



**Conditions Annexed to and Forming Part  
of Land Use Permit # W2017C0002**

**Part A: Scope of Permit**

1. This Permit entitles Diavik Diamond Mines (2012) Inc. to conduct the following land-use operation:
  - a) winter road construction;
  - b) fuel positioning and storage;
  - c) ground geophysical, geological, and geochemical surveys;
  - d) diamond drilling programs and reverse circulation drilling programs; and

Operations are to be located in the Lac de Gras, Thonokied, and Glowworm Lake areas: Min: 64° 20' N, 108° 45' W; Max: 64° 55' N, 111° 30' W

2. This 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 excuse the Permittee from its obligation to comply with the requirements of any applicable Federal, Territorial, Tłı̄chǫ, or Municipal laws.

**Part B: Definitions** (defined terms are capitalized throughout the Permit)

**Act** - the *Mackenzie Valley Resource Management Act*.

**Artesian Aquifer** – means a water-bearing stratum, which when encountered during drilling operations, produces a pressurized flow of groundwater that reaches an elevation above the ground surface.

**Archaeological Overview** - as defined by the Prince of Wales Northern Heritage Centre – Guidelines for Developers.

**Archaeological Impact Assessment** - as defined by the Prince of Wales Northern Heritage Centre – Guidelines for Developers.

**Board** - the Wek'èezhì Land and Water Board established in subsection 57.1(1) of the *Mackenzie Valley Resource Management Act*.

**Borehole** - a hole that is made in the surface of the ground by drilling or boring.

**Dogleg** – the clearing of a line, trail, or right-of-way that is curved sufficiently so that no part of the clearing beyond the curve is visible when approached from either direction.

**Drilling Fluids** - any liquid mixture of water, sediment, drilling muds, chemical additives or other wastes that are pumped down hole while drilling and are specifically related to drilling activity.

**Drilling Waste** - all materials or chemicals, solid or liquid, associated with drilling, including drill cuttings and Drilling Fluids.

**Flowing Artesian Well** - a well in which water:

- a) Naturally rises above the ground surface or the top of any casing; and
- b) Flows naturally, either intermittently or continuously.

**Fuel Storage Container** - a container for the storage of petroleum or allied petroleum products with a capacity of less than 230 litres.

**Fuel Storage Tank** - a closed container for the storage of petroleum or allied petroleum products with a capacity of more than 230 litres.

**Habitat** - the area or type of site where a species or an individual of a species of wildlife naturally occurs or on which it depends, directly or indirectly, to carry out its life processes.

**Inspector** - an Inspector designated by the Minister under the *Mackenzie Valley Resource Management Act*.

**Minister** - the Minister of Indian Affairs and Northern Development Canada or the Minister of the Government of the Northwest Territories – Department of Lands, as the case may be.

**Ordinary High Water Mark** - the usual or average level to which a body of water rises at its highest point and remains for sufficient time so as to change the characteristics of the land. In flowing waters (rivers, streams) this refers to the “active channel/bank-full level” which is often the 1:2 year flood flow return level. In inland lakes, wetlands, or marine environments, it refers to those parts of the Watercourse bed and banks that are frequently flooded by water so as to leave a mark on the land and where the natural vegetation changes from predominately aquatic vegetation to terrestrial vegetation (excepting water tolerant species). For reservoirs, this refers to normal high operating levels (full supply level).

**Permafrost** - ground (soil or rock) that remains at or below 0°C for at least two consecutive years.

**Produced Water** – water naturally present in the reservoir or injected into the reservoir to enhance production, produced as a co-product when gas or oil is produced.

**Secondary Containment** - containment that prevents liquids that leak from Fuel Storage Tanks or containers from reaching outside the containment area and includes double-walled Tanks, piping, liners, and impermeable barriers.

**Sewage** - all toilet wastes and Greywater.

**Sewage Disposal Facilities** - Sump(s) and/or Sewage collection tank(s) and/or storage containers designed to hold Sewage.

**Spill Contingency Plan** - a document, developed in accordance with Aboriginal Affairs and Northern Development Canada's *Guidelines for Spill Contingency Planning* (April 2007), that describes the set of procedures to be implemented to minimize the effects of a spill.

**Sump** - a man-made pit or natural depression in the earth's surface used for the purpose of depositing waste that does not contain Toxic Material, such as non-toxic Drilling Waste or Sewage, therein.

**Toxic Material** - any substance that enters or may enter the environment in a quantity or concentration or under conditions such that it:

- a) Has or may have an immediate or long-term harmful effect on the environment or its biological diversity;
- b) Constitutes or may constitute a danger to the environment on which life depends; or
- c) Constitutes or may constitute a danger in Canada to human life or health.

**Waste** – any garbage, debris, chemical, or Toxic Material to be used, stored, disposed of, or handled on land, and also as defined in section 51 of the Act.

