground by drilling or boring.

**Dogleg** - the clearing of a line, trail, or right-of-way that is curved sufficiently so that no part of the clearing beyond the curve is visible when approached from either direction.

**Drilling Fluid** - 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 *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.

**Flowing Artesian Well** - a well in which water:

- a) Naturally rises above the ground surface or the top of any casing; and
- b) Flows naturally, either intermittently or continuously.

**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 Act.

**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).

**Permittee** - the holder of this permit.

**Progressive Reclamation** - Closure and Reclamation activities conducted during the operating phase of the project.

**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.

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

**Shut Down Period** - The period of time between [DATE and DATE] each year, for the purpose of this operation.

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

**Spring Break-up** –April 15 each year, for the purpose of this operation.

**Sump** - a human-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 Material** - 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.

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

**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.

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

| Condition  | Category   |
|--|--|
| <b>26(1)(a) Location and Area</b>  |  |
| 1. The Permittee shall only conduct this land-use operation on lands designated in the application.  | <b>LOCATION OF ACTIVITIES</b>                    |
| 2. The Permittee shall not conduct any part of the land-use operation within 100 metres of any privately owned or leased land or structures, including cabins used for traditional activities, unless otherwise approved by the Board. | <b>PRIVATE PROPERTY SETBACK</b>                  |
| 3. The Permittee shall locate all camps on Durable Land or previously cleared areas, and a minimum of 100 metres from the Ordinary High Water Mark unless otherwise authorized in writing by an Inspector.                             | <b>CAMP SETBACK</b>                              |
| 4. Prior to the commencement of drilling, the Permittee shall submit the target areas and final drill hole locations on a 1:50,000-scale map with coordinates and map datum to the Board and an Inspector.                             | <b>DRILL LOCATIONS</b>                           |
| 5. 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>SUMP SETBACK</b>                              |
| 6. The Permittee shall not construct parallel lines or roads, unless an existing line or road cannot be used.  | <b>PARALLEL ROADS</b>                            |
| <b>26(1)(b) Time</b>   |  |
| 7. At least 48 hours prior to the initial commencement of the land-use operation, the Permittee's Field Supervisor shall contact an Inspector at (867) 767-9188  | <b>INITIAL NOTIFICATION – CONTACT INSPECTOR</b>  |
| 8. At least 48 hours prior to returning to the worksite following a seasonal Shut Down Period, the Permittee's Field Supervisor shall contact an Inspector at (867) 767-9188   | <b>SEASONAL NOTIFICATION – CONTACT INSPECTOR</b> |
| 9. At least 48 hours prior to commencement of the land-use operation, the Permittee shall provide the following information, in writing, to the Board and an Inspector:  | <b>IDENTIFY AGENT</b>                            |
| <ul style="list-style-type: none"> <li>a) the name(s) of the person(s) in charge of the field operation;</li> <li>b) alternates; and</li> <li>c) all methods for contacting the above person(s).</li> </ul>                            |  |

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| 10. | At least ten days prior to the Shut Down Period or Spring Break-up, the Permittee shall advise an Inspector of:  | <b>REPORTS BEFORE SEASONAL REMOVAL</b>   |
|     | <ul style="list-style-type: none"> <li>a) the plan for removal or storage of equipment and materials; and</li> <li>b) when cleanup and Progressive Reclamation of the land used will be completed.</li> </ul>  |  |
| 11. | At least ten days prior to the completion of the land-use operation, the Permittee shall advise an Inspector of:   | <b>REPORTS BEFORE FINAL REMOVAL</b>      |
|     | <ul style="list-style-type: none"> <li>a) the plan for removal or storage of equipment and materials;</li> <li>b) when final cleanup and reclamation of the land used will be completed; and</li> <li>c) when the Final Plan will be submitted.</li> </ul> |  |
|     | <b>26(1)(c) Type and Size of Equipment</b>   |  |
| 12. | The Permittee shall only use equipment of a similar type, size, and number to that listed in the complete application.   | <b>USE APPROVED EQUIPMENT</b>            |
|     | <b>26(1)(d) Methods and Techniques</b>   |  |
| 13. | Immediately upon completion of operations at each Borehole, the Permittee shall remove or cut off and seal each drill casing at ground level.  | <b>MINERAL EXPLORATION DRILL CASINGS</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>                   |
|     | <b>26(1)(f) Control or Prevention of Ponding of Water, Flooding, Erosion, Slides, and Subsidence of Land</b>   |  |
| 17. | The land-use operation shall not cause obstruction to any natural drainage.  | <b>NATURAL DRAINAGE</b>                  |
| 18. | The Permittee shall, where flowing water from a Borehole is encountered:   | <b>FLOWING ARTESIAN WELL</b>             |
|     | <ul style="list-style-type: none"> <li>a) plug the Borehole in such a manner as to permanently prevent any further outflow of water; and</li> <li>b) immediately report the occurrence to the Board and an Inspector.</li> </ul>                           |  |
| 19. | The Permittee shall prepare the site in such a manner as to prevent rutting or gouging of the ground surface.  | <b>PREVENTION OF RUTTING</b>             |



