



**Lands- North Slave Region**

**February 16<sup>th</sup> 2017**

**Dominion Diamond Ekati Corporation**

**#1102 - 4920 52<sup>nd</sup> Street  
Yellowknife, NT X1A 3T1**

**Land Use Permit  
W2016D0003  
Sable Development**

Attn: Claudine Lee – Head Environment and Community

**Re: February 13<sup>th</sup> 2017 Land Use Permit Inspection W2016D0003**

Dear Ms. Lee,

On February 13<sup>th</sup> 2017, a Land Use Inspection was conducted on the Sable Development by the Manager, Diamond Resource Management, Marty Sanderson. On this inspection the Manager/GNWT Lands Inspector was accompanied and assisted by Ekati Diamonds Environment Team Leader – Environment Projects, Harry O’Keefe.

The inspection was conducted to ensure that all operating conditions annexed to the above noted land use permit are being adhered to during this operation. This report provides comments based on general observations and highlights any concerns or items that should be addressed by the Licensee / Permittee. No concerns were identified during this inspection. Attached / enclosed is the full Inspection Report along with related site photographs.

The following area was inspected and the details of the findings are included in the attached report:

- Sable Office Complex
- Site Roads and Laydown Areas
- Two Rock Frozen Core Dam
- Sable Geo-technical Drill Program

If you have any questions or concerns please contact the undersigned at (867) 767-9187 extension 24186. Thank you for your continued cooperation.

Sincerely,



Marty Sanderson  
Manager, Diamond Resource Management,  
Department of Lands  
North Slave Region  
[Marty\\_Sanderson@gov.nt.ca](mailto:Marty_Sanderson@gov.nt.ca)

cc: Ms. Megan Schnurr – Regulatory Specialist, Wek'èezhii Land and Water Board  
Ms. Roberta Judas – Regulatory Technician, Wek'èezhii Land and Water Board  
Mr. Scott Stewart - Regional Superintendent Department of Lands  
Marc Casas -Executive Director, Independent Environmental Monitoring Agency

## ENVIRONMENTAL INSPECTION REPORT

Permittee: Dominion Diamond Ekati Corporation	Inspection Date: February 13 <sup>th</sup> 2017
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	Permit Expiry Date	Last Previous	
<b>Inspection</b>			
Land Use Permit No.	W2016D0003	May 11 2021	January 9 <sup>th</sup> 2017
Quarrying Permit No.	N/A		
Contractor:	Nuna Logistics		Subcontractor: N/A

Location(s) Inspected:	Field Office Complex Site Roads and Laydown Areas Sable Lake Geotechnical drill program Two Rock Frozen Core Dam
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Current Stage of Operation:	Stripping overburden and waste rock in the Sable Pit(Quarry) ongoing Crusher is currently crushing rock for site projects Key Trench for Two Rock Frozen Core Dam has been completed. Thermosyphon installation is complete. Construction of the Two Rock Frozen Core Dam continues Geotechnical Drilling in Sable Lake
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Program Modifications Approved:	N/A
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Condition of Operation "A" - Acceptable "U" - Unacceptable "N/A" - Not Applicable "\*" - Cautionary Remark

	Operating Condition	Aspect Inspected		Refers to Permit or License Requirement
		Office complex, laydowns, site roads and Frozen Core Dam	Geotechnical Drill Program	Condition (*An Asterisk denotes a cautionary remark)
A	Location and Area	A	A	Office complex located at Zone 12 522320 7191970

B	Time	A	A	26(1) (b) 6: Inspector was given 48 hour notice on commencement of this land-use operation on June 27 <sup>th</sup> 2016.
C	Type and Size of Equipment	A	A	
D	Methods and Techniques	A	A	
E	Type, Location, Capacity and Operation of All Facilities	A	A	
F	Control or Prevention of Ponding of Water, Flooding, Erosion, Slides and Subsidence of Land	A	A	
G	Use, Storage, Handling and Ultimate Disposal of Any Chemical or Toxic Material	A	A	
H	Wildlife and Fisheries Habitat	A	A	
I	Storage, Handling and Disposal of Refuse or Sewage	A	A	Sewage is pumped out daily and disposed of at main camp facilities. Garbage is trucked to main camp daily or as required.
J	Protection of Historical, Archeological and Burial Sites	A	A	
K	Objects and Places of Recreational, Scenic or Ecological Value	N/A	NA	
L	Security Deposit	A	A	
M	Fuel Storage	A	A	Spill kits were noted at various locations on site. Secondary containment noted under all hydrocarbon products. Secondary containment under office complex generator/generator light plants. All equipment refueled currently with mobile fuel truck. New 4500L double walled fuel tank was installed at the Frozen Core building. Tank and fittings have been placed in a lined berm. All fuel containers associated with the sable drill program are double walled.
N	Methods and Techniques for Debris and Brush Disposal	N/A	N/A	