**Waste Management Plan (WMP)** - a document, developed in accordance with the Board's *Guidelines for Developing a Waste Management Plan*, that describes the methods of waste management from waste generation to final disposal.

**Watercourse** - a natural body of flowing or standing water or an area occupied by water during part of the year, and includes streams, springs, swamps and gulches but does not include groundwater.

**Part C: Conditions Applying to All Activities** (headings correspond to subsection 26(1) of the Mackenzie Valley Land Use Regulations)

**26(1)(a) Location and Area**

1. 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 otherwise authorized in writing by the Board. **Private Property (Formerly Condition #2)**
2. The Permittee shall use an existing campsite, as described in the complete application. **Existing Camp (Formerly Condition #4)**
3. Prior to the commencement of drilling, the Permittee shall submit the drill target locations on a 1:50,000-scale map with coordinates and map datum to an Inspector and the Board. **Drill Locations (Formerly Condition #5)**
4. The Permittee shall locate all lines, trails, and right-of-ways to be constructed parallel to any Watercourse a minimum of 100 metres from the Ordinary High Water Mark, except at crossings. **Parallel Watercourse**
5. The Permittee shall not conduct this land-use operation on any lands not designated in the complete application. **Location of Activities (Formerly Condition #1)**

**26(1)(b) Time**

6. At least 48 hours prior to the commencement of this land-use operation, the Permittee's Field Supervisor shall contact an Inspector at (867) \_\_\_\_\_. **Contact Inspector (Formerly Condition #6)**
7. At least 48 hours prior to commencement of this land-use operation, the Permittee shall provide the following information, in writing, to the Board and an Inspector:  
(a) the name(s) of the person(s) in charge of the field operation; (b) alternates; and (c) all methods for contacting the above person(s). **Identify Agent (Formerly Condition #8)**
8. The Permittee shall submit a progress report to the Inspector and the Board every month during which there is an active drill program. **Progress (Formerly Condition #9)**
9. The Permittee shall notify the Inspector at least ten (10) days prior to backfilling any sump. **Backfilling Notification (Formerly Condition #10)**
10. The Board and/or Inspector reserve the right to impose closure of any area to the Permittee in periods when dangers to natural resources are severe. **Closure (Formerly Condition #11)**
11. At least ten days prior to the completion of the land-use operation, the Permittee shall advise an Inspector of: (a) the plan for removal or storage of equipment and materials; and (b) when final cleanup and reclamation of the land used will be completed. **Reports Before Removal (Formerly Condition #7)**

### 26(1)(c) Type and Size of Equipment

12. The Permittee shall not use any equipment except of a similar type, size, and number to that listed in the complete application.

**Only Approved Equipment**  
(Formerly Condition #12)

### 26(1)(d) Methods and Techniques

13. Prior to the movement of any vehicle that exerts pressure on the ground in excess of 35 kPa, the Permittee shall scout proposed lines and routes to select the best location for crossing streams and avoiding terrain obstacles.
14. Immediately upon completion of operations at each Borehole, the Permittee shall remove or cut off and seal each drill casing at ground level.
15. The Permittee shall construct and maintain the overland portion of winter roads with a minimum of 10 cm of packed snow and/or ice at all times during this land-use operation.
16. The Permittee shall not erect camps or store material, other than that required for immediate use, on the ice surface of a Watercourse.
17. Prior to the expiry of this Permit, the Permittee shall replace all excavated material, unless otherwise authorized in writing by an Inspector.

**Detours and Crossings**

**Mineral Exploration Drill Casings**  
(Formerly Condition #18)

**Winter Roads**  
(Formerly Condition #14)

**Storage on Ice**  
(Formerly Condition #17)

**Excavated Material**  
(Formerly Condition #15)

### 26(1)(e) Type, Location, Capacity, and Operation of All Facilities

18. The Permittee shall ensure that the land use area is kept clean at all times.
19. The Permittee shall not locate any Sump within 100 metres of the Ordinary High Water Mark of any Watercourse, unless otherwise authorized in writing by an Inspector.

**Clean Work Area**  
(Formerly Condition 20)  
**Sumps From Water**  
(Formerly Condition #19)

### 26(1)(f) Control or Prevention of Ponding of Water, Flooding, Erosion, Slides, and Subsidence of Land

20. The Permittee shall insulate the ground surface beneath all structures associated with this land-use operation to prevent:  
(a) any vegetation present from being removed; (b) the melting of Permafrost; and (c) the ground settling and/or eroding.
21. The land-use operation shall not cause obstruction to any natural drainage.
22. The Permittee shall, where flowing water from a Borehole is encountered: (a) plug the Borehole in such a manner as to permanently prevent any further

**Permafrost Protection**

**Natural Drainage**  
(Formerly Condition #23)

**Flowing Artesian Well**  
(Formerly Condition #21)

outflow of water; and (b) immediately report the occurrence to the Board and an Inspector.