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| 20.   | The Permittee shall suspend overland travel of equipment or vehicles at the first sign of rutting or gouging.  | <b>SUSPEND<br/>OVERLAND<br/>TRAVEL</b>         |
| 21.   | 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<br/>MOVEMENT<br/>FREEZE-UP</b>      |
| 22.   | The Permittee shall only use clean water and snow in the construction of ice bridges and snow fills.   | <b>CONSTRUCT<br/>ICE BRIDGES<br/>SNOWFILLS</b> |
| 23.   | Prior to Spring Break-up or completion of the land-use operation, the Permittee shall clean up and either remove or v-notch all ice bridges and snowfills from stream crossings, unless otherwise authorized in writing by an Inspector.   | <b>REMOVE<br/>ICE BRIDGES/<br/>SNOWFILLS</b>   |
| 24.   | The Permittee shall not cut any stream bank, unless otherwise authorized in writing by an Inspector.   | <b>STREAM BANKS</b>                            |
| 25.   | The Permittee shall minimize approach grades on all Watercourse crossings.   | <b>MINIMIZE<br/>APPROACH</b>                   |
| 26.   | 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>EXCAVATION<br/>SETBACK</b>                  |
| 27.   | 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<br/>EMBANKMENTS</b>          |
| <b>26(1)(g) Use, Storage, Handling, and Ultimate Disposal of Any Chemical or Toxic Material</b> |  |  |
| 28.   | At least seven days prior to the use of any chemicals that were not identified in the complete application, the Safety Data Sheets must be provided to the Board and an Inspector.   | <b>CHEMICALS</b>                               |
| 29.   | When drilling within 100 metres of the Ordinary High Water Mark of any Watercourse, and when drilling on ice, the Permittee shall contain all drill water and Drilling Waste in a closed circuit system for reuse, off-site disposal, or deposit into a land-based Sump or natural depression.                                   | <b>DRILLING NEAR<br/>WATER OR ON ICE</b>       |
| 30.   | The Permittee may deposit Drilling Waste that does not contain Toxic Material in a Sump or natural depression. Any Sumps or natural depressions used to deposit Drilling Waste must be located at least 100 metres from the Ordinary High Water Mark of any Watercourse, unless otherwise authorized in writing by an Inspector. | <b>DRILLING WASTE</b>                          |
| 31.   | The Permittee shall not allow any Drilling Waste to spread to the surrounding lands or Watercourses.   | <b>DRILLING WASTE<br/>CONTAINMENT</b>          |

