



**Lands- North Slave Region**

**March 13<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: March 6<sup>th</sup> 2017 Land Use Permit Inspection W2016D0003**

Dear Ms. Lee,

On March 6<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 Advisor-Compliance, Mr. Dustin Chaffee.

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'èezhìi Land and Water Board  
Ms. Roberta Judas – Regulatory Technician, Wek'èezhìi 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: March 6 <sup>th</sup> 2017
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	Permit Expiry Date	Last Previous	
<b>Inspection</b>			
Land Use Permit No.	W2016D0003	May 11 2021	February 13 <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 Geo-technical drill program Two Rock Frozen Core Dam
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Current Stage of Operation:	Crusher is currently crushing rock for site projects Key Trench for Two Rock Frozen Core Dam has been completed. Thermosyphon installation is complete. Five out of nine vertical ground temperature monitors have been installed on the Frozen Core Dam. 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	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:

March 6<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 Advisor-Compliance, Mr. Dustin Chaffee. 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. All vehicles located on the Truck Parking Facility were inspected and no concerns were noted. The parking facility is being maintained. Several crates and pallets were noted at the parking facility. The crates/pallets/scrap steel and wood debris will need to be disposed of to an approved facility (Photo 1).

### **Access and site roads**

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

### **Falcon Access Road**

The Falcon Access Road was inspected and the Inspector noted a R015 988 Loader parked at the entrance (Photo 2). The Inspector was informed that the unit requires a new water pump. A drip tray was located under the unit to catch any drips (glycol). The ice around the spill location had been scraped up and contaminated snow was placed in the drip tray. The Inspector was informed that the unit will be repaired on location and the contents of the drip tray will be disposed of to an approved facility in the near future.

### **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**

The Inspector was informed that slurry (3/4" granite/fines/water) will continue to be placed in the two rock frozen core dam for approximately one more week (March 12<sup>th</sup>). A 1 meter layer of <200mm crush will be placed over the frozen core and an additional 3 meter layer of Run of Mine (ROM) will cap the project. March 31<sup>st</sup> 2017 is the scheduled completion date for the Two Rock Frozen Core Dam project. Five vertical ground temperature monitors will also be installed in the Frozen core dam to monitor temperature conditions. An addition four vertical ground temperature monitors will be installed in the future. The Inspector observed Nuna staff removing snow from the trench by a brush attachment on a bobcat and by hand with compressed air (Photo 3). A clean surface is required to ensure the layers of slurry bond together.

### **Sable Geotechnical Drill Program**

A total of five geotechnical drill holes have been completed to date on Sable Lake. Provided is a list of completed/remaining holes and coordinates.

#### Completed Holes:

**SB17-F** (264 m) x: 522953.340 y: 7193012.680  
**SB17-A** (242.3 m) x: 522978.000 y: 7193068.000  
**SB17-E** (252.5 m) x: 522952.800 y: 7192830.170  
**SB17-B** (241.8 m) x: 523089.810 y: 7193108.970  
**SB17-D** (267.0 m) x: 523092.120 y: 7192830.170

#### Remaining Holes:


**SB17-C** x: 523145.702 y: 7192990.155

The Inspector has been receiving weekly updates on the progress of the drill program. DDEC is also conducting internal inspections on a weekly basis. An inspection will be conducted once the final clean-up of Sable Lake is conducted. The Drill was positioned over SB17-D during this inspection (Photo 4).

## ENVIRONMENTAL INSPECTION REPORT

Date: March 6 <sup>th</sup> 2017	Permit #: W2016D0003
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The Inspector noted that all conditions of Land Use Permit W2016D0003 are being adhered to. No concerns were noted on the March 6<sup>th</sup> 2017 W2016D0003 Land Use Permit inspection.

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 Office Complex - Several crates and pallets were noted at the parking facility. The crates/pallets/scrap steel and wood debris will need to be disposed of to an approved facility



Photo 2: Falcon Lake Road - A loader ( R015 988 ) was located on the Falcon Lake access road. Repair work will be conducted shortly. Glycol spill will need to be disposed of to an approved facility.





Photo 3: Two Rock Frozen Core Dam - Nuna staff are preparing the surface of the frozen core dam. The surface is being cleaned by a bobcat with a brush attachment and by compressed air. A clean surface is required to ensure the layers of slurry bond together.



Photo 4: Sable Lake - Geotechnical Drilling was observed during this inspection on Sable Lake over hole SB17-D. Five holes have been completed to date. Final hole to drill will be SB17-C.