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| 23.   | The Permittee shall not conduct off-road vehicle travel in areas without snow-covered surfaces.  | <b>Off-road Vehicle Travel</b><br>(Formerly Condition #13)     |
| 24.   | The Permittee shall prepare the site in such a manner as to prevent rutting of the ground surface.   | <b>Prevention of Rutting</b><br>(Formerly Condition #30)       |
| 25.   | The Permittee shall suspend overland travel of equipment or vehicles at the first sign of rutting.   | <b>Suspend Overland Travel</b>                                 |
| 26.   | 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.   | <b>Vehicle Movement Freeze-up</b><br>(Formerly Condition #31)  |
| 27.   | The Permittee shall not use any material other than clean water and snow in the construction of ice bridges.   | <b>Ice Bridge Materials</b><br>(Formerly Condition #24)        |
| 28.   | The Permittee shall not use any materials other than clean snow and water in the construction of snow fills.   | <b>Snowfill Materials</b><br>(Formerly Condition #25)          |
| 29.   | Prior to spring break-up or completion of the land-use operation, the Permittee shall clean up and either remove or v-notch all snowfills from stream crossings, unless otherwise authorized in writing by an Inspector.                               | <b>Remove or V-Notch Snowfills</b><br>(Formerly Condition #29) |
| 30.   | Prior to spring break-up or completion of the land-use operation, the Permittee shall clean up and v-notch all ice bridges, unless otherwise authorized in writing by an Inspector.  | <b>V-notch Ice Bridges</b><br>(Formerly Condition #26)         |
| 31.   | The Permittee shall not use the bed of streams for access routes except for the purpose of crossing the streams.   | <b>Stream Beds- Access</b><br>(Formerly Condition #27)         |
| 32.   | The Permittee shall minimize approach grades on all Watercourse crossings.   | <b>Minimize Approach</b><br>(Formerly Condition #22)           |
| 33.   | The Permittee shall not ford wet streams.  | <b>No Fording of Streams</b><br>(Formerly Condition #28)       |
| <b>26(1)(g) Use, Storage, Handling, and Ultimate Disposal of Any Chemical or Toxic Material</b> |  |  |
| 34.   | The Permittee shall not use any Drilling Fluids, muds, or additives that were not identified in the complete application, unless the MSDSs are provided to the Board and Inspector and usage of the chemical(s) is authorized in writing by the Board. | <b>Drilling Chemicals</b><br>(Formerly Condition #32)          |

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| 35.                                       | At least seven days prior to the use of any chemicals that were not identified in the complete application, the MSDS sheets must be provided to an Inspector and the Board.   | <b>Chemicals</b>  |
| 36.                                       | When drilling within 100 metres of the Ordinary High Water Mark of any Watercourse, and when drilling on ice, the Permittee shall contain all drill water and waste in a closed circuit system for reuse, off-site disposal, or deposit into a land-based Sump or natural depression.   | <b>Drilling Near Water or On Ice<br/>(Formerly Condition #37)</b> |
| 37.                                       | The Permittee may deposit Drilling Waste that does not contain Toxic Material in a Sump or natural depression. Any Sumps or natural depressions used to deposit Drilling Waste must be located at least 100 metres from the Ordinary High Water Mark of any Watercourse, unless otherwise authorized in writing by an Inspector.  | <b>Drilling Waste<br/>Formerly Condition #34)</b>                 |
| 38.                                       | The Permittee shall remove all Drilling Waste containing Toxic Material to an approved disposal facility.   | <b>Drilling Waste Disposal<br/>(Formerly Condition #33)</b>       |
| 39.                                       | The Permittee shall not allow any Drilling Waste to spread to the surrounding lands or Watercourses.  | <b>Drilling Waste Containment<br/>(Formerly Condition #36)</b>    |
| 40.                                       | Prior to the expiry date of this Permit or the end of operations, whichever comes first, the Permittee shall backfill and restore all Sumps, unless otherwise authorized in writing by an Inspector.  | <b>Backfill Sumps<br/>(Formerly Condition #67)</b>                |
| 41.                                       | The Permittee shall maintain a record of all spills. For all reportable spills, in accordance with the GNWT <i>Spill Contingency Planning and Reporting Regulations</i> , the Permittee shall: (a) immediately report each spill to the 24-hour Spill Report Line (867) 920-8130; (b) report each spill to an Inspector within 24 hours; and (c) submit, to the Board and an Inspector, a detailed report on each spill within 30 days. | <b>Report Spills<br/>(Formerly Condition #41)</b>                 |
| 42.                                       | The Permittee shall dispose of all Toxic Material as described in the approved Waste Management Plan.   | <b>Waste Chemical Disposal<br/>(Formerly Condition #39)</b>       |
| 43.                                       | The Permittee shall dispose of all fluids used to wash machinery and equipment in a sump.   | <b>RIG WASH DISPOSAL<br/>(Formerly Condition #40)</b>             |
| 44.                                       | The Permittee shall dispose of all waste petroleum products by removal to an approved disposal facility or by incineration in a device designed for this purpose, as described in the approved Waste Management Plan.   | <b>Waste Petroleum Disposal<br/>(Formerly Condition #38)</b>      |
| <b>26(1)(h) Wildlife and Fish Habitat</b> |   |   |
| 45.                                       | The Permittee shall take all reasonable measures to prevent damage to wildlife and fish Habitat during this land-use operation.   | <b>Habitat Damage</b>   |