|  |  |  |
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| 32.  | Prior to the expiry date of this Permit or the end of the land-use operation whichever comes first, the Permittee shall backfill and restore all Sumps, unless otherwise authorized in writing by an Inspector.  | <b>RECLAIM<br/>NON-OIL AND GAS<br/>SUMPS</b>   |
| 33.  | The Permittee shall dispose of all Toxic Material as described in the approved Waste Management Plan.  | <b>WASTE CHEMICAL<br/>DISPOSAL</b>             |
| 34.  | The Permittee shall dispose of all combustible Waste petroleum products by removal to an approved disposal facility.   | <b>WASTE<br/>PETROLEUM<br/>DISPOSAL</b>        |
| <b>26(1)(h) Wildlife and Fish Habitat</b>                                  |  |  |
| 35.  | The Permittee shall take all reasonable measures to prevent damage to wildlife and fish Habitat during this land-use operation.  | <b>HABITAT DAMAGE</b>                          |
| <b>26(1)(i) Storage, Handling, and Disposal of Refuse or Sewage</b>        |  |  |
| 36.  | The Permittee shall adhere to the <b>Waste Management Plan</b> , once approved, and shall annually review the plan and make any necessary revisions to reflect changes in operations, technology, chemicals, or fuels, or as directed by the Board. Revisions to the plan shall be submitted to the Board for approval.  | <b>WASTE<br/>MANAGEMENT</b>                    |
| 37.  | The Permittee shall keep all garbage and debris in a secure container until disposal.  | <b>GARBAGE<br/>CONTAINER</b>                   |
| 38.  | The Permittee shall dispose of all Sewage and Greywater as described in the approved Waste Management Plan.  | <b>SEWAGE<br/>DISPOSAL - PLAN</b>              |
| <b>26(1)(j) Protection of Historical, Archaeological, and Burial Sites</b> |  |  |
| 39.  | The Permittee shall not operate any vehicle or equipment within 150 metres of a known or suspected historical or archaeological site or burial ground.   | <b>ARCHAEOLOGICAL<br/>BUFFER</b>               |
| 40.  | The Permittee shall not knowingly remove, disturb, or displace any archaeological specimen or site.  | <b>SITE<br/>DISTURBANCE</b>                    |
| 41.  | The Permittee shall, where a suspected archaeological or historical site, or burial ground is discovered: <ul style="list-style-type: none"> <li>a) immediately suspend operations on the site; and</li> <li>b) notify the Board at (867)669-0506 or an Inspector at (867) 766-9188, and the Prince of Wales Northern Heritage Centre at 767-9347 ext. 71255 or ext. 71251.</li> </ul> | <b>SITE DISCOVERY<br/>AND<br/>NOTIFICATION</b> |
| 42.  | At least 30 days prior to any new land disturbance, including new drill sites, the Permittee shall conduct an Archaeological Overview to identify areas of high and low potential for archaeological and burial sites and shall submit a summary report to the Board and the Prince of Wales Northern Heritage Centre.   | <b>ARCHAEOLOGICAL<br/>OVERVIEW</b>             |

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| 43.  | Prior to disturbance in areas of high potential for archaeological or burial sites identified in the Archaeological Overview, the Permittee shall conduct an Archaeological Impact Assessment of the sites where disturbance is planned and shall submit a summary report to the Board and the Prince of Wales Northern Heritage Centre. | <b>AIA – HIGH POTENTIAL</b>                 |
| <br>   |  |   |
| <b>26(1)(k) Objects and Places of Recreational, Scenic, and Ecological Value</b> |  |   |
| <i>Intentionally left blank</i>  |  |   |
| <b>26(1)(l) Security Deposit</b>   |  |   |
| 44.  | Prior to the commencement of the land-use operation, the Permittee shall deposit with the Minister a security deposit in the amount of \$195,995.00.   | <b>SECURITY DEPOSIT</b>                     |
| 45.  | All costs to remediate the area under this Permit are the responsibility of the Permittee.   | <b>RESPONSIBILITY FOR REMEDIATION COSTS</b> |
| <br>   |  |   |
| <b>26(1)(m) Fuel Storage</b>   |  |   |
| 46.  | The Permittee shall: <ul style="list-style-type: none"> <li>a) examine all Fuel Storage Containers and Tank for leaks; and</li> <li>b) repair all leaks immediately.</li> </ul>  | <b>REPAIR LEAKS</b>                         |
| 47.  | The Permittee shall store Fuel Storage Containers and or Tanks a minimum of 100 metres from the Ordinary High Water Mark of any Watercourse, unless otherwise authorized in writing by an Inspector.   | <b>FUEL STORAGE SETBACK</b>                 |
| 48.  | The Permittee shall ensure that all fuel caches have adequate Secondary Containment.   | <b>FUEL CACHE SECONDARY CONTAINMENT</b>     |
| 49.  | The Permittee shall set up all refueling points with Secondary Containment.  | <b>SECONDARY CONTAINMENT – REFUELING</b>    |
| 50.  | The Permittee shall not allow petroleum products to spread to surrounding lands or Watercourses.   | <b>FUEL CONTAINMENT</b>                     |
| 51.  | The Permittee shall locate mobile fuel facilities on land when the facilities are stationary for more than 12 hours.   | <b>FUEL ON LAND</b>                         |