O	Restoration of the Lands	A	A	Organics are being stripped and stored for future potential reclamation
P	Display of Permits and Permit Numbers	A		Permit is posted at the office complex
Q	Matters Not Inconsistent with the Regulations	A	A	
R	Sections 8 to 16 M.V.L.U.R.	A	A	

# ENVIRONMENTAL INSPECTION REPORT

Date:

February 13<sup>th</sup> 2017

Permit #: W2016D0003

## Notes / Explanatory Cautionary Remark

An Inspection of the Sable Development was conducted by Marty Sanderson, Inspector/Manager-Diamond Resource Management. The Inspector was accompanied by Ekati Diamonds Environment Team Leader – Environment Projects, Harry O’Keefe. The inspection was conducted to ensure that all operating conditions annexed to the above noted land use permit are being adhered to during this operation.

### **Sable Office Complex**

The Sable Office Complex is being used as a lunchroom, washroom, first aid station and emergency accommodations. The facility was inspected and no concerns were noted. All vehicles located on the Truck Parking Facility were inspected and no concerns were noted. The parking facility is being maintained.

### **Access and site roads**

The pads and site roads for all of the Sable facilities are being maintained to the satisfaction of the Inspector.

### **Sable Crusher Pad and Frozen Core Plant**

The Sable Crusher and Frozen Core Plant are currently in operation and continue to provide slurry required to complete the frozen core dam.

### **Two Rock Frozen Core Dam**

A total of 12 individual thermosyphons have now been installed at the Two Rock Frozen Core Dam (Photo 1 and 2). Slurry (3/4” granite/fines/water) will continue to be placed until the design height specifications of the frozen core dam have been met. The Inspector observed Nuna staff removing snow from the trench by hand and compressed air (Photo 3). A clean surface is required to ensure the layers of slurry bond together.


### **Sable Geotechnical Drill Program**

A total of six holes will be drilled on Sable Lake to determine characteristics of the rock. Two drill holes (SB17-F and SB17-A) had been completed at the time of this inspection. Foraco was preparing the drill for the next target (SB17-E). Ice surfaces had been cleared around the lake in preparation for drilling. Faraco has established a small lay down area within the Quarry Pit. The Inspector noted drilling components, core storage boxes, drilling lubricants and a double walled fuel tank stored at this laydown (Photo 4). The drill shack was inspected and the Inspector noted several fully stocked spill kits that were readily accessible (Photo 5). A spill kit and clean up supplies were also noted at the entrance of Sable Lake (Photo 6). Waste streams were being separated using clearly labeled waste drums. The site was well organized and no hydrocarbon drips or stains were noted. All stationary equipment had drip trays placed under the engines (Photo 7). Drill cuttings are captured in a recirculating drill sump are eventually pumped into the Sable quarry pit. Cuttings and pit water will be removed with a vac-truck and disposed of at the Long Lake Containment Facility in the spring. Refueling of equipment is carried out as required by a mobile 2500 L double walled fuel truck. The Inspector was informed that the drilling program will be complete in the last week of February. The Inspector has informed DDEC that once the program is completed, a final site inspection will be conducted on the Sable Lake geotechnical drill program.

The Inspector noted that all conditions of Land Use Permit W2016D0003 are being adhered to. No concerns were noted on the February 13<sup>th</sup> 2017 W2016D0003 Land Use Permit inspection.

