

Lands- North Slave Region

Water Licence W2012L2-0001

October 1st 2020

Harry O'Keefe Dominion Diamond Mines ULC 900-606 4 Street SW Calgary, AB T2P 1T1

Attn: Mr. Harry O'Keefe

Re: W2012L2-0001: Request for Inspector Direction on Pumping Rates

Dear Mr. O'Keefe

On August 5th 2020, the Inspector was informed by Dominion Diamond Mines ULC (Dominion) in writing of potentially dangerous water elevations in the Long Lake Containment Facility (LLCF) at the Ekati Diamond Mine. Based on the information provided, the Inspector believed on reasonable grounds that with strict adherence to Water Licence W2012L2-0001 Part E Condition 6 and reducing the pumping rates in the LLCF, there may have been a failure of a work related to the use of waters or the deposit of waste, and that a danger to persons, property or the environment may have reasonably been expected to result from that failure if water volumes were not reduced in the LLCF.

As a result of the potential danger, the Inspector provided a Direction under Section 67.(1) of the *Waters Act* to (conditionally) "exceed the maximum allowable pumping rate of 0.52 m³/s for the period up to and including August 31, 2020; or, until the safe operational water elevation of 447.5 Meters Above Sea Level (MASL) within Cells D and E of the LLCF has been achieved, whichever comes first". On September 2 2020, the direction was then extended until September 30 2020 as there was little progress made on water levels throughout August despite the increased pumping rates.

An update provided by Dominion to the Inspector (verbally on September 29, 2020, and in writing September 30, 2020) indicated that water levels in the LLCF were at 447.73 in Cell E and 449.19 in Cell D, and remain well above the safe operational level of 447.5 MASL. Dominion has formally requested an extension to the Direction in order to meet target elevations.

Based on the information provided, the Inspector believes on reasonable grounds that if water levels remain above the safe operational limit of the LLCF that a danger to persons, property or the environment may reasonably be expected.

As a result of the potential danger to persons, property or the environment; I Jamie Steele, duly designated Inspector under the *Waters Act S.N.W.T 2014*, *c.18*, under authority of section 67.(1) (Remedial Measures), hereby direct Dominion Diamond Mines ULC to take the following measures to prevent the failure from occurring:

Direction

Commencing immediately, the Inspector directs Dominion Diamond Mines ULC to exceed the maximum allowable pumping rate of 0.52 m³/s as indicated in Part E Condition for the period up to and including October 30th, 2020; <u>or</u>, until the safe operational water elevation of 447.5 Meters Above Sea Level within Cells D and E of the LLCF has been achieved, whichever comes first. At which point the pumping rate shall be reduced to 0.52 m³/s, and the situation can be re-evaluated if necessary.

The directed increase in allowable pumping rate is subject to the following conditions:

- Pumping rates shall not exceed 2.55 m3/s
- Water sampling shall be conducted as per the Surveillance Network Program
- All water entering the Receiving Environment from the LLCF shall meet applicable Effluent Quality Criteria as outlined in Part H Condition 12.(a) of Water Licence W2012L2-0001
- Daily erosion inspections shall be conducted at the discharge point into Leslie Lake
- The volume of water pumped from the LLCF into Leslie Lake shall be recorded, and reported in the seasonal pumping summary, and in the Annual Report

The extraordinarily high precipitation and resultant pumping throughout the 2020 summer season could have a potential impact on downstream channel geometry. The Inspector points Dominion to the requirement to conduct hydraulic geometry surveys in the approved AEMP Design Plan, and recommends a channel survey be conducted to identify any changes.

If you have any questions or concerns please contact the undersigned at (867) 447-0184. Thank you for your continued cooperation.

Sincerely,

Jamie Steele

Manager-Diamond Resource Management

GNWT-Department of Lands

North Slave Region

cc: Mr. Blair Chapman – Assistant Deputy Minister, Operations – GNWT Department of Lands

Mr. Scott Stewart – Regional Superintendent, Operations – GNWT Department of Lands, North Slave Regional Office

Ms. Rhiana Bams – Regulatory Specialist - Wek' èezhìi Land and Water Board