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| 52. | The Permittee shall mark all Fuel Storage Containers and Tanks with the Permittee's name.   | <b>MARK<br/>CONTAINERS AND<br/>TANKS</b> |
| 53. | 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.  | <b>MARK FUEL<br/>LOCATION</b>            |
| 54. | Within ten 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.   | <b>REPORT FUEL<br/>LOCATION</b>          |
| 55. | 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>                       |
| 56. | The Permittee shall adhere to the <b>Spill Contingency Plan</b> , once approved, and shall annually review the plan and make any necessary revisions to reflect changes in operations, technology, chemicals, or fuels, or as directed by the Board. Revisions to the plan shall be submitted to the Board for approval.  | <b>SPILL<br/>CONTINGENCY<br/>PLAN</b>    |
| 57. | Prior to commencement of the land-use operation the Permittee shall ensure that spill-response equipment is in place to respond to any potential spills.  | <b>SPILL RESPONSE</b>                    |
| 58. | 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>                        |
| 59. | The Permittee shall clean up all leaks, spills, and contaminated material immediately   | <b>CLEAN UP SPILLS</b>                   |
| 60. | <p>During the period of this Permit, if a spill occurs or is foreseeable, the Permittee shall:</p> <ol style="list-style-type: none"> <li>a) implement the approved Spill Contingency Plan;</li> <li>b) report it—immediately using the NU-NT Spill Report Form by one of the following methods: <ul style="list-style-type: none"> <li>• Telephone: (867) 920-8130</li> <li>• Fax: (867) 873-6924</li> <li>• E-mail: <a href="mailto:spills@gov.nt.ca">spills@gov.nt.ca</a></li> <li>• <u>Online: Spill Reporting and Tracking Database</u></li> </ul> </li> <li>c) within 24 hours, notify the Board and an Inspector; and</li> <li>d) within 30 days of initially reporting the incident, submit a detailed report to the Board and an Inspector, including descriptions of causes, response actions, and any changes to procedures to prevent similar occurrences in the future. Any updates to this report shall be provided to the Board and an Inspector in writing as changes occur.</li> </ol> | <b>REPORT SPILLS</b>                     |

**26(1)(n) Methods and Techniques for Debris and Brush Disposal**

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| 61. | The Permittee shall not clear areas larger than identified in the complete application. | <b>MINIMIZE AREA<br/>CLEARED</b> |
|-----|---|----------------------------------|

**26(1)(o) Restoration of the Lands**

- |     |   |  |
|-----|---|--|
| 62. | Prior to the end of the land-use operation, the Permittee shall complete all cleanup and restoration of the lands used. | <b>FINAL CLEANUP<br/>AND<br/>RESTORATION</b> |
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| 63. | Prior to the end of the land-use operation, the Permittee shall prepare the site in such a manner as to facilitate natural revegetation. | <b>NATURAL<br/>VEGETATION</b> |
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| 64. | The Permittee shall carry out Progressive Reclamation of disturbed areas as soon as it is practical to do so. | <b>PROGRESSIVE<br/>RECLAMATION</b> |
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**26(1)(p) Display of Permits and Permit Numbers**

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| 65. | The Permittee shall display a copy of this Permit in each campsite established to carry out this land-use operation. | <b>DISPLAY PERMIT</b> |
|-----|--|-----------------------|