# ENVIRONMENTAL INSPECTION REPORT

Date: February 13 <sup>th</sup> 2017	Permit #: W2016D0003
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Completed off site	Marty Sanderson	
Representative's Signature	GNWT Lands Inspector	Inspector's Signature

*Note: Please see the attached inspection photos on the attached pages or electronic file.*



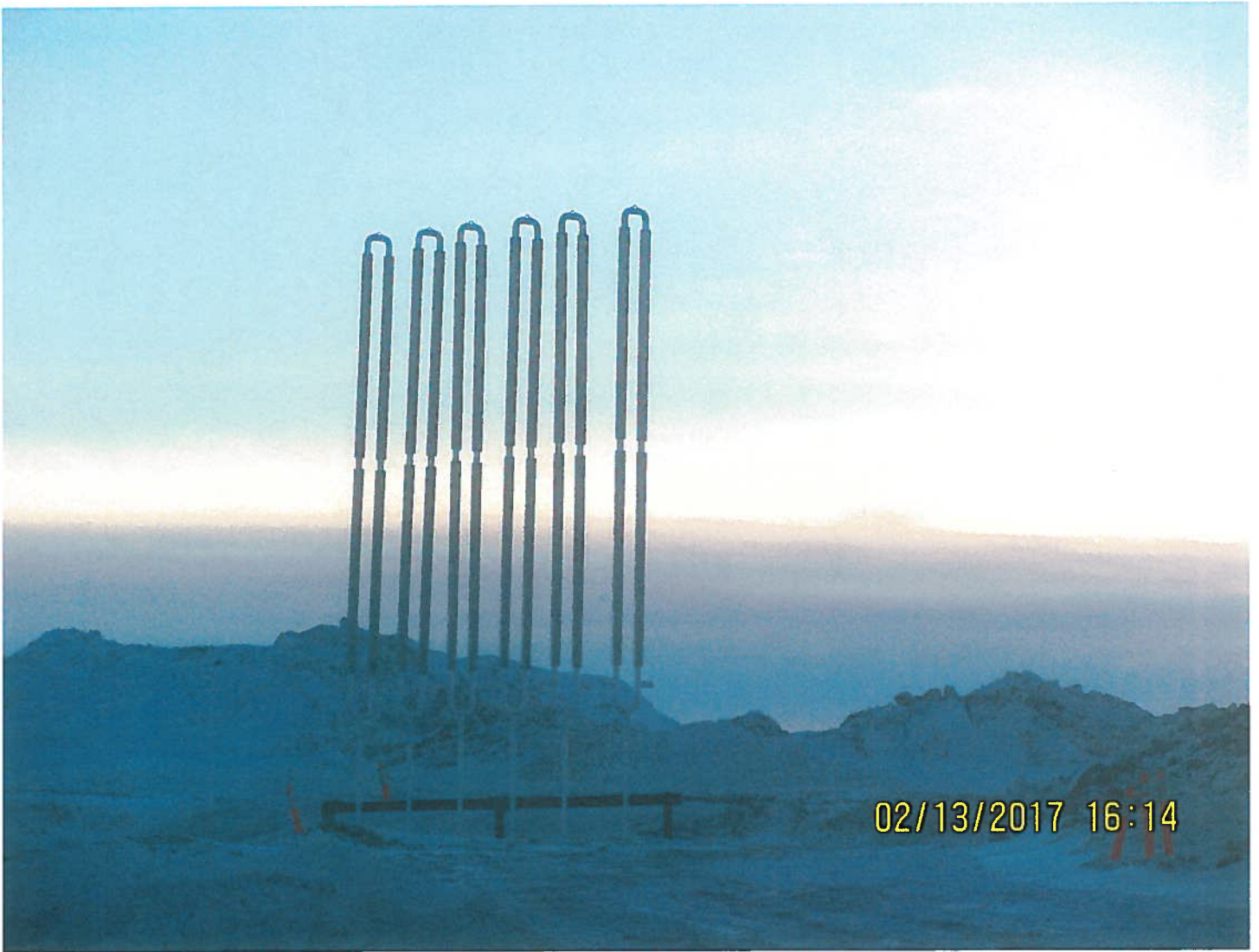


Photo 1: Sable Development/Frozen Core Dam- A total of 12 individual thermosyphons have now been installed at the two rock frozen core dam. Photo is of the six thermosyphons installed on the East side of the Frozen Core Dam

