May 13, 2015

Gord Macdonald,
P.O.Box 2498
300, 5201-50th Avenue
Yellowknife, NT X1A 2P8


Dear Mr. MacDonald:

Thank you for your question. Diavik Diamond Mines (2012) Inc. ("DDMI") asked North Slave Metis Alliance ("NSMA") two specific questions:

a) Which specific license condition does NSMA believe would require consideration through a Water License renewal process; and
b) Why does NSMA believe other review mechanisms are not appropriate for considering these reviews?

NSMA is pleased to answer your questions.

NSMA believes that a Water License renewal process, such as the one we are going through right now, offers following opportunities that are otherwise not available to the parties:

1) Opportunity to “force” all interested parties and regulators to review the license conditions and related Management Plans as a whole package.

   It is true that parties have opportunities to review Management Plans and license conditions at any time. However, there are multiple review cycles and separate processes for each Management Plan, making it hard for NSMA to assess the relevancy and efficacy of the management practices as a whole. While such processes would be acceptable under certain circumstances, NSMA thinks that the concurrent developments of A21 and Jay pipes, rapid decline of Bathurst caribou herd, global climate change and extreme forest fire predictions together can make the baseline assumptions for this Water License renewal application untenably uncertain, especially from a cumulative impact perspective. Shorter term of the license allows all parties, with complementally
perspectives, knowledge, and expertise, to revisit the license conditions as a whole to make sure those conditions are relevant and up-to-date.

2) Following "1)", Water License renewal, as opposed to other mechanisms, offers a more robust opportunities for parties to participate in the review process. Technical Sessions and Public Hearings are two important avenues in which NSMA can be informed, provide input, and present evidences, in front of the Regulators. Because there is a reasonable likelihood that the baseline assumptions for the current Water License application may change in near future (i.e. before the closure of the Diavik mine), NSMA strongly prefers to have such possibilities accounted for in this license.

Lastly, it is not that NSMA likes to participate in regulatory review and hearings more often than it is necessary. We sincerely hope that in five-year time there will be no significant deviation from the prediction in terms of cumulative impacts to the environment. However it is our duty to the lands, as stewards of the North Slave Metis traditional territories, to take a precautionary and conservative approach to developments. NSMA believes that good judgment calls for a Water License renewal before the closure of the mine.

NSMA would like to thank Wekeezhii Land and Water Board for providing us with the opportunity to respond to DDMI's questions. We look forward to further collaborations in this important process.

Sincerely,

Shin Shiga
Regulatory Analyst

CC: Mr. Ryan Fequet, WLWB
    Dr. Sarah Elsasser, WLWB
    Mr. Dave Wells, DDMI