



**File: MV2019L2-0004**

August 17<sup>th</sup>, 2021

De Beers Canada Inc.  
#300, 5120-49<sup>th</sup> Street  
YELLOWKNIFE, NT X1A 1P8

**Attention:** Ms. Michelle Peters  
Superintendent, Asset & Environment  
Snap Lake Mine, NT

Ms. Peters,

**Re: Letter of Warning – Waters Act Section 71.(1)(a)**

This **Letter of Warning** is in relation to a failure of the Licensee to notify the Inspector and the *Mackenzie Valley Land & Water Board (MVLWB)* of a seepage event that occurred at the Snap Lake Mine North Pile Perimeter Sump #3 (PS3) on July 26<sup>th</sup>, 2020. As reported in the *2020 Geotechnical Site Inspection of the North Pile Facility and Water Management Pond Dams*, an accelerated decrease in water levels at the North Pile Perimeter Sump #3 (PS3) was noted by staff during the period from July 17<sup>th</sup>, 2020 through July 26<sup>th</sup>, 2020. Upon closer inspection of the site, staff noticed water pooling outside the water containment facility along the North Pile access road. Testing conducted by De Beers Canada Inc. showed the source of the pooled water to be from the North Pile Perimeter sump PS3.

Failure to immediately notify the Inspector was in contravention of two (2) MV2019L2-0004 Water Licence conditions, specifically *Part F, Condition 12 b)* and *Part H, Condition 4 c)* which state:

**Part F: Waste and Water Management – Operation of Structure and Facilities**

12. The Licensee shall construct, operate, and maintain the North Pile Facility to the design specifications and engineering standards, such that:

b) Any deterioration or erosion of constructed structures/facilities shall be reported immediately to an Inspector;

- and -

**Part H: Spill Contingency Planning**

4. During the period of this Licence, if a spill or an Unauthorized Discharge occurs or is foreseeable, the Licensee shall:

c) Notify the Board and an Inspector immediately;



- 2 -

As the Licensee was not in compliance with the above-noted MV2019L2-0004 licence conditions, the non-compliance was in contravention of Section 71.(1)(a) of the Waters Act which states:

- 71. (1)** Every type A licensee is guilty of an offence who
- (a) contravenes or fails to comply with any condition of the licence, if the contravention or failure to comply does not constitute an offence under section 75;

In addition, the punishment for such offences is determined by Section 71.(2) of the Waters Act:

- 71. (2)** Every licensee who commits an offence under subsection (1) is liable on summary conviction,
- (a) for a first offence, to a fine not exceeding \$250,000 or to imprisonment for a term not exceeding one year, or to both, and
  - (b) for a second or subsequent offence, to a fine not exceeding \$500,000 or to imprisonment for a term not exceeding one year or to both.

As the seepage meets the licenced *Effluent Quality Criteria* (EQC) and there was no harm to the receiving environment, no further enforcement action is being considered at this time. It is the expectation of the Inspector that proper notifications are provided to the Board and the Inspector as per the water licence MV2019L2-0004 conditions. It is imperative that all conditions annexed to MV2019L2-0004 are being adhered to at all times by the Licensee. Further violations of the water licence conditions may leave the Inspector no alternative but to pursue further enforcement actions in the future.

If you have any questions or concerns with this **Letter of Warning**, please do not hesitate to contact the undersigned at [joe\\_heron@gov.nt.ca](mailto:joe_heron@gov.nt.ca) or at (867) 767-9187 ext. 24192.

Sincerely,

Joseph Heron  
Resource Management Officer III (Inspector)  
GNWT - Department of Lands, NSRO

cc: *Scott Stewart (GNWT – Lands, NSRO)*  
*Jamie Steele (GNWT - Lands, NSRO)*  
*Jacqueline Ho (MVLWB)*  
*Shannon Allerston (MVLWB)*  
*Mr. Phillippe di Pizzo (Executive Director, SLEMA)*  
*Ms. Sonia Aredes (Environmental Analyst, SLEMA)*