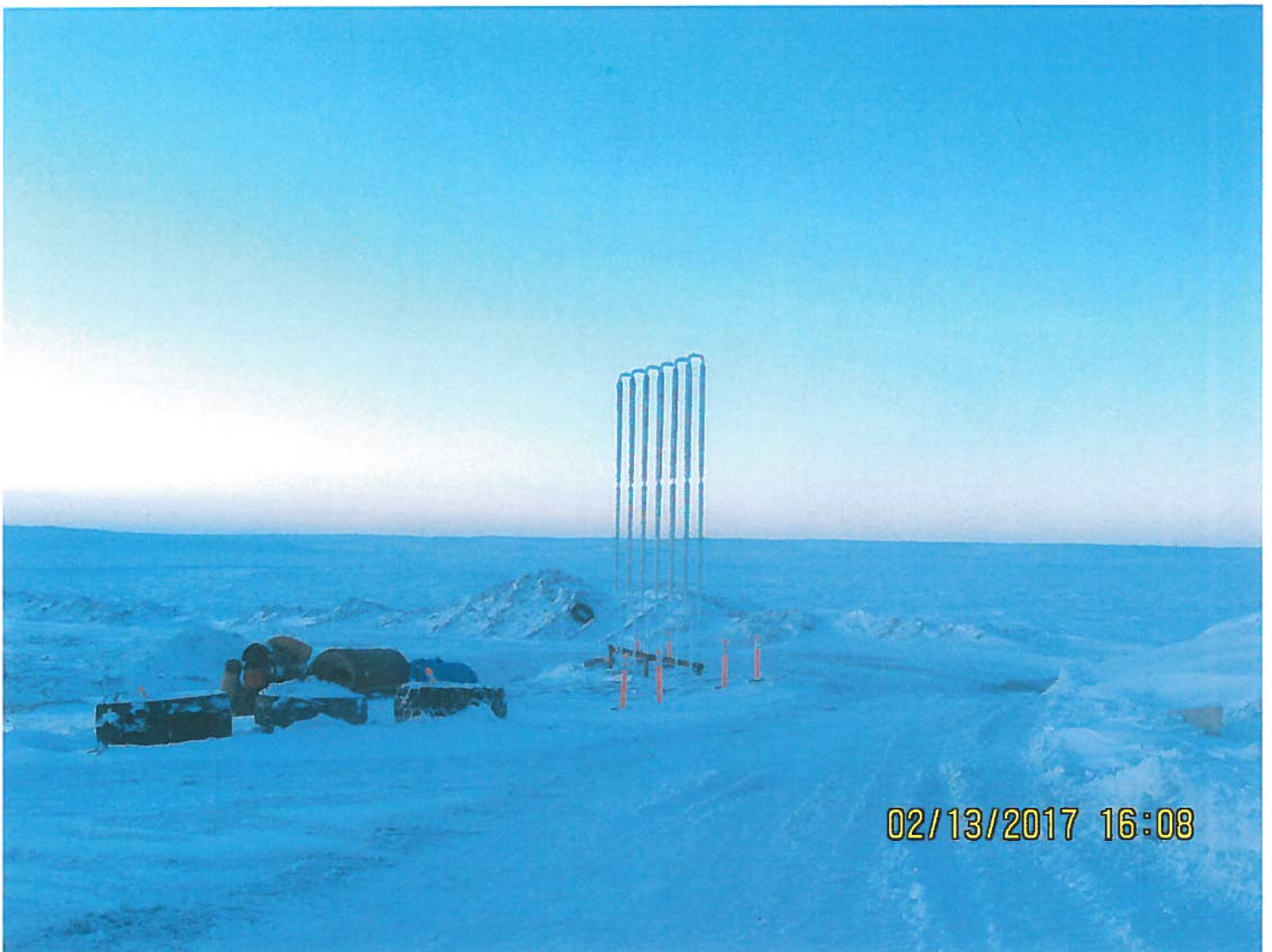


Photo 2: Sable Development/Frozen Core Dam- Photo of the six thermosyphons installed on the West side of the Frozen Core Dam





Photo 3: Sable Development/Frozen Core Dam- Nuna staff preparing the frozen core dam surface for the next layer of slurry. The surface needs to be free of snow to ensure there is a solid bond between the slurry layers.



Photo 4: Sable Development/Sable Quarry- Staging area for supplies required for a 6 hole geotechnical drill program on Sable Lake.





Photo 5: Sable Development/Sable Lake-The drill shack was inspected and the Inspector noted several fully stocked spill kits that were readily accessible



Photo 6: Sable Development/Sable Lake-A spill kit and clean up supplies were noted at the entrance of Sable Lake





Photo 7: Sable Development/Sable Lake- All stationary equipment had drip trays placed under the engines



Photo 8: Sable Development/Sable Lake- Foraco Drill Shack and generator on Sable Lake. Geotechnical drilling will be completed in the last week of February.