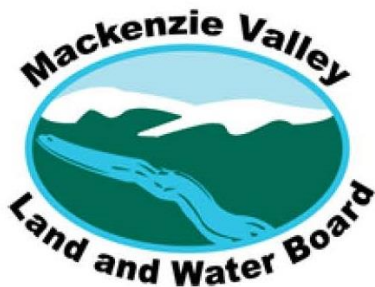
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|-----|---|-----------------------|
| 66. | The Permittee shall keep a copy of this Permit on hand at all times during this land-use operation. | <b>COPY OF PERMIT</b> |
|-----|---|-----------------------|

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

- |     |  |                      |
|-----|--|----------------------|
| 67. | If any plan is not approved by the Board, the Permittee shall revise the plan according to the Board's direction and re-submit it to the Board for approval. | <b>RESUBMIT PLAN</b> |
|-----|--|----------------------|

- |     |   |                            |
|-----|---|----------------------------|
| 68. | The Permittee shall adhere to the <b>Engagement Plan</b> , once approved, and shall annually review the plan and make any necessary revisions to reflect 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> |
|-----|---|----------------------------|

- |     |   |                               |
|-----|---|-------------------------------|
| 69. | All revised plans submitted to the Board shall include a brief summary of the changes made to the plan. | <b>SUMMARY OF<br/>CHANGES</b> |
|-----|---|-------------------------------|



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## Reasons for Decision

Issued pursuant to paragraph 40(2)(c) of the Mackenzie Valley Land Use Regulations (MVLUR) and section 121 of the *Mackenzie Valley Resource Management Act* (MVRMA)

| Land Use Permit Application |                                      |
|-----------------------------|--------------------------------------|
| Preliminary Screener        | MVLWB                                |
| Reference/File Number       | MV2019C0031                          |
| Company                     | Dominion Diamond Mines ULC           |
| Project                     | Mineral Exploration, Lac de Gras, NT |
| Date of Decision            | February 13, 2020                    |

These Reasons for Decision set out the Mackenzie Valley Land and Water Board's (the Board or MVLWB) decision on an Application made by Dominion Diamond Mines ULC (Dominion) to the Board on February 13, 2020 for Land Use Permit (Permit) MV2019C0031.

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### 1.0 Background

Dominion holds mineral claim titles in the Lac de Gras Project (Project) area as well as having an existing Land Use Permit (Permit) MV2012C0009 which was issued to the Dominion in March of 2013. In the interests of continuing to advance the work being conducted on this property, Dominion is seeking to expand upon the activities allowed under this current permit as well as to add additional land on which these activities can be conducted. The term requested is five years (with the option of applying for a two-year extension).

### 2.0 Public Review

On December 24, 2019, Dominion submitted an application for mineral exploration on the Lac de Gras Properties in the NWT. The application was deemed complete on January 2, 2020 with a comment submission date of January 21, 2020

By January 21, 2020, comments and recommendations on the Application were received from eight reviewers:

- Dominion Diamond Mines ULC;
- Fisheries and Oceans Canada;
- GNWT – Environment and Natural Resources;
- GNWT – Lands (North Slave Region);
- GNWT – Lands (Inspector);
- GNWT – Prince of Wales Northern Heritage Centre;
- Independent Environmental Monitoring Agency; and
- Wek'eezhii Renewable Resources Board.

Dominion responded by January 28, 2020.

### **3.0 Adequacy of Management Plans**

A Waste Management Plan, Spill Contingency Plan, and Engagement Plan were included with the Application.

### **4.0 Security**

Dominion completed the Board's reclamation security worksheet submitted similar information in the Application and determined a total reclamation cost of \$195,995.39. The GNWT-Inspector did not recommend security during the public review. The Board has also completed the reclamation security worksheet and have calculated that the cost to remediate the site would be \$195,995.39. The previous Permit MV2012C0009 did require security to be posted (\$75,000.00).

As these estimates were both conducted using the Board's security calculation template, they are directly comparable. The Board has requested that security in the amount of \$195,995.00 for the reclamation of the site.