		(Formerly Condition #42)
46.	The Permittee shall construct and maintain the water intake with an adequate screening device to prevent entrainment of fish.	Prevent Entrainment (Formerly Condition #43)
47.	The Permittee shall not feed wildlife.	No Feeding of Wildlife (Formerly Condition #45)
<b>26(1)(i) Storage, Handling, and Disposal of Refuse or Sewage</b>		
48.	The Permittee shall adhere to the Waste Management Plan, once approved, and shall annually review the plan and make any necessary revisions to reflect changes in operations, technology, chemicals, or fuels, or as directed by the Board. Revisions to the plan shall be submitted to the Board for approval.	Waste Management
49.	The Permittee shall keep all garbage and debris in a secure container until disposal.	Garbage Container (Formerly Condition #49)
50.	The Permittee shall dispose of all garbage, waste, and debris as described in the approved Waste Management Plan, unless otherwise authorized in writing by an Inspector.	Remove Garbage (Formerly Condition #47)
51.	The Permittee shall dispose of all Sewage and Greywater as described in the approved Waste Management Plan.	Sewage Disposal (Formerly Condition #46)
52.	The Permittee shall burn all combustible garbage and debris, except plastics, daily, in a container acceptable to an Inspector.	Incineration (Formerly Condition #48)
53.	The Permittee shall remove all non-combustible garbage, scrap metal, discarded machinery, parts, barrels kegs, plastics, and building materials as specified in the accepted application, unless otherwise approved in writing by an Inspector and the Board.	REMOVE WASTE MATERIAL (formerly Condition #50)
<b>26(1)(j) Protection of Historical, Archaeological, and Burial Sites</b>		
54.	The Permittee shall not operate any vehicle or equipment within 150 metres of a known or suspected historical or archaeological site or burial ground.	Archaeological Buffer (Formerly Condition #51)
55.	The Permittee shall not knowingly remove, disturb, or displace any archaeological specimen or site.	Site Disturbance (Formerly Condition #52)
56.	The Permittee shall, where a suspected archaeological or historical site, or burial ground is discovered: (a) immediately suspend operations on the site; and (b) notify the Board at (867) _____ or an Inspector at (867) _____, and the Prince of Wales Northern Heritage Centre at (867) 920-6182 or 873-7688.	Site Discovery and Notification (Formerly Condition #53)



57. The Permittee shall ensure that all persons working under authority of the permit are aware of these conditions concerning archaeological land use activity. **NOTIFICATION TO EMPLOYEES (formerly Condition #54)**
58. At least \_\_\_\_ days prior to any new land disturbance, including new drill sites, the Permittee shall conduct an Archaeological Overview to identify areas of high and low potential for archaeological and burial sites and shall submit a summary report to the Board and the Prince of Wales Northern Heritage Centre. **Archaeological Overview**
59. Prior to disturbance in areas of high potential for archaeological or burial sites identified in the Archaeological Overview, the Permittee shall conduct an Archaeological Impact Assessment of the sites where disturbance is planned and shall submit a summary report to the Board and the Prince of Wales Northern Heritage Centre. **AIA – High Potential**
60. Prior to any new land disturbance, the Permittee shall conduct an Archaeological Impact Assessment of the sites where disturbance is planned and shall submit a summary report to the Board and the Prince of Wales Northern Heritage Centre. **AIA**
- 26(1)(k) Objects and Places of Recreational, Scenic, and Ecological Value**
- 26(1)(l) Security Deposit**
61. All costs to remediate the area under this Permit are the responsibility of the Permittee. **Responsibility for Remediation Costs (Formerly Condition #55)**
- 26(1)(m) Fuel Storage**
62. The Permittee shall: (a) examine all Fuel Storage Tanks and containers for leaks a minimum once per day; and (b) repair all leaks immediately. **Check for Leaks (Formerly Condition #60)**
63. The Permittee shall not place any Fuel Storage Containers or Tanks within 100 