March 1, 2012

Mr. David Wells
Diavik Diamond Mines Inc.
P.O. Box 2498 Stn Main
5007-50th Avenue
Yellowknife, NT
Canada X1A 2P8
Fax: (867) 766-5940

Dear Mr. Wells:

**ISSUANCE OF A TYPE "A" LAND USE PERMIT**

Attached is Land Use Permit No. W2012T0001 granted by the Wek’èezhii Land and Water Board (WLWB) in accordance with the *Mackenzie Valley Resource Management Act*. A copy of this Permit has been filed in the Public Registry at the office of the WLWB. The WLWB approved Land Use Permit W2012T0001 for a period of five (5) years commencing March 1, 2012 and expiring February 28, 2017.

The WLWB supports that Diavik Diamond Mines Inc. implement a monitoring program for a minimum of two years following the habitat enhancement project and encourages them to work in conjunction with Fisheries and Oceans Canada so that any issues resulting from these activities are identified and may be addressed.

Please be advised that this letter, with attached procedures, all inspection reports, and correspondence related thereto, are part of the Public Registry, and are 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 Diavik Diamond Mines Inc. is anticipated and appreciated.

Yours sincerely,

Violet Camsell-Blondin
Chair
Attachments:  Land Use Permit

Copy to: Charlene Coe, South Mackenzie District, AANDC; Distribution List
LAND USE PERMIT

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

Diavik Diamond Mines Inc.

To proceed with the land use operation described in application of:

<table>
<thead>
<tr>
<th>Signature</th>
<th>Date</th>
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<td>David Wells</td>
<td>January 19, 2012</td>
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Type of Land use Operation

- Fish Habitat Compensation Works

Location

- West Island, Lac de Gras, NT
- Min. Lat. 64º31'33" N Min. Long. 110º25' 54" W – Max. Lat. 64º31'46" N Max. Long. 110º26'20" W

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

Dated at Yellowknife this 29 day of February, 2012

Signature Chair

Signature Witness

Commencement Date

March 1, 2012

Expiry Date

February 28, 2017

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 by the Board.

W2012T0001
CONDITIONS ANNEXED TO AND FORMING PART OF LAND USE PERMIT NUMBER W2012T0001

Part A: Scope of Permit

1. This permit entitles Diavik Diamond Mines Inc. to conduct construction activities for this project, including winter road construction, fuel storage, removal of overburden, stockpile fill, stage equipment, and associated reclamation of the above activities. Operations are to be located in the Lac de Gras area:
   Min: 64º31’33" N 110º25’ 54" W
   Max: 64º31’46" N 110º26’20" W

2. The 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 absolve the Permittee from responsibility for compliance with the requirements of all applicable Federal, Territorial, Tlicho, and Municipal legislation.

Part B: Definitions

“Act” means the Mackenzie Valley Resource Management Act;

“Board” means the Wek’èezhìi Land and Water Board established under Part 4 of the Mackenzie Valley Resource Management Act;

“Inspector” means an Inspector designated by the Minister under the Mackenzie Valley Resource Management Act.

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

26(1)(a) LOCATION AND AREA

1. The Permittee shall not conduct this land use operation on any lands not designated in the accepted application.
2. The Permittee shall not conduct any part of the land use operation within three hundred (300) metres of any privately owned or leased land or structure, unless authorized in writing by an Inspector or the Board.

**PRIVATE PROPERTY**

26(1)(b) TIME

3. The Permittee's Field Supervisor shall contact an Inspector at (867) 669-2767 at least forty-eight (48) hours prior to the commencement of this land use operation.

**CONTACT INSPECTOR**

4. The Permittee shall advise an Inspector at least ten (10) days prior to the completion of the land use operation of (a) the plan for removal or storage of equipment and materials; and (b) when final clean-up and restoration of the land used will be completed.

**REPORTS BEFORE REMOVAL**

5. The Permittee shall provide in writing to the Inspector and the Board, at least forty-eight (48) hours prior to commencement of this land use operation, the following information:
   (a) person, or persons, in charge of the field operation;
   (b) alternates; and
   (c) all methods for contacting the above person(s).

**IDENTIFY AGENT**

6. The Permittee shall not use any equipment except of the type, size and number that is listed in the accepted application, unless otherwise authorized in writing by an Inspector.

**ONLY APPROVED EQUIPMENT**

26(1)(d) METHODS AND TECHNIQUES

7. The Permittee shall construct and maintain winter roads with a minimum of ten (10) centimetres packed snow at all times during this land use operation. If this cannot be done, then the Permittee shall construct Ice Roads in a manner authorized by an Inspector.

**SNOW ROADS/ICE ROADS**

8. The Permittee shall not clear areas larger than identified in the accepted application.

**MINIMIZE AREA CLEARED**

9. The Permittee shall not erect camps or store material on the surface ice of streams.

**STORAGE ON ICE**

26(1)(e) TYPE, LOCATION, CAPACITY AND OPERATION OF ALL FACILITIES

10. The Permittee shall ensure that the land use area is kept clean at all times.

**CLEAN WORK AREA**
26(1)(f) CONTROL OR PREVENTION OF PONDING OF WATER, FLOODING, EROSION, SLIDES AND SUBSIDENCE OF LAND

11. The Permittee shall minimize approach grades on all winter lake and/or stream crossings.

12. The Permittee shall not use any material other than water in the construction of ice bridges.

13. The Permittee shall not use any material other than snow in the construction of snow fills.

14. The Permittee shall not allow any ice bridge to hinder the flow of water.

15. The Permittee shall not use the bed of streams for access routes except for the purpose of crossing streams, unless otherwise authorized in writing by an Inspector.

16. The Permittee shall not ford wet streams.

17. The Permittee shall remove snow fills in stream crossings as the land use operation progresses, unless otherwise authorized in writing by an Inspector.

18. The Permittee shall construct dykes and diversion ditches as authorized in writing by an Inspector.

19. The Permittee shall install erosion control structures as the land use operation progresses.

20. The Permittee shall prepare the site in such a manner as to prevent rutting of the ground surface.

21. The Permittee shall suspend overland travel of equipment or vehicles at the first sign of rutting.

22. 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.

23. The Permittee shall slope the sides of waste material piles to a horizontal/vertical ratio of two (2) horizontal to one (1) vertical unless otherwise authorized in writing by an Inspector.
26(1)(g) USE, STORAGE, HANDLING AND ULTIMATE DISPOSAL OF ANY CHEMICAL OR TOXIC MATERIAL

24. The Permittee shall dispose of all combustible waste petroleum products by removal to an approved waste disposal facility.

25. The Permittee shall report all spills immediately to the 24 hour Spill Report Line (867) 920-8130 in accordance with instructions contained in "NT-NU Spill Report" form.

26(1)(h) WILDLIFE AND FISHERIES HABITAT

26. The Permittee shall minimize damage to wildlife habitat and fish habitat, including riparian vegetation, in conducting this land use operation.

26(1)(j) PROTECTION OF HISTORICAL, ARCHAEOLOGICAL AND BURIAL SITES

27. The Permittee shall not operate any vehicle or equipment within one hundred and fifty (150) metres of a known or suspected archaeological site, except for sites LdNt-21 and LdNt-22. In regards to LdNt-21 and LdNt-22, the Permittee shall not operate any vehicle or equipment within seventy (70) metres.

28. The Permittee shall not knowingly remove, disturb, or displace any archaeological specimen or site.

29. The Permittee shall cease any activity which disturbs a suspected archaeological, historical, and/or burial site and contact the Inspector at (867) 669-2767 or the Board at (867) 713-2500, and the Prince of Wales Northern Heritage Centre at (867) 920-6182 or 873-7688 should such a site be encountered.

30. The Permittee shall ensure that all persons working under authority of the permit are aware of these conditions concerning archaeological land use activity.

26(1)(l) SECURITY DEPOSIT

31. All costs to remediate the area under this permit are the responsibility of the Permittee.
26(1)(m) FUEL STORAGE

32. The Permittee shall report in writing to an Inspector and the Board the location and quantity of all fuel caches within ten (10) days of their establishment.

33. The Permittee shall not place any fuel storage containers within fifteen (15) metres of the normal high water mark of any watercourse, unless otherwise authorized in writing by an Inspector.

34. The Permittee shall not allow petroleum products to spread to surrounding lands or water bodies.

35. The Permittee shall:
   (a) examine all fuel storage containers for leaks a minimum of once every day during operations; and
   (b) repair all leaks immediately.

36. The Permittee shall mark all stationary petroleum products storage facilities with flags, posts or similar devices so that they are at all times plainly visible to local vehicle travel.

37. The Permittee shall seal all container outlets except the outlet currently in use.

38. The Permittee shall mark all fuel containers, including 205-litre drums, with the Permittee's name.

39. The Permittee shall only use stands approved by the Inspector for supporting fuel containers.

40. The Permittee shall submit to the Board, prior to commencement of operations, a spill contingency plan for chemical and petroleum spills.

41. The Permittee shall submit to the Board an update of the contingency plan, for chemical and petroleum spills, if there are any changes in the operation during the life of the permit.

42. The Permittee shall ensure that all fuel caches containing more than 10 fuel containers have adequate secondary containment as approved by an Inspector.

43. The Permittee shall ensure that adequate contingency plans and spill kits are in place, prior to commencement of operations, to respond to any
potential spills.

26(1)(n) METHODS AND TECHNIQUES FOR DEBRIS AND BRUSH DISPOSAL

44. The Permittee shall spread all cut debris and brush over the areas cleared, prior to completion of the operation or expiry of the Land Use Permit.

26(1)(o) RESTORATION OF THE LANDS

45. The Permittee shall complete all clean-up and restoration of the lands used prior to the expiry date of this Permit.

26(1)(p) DISPLAY OF PERMITS AND PERMIT NUMBERS

46. The Permittee shall keep on hand, at all times during this land use operation, a copy of this Land Use Permit.

26(1)(q) BIOLOGICAL AND PHYSICAL PROTECTION OF THE LAND

47. The Permittee shall not commence any activities or move any equipment within five hundred (500) metres of one or more caribou.

Wek’èezhii Land and Water Board

Witness

Chair