### **5.0 Decision**

In rendering its decision, the Board is satisfied that:

- notice of the Application was given in accordance with sections 63 and 64 of the MVRMA. The Board is satisfied that a reasonable period of notice was given to communities and First Nations so comments could be provided to the Board;
- the development has been screened pursuant to the MVRMA;
- the development was screened by the MVLWB on March 7, 2012 and March 28, 2013 pursuant to subsection 124(1) of the MVRMA and has therefore been exempt from screening pursuant to Part 1(2) of Schedule 1 (Section 2) of the Exemption List Regulations
- any potential adverse environmental effects are insignificant or mitigable with known technology; and,
- there is no likelihood that the proposed development might be a cause of public concern.

After reviewing the evidence and submissions of the Applicant, the written comments and submissions received by the Board and the Staff Report prepared for the Board, the Board, having due regard to the facts, circumstances, the merits of the submissions made to it, and to the purpose, scope, and intent of the MVRMA and Regulations made thereunder, has determined that Land Use Permit MV2019C0031 be issued subject to the term, scope, definitions, and conditions contained therein. The Board's determinations and reasons for this decision are set out below.

- The Board is satisfied that appropriate consultation has been conducted and that advice has been sought and considered, in accordance with sections 63 and 64 of the MVRMA.
- The use of land proposed by the Applicant is of a nature contemplated by the MVRMA.
- The operation will likely contribute to the socio-economic well-being and economic development of the region.
- The Board has reviewed the information contained in the February 4, 2020 Staff Report regarding environmental impacts and/or public concerns.
- The scope of the Permit ensures Dominion is entitled to conduct activities which have been applied for and screened by the Board. In setting the scope, the Board endeavored to provide enough detail to identify and describe the authorized activities without being unduly restrictive or prescriptive, and to allow for project flexibility throughout the life of the Permit.

- The conditions set forth in the Permit have been imposed to address the Board’s statutory responsibilities and ensure the land-use operation is conducted in a manner which ensures impacts to surrounding lands and waters are minimized.
- The Board has approved the Waste Management, Spill Contingency and Engagement Plans because they meet the applicable guidelines and sufficiently reflect the scope of the proposed activities.
- The definitions and conditions in the Permit are from the MVLWB’s *Standard Land Use Permit Conditions Template* (Standard Template), and are not discussed in detail in these reasons unless notable due to recommendations or concerns raised by reviewers. After considering the information gathered through the public review, the Board made the following changes, with rationale, to the conditions:

| Condition                       | Change   | Rationale   |
|---------------------------------|--|---|
| Scope                           | Reworded 1 a)                                      | More inclusive to address the project   |
| Scope                           | Reworded 1g)                                       | Editorial change  |
| Spring Break Up                 | Date (April 15)                                    | Inspector recommended the new date  |
| Camp Set Back                   | Modification                                       | Dominion recommended adding “unless authorized by the Inspector to provide flexibility.                                       |
| Width Right Of Way              | Removed  | Inspector recommended removal   |
| Inspect Location                | Removed  | Inspector recommended removal   |
| Reports Before Seasonal Removal | Included both Shut down as well as spring break up | Inspector recommended keeping both notification periods   |
| Seasonal Shut Down              | Removed  | Inspector recommended removal   |
| Dogleg Approaches               | Removed  | Inspector recommended removal   |
| Meander Lines                   | Removed  | Inspector recommended removal   |
| Dry Fording                     | Removed  | Inspector recommended removal   |
| Excavation and Embankments      | Added  | Inspector recommended adding condition  |
| Fuel Storage Setback            | Working change remove place and use store          | Recommended by Dominion as the will be off loading fuel from float planes and the condition would limit the use of the planes |

## 6.0 Conclusion

Land Use Permit MV2019C0031 contains provisions that the Board deems necessary to ensure and monitor compliance with the MVRMA and the Regulations made thereunder, and to provide appropriate safeguards in respect of Dominion Diamond Mines ULC’s use of the land affected by the Permit.

SIGNATURE

Mackenzie Valley Land and Water Board

\_\_\_\_\_  
Mavis Cli-Michaud, Chair

February 13, 2020

\_\_\_\_\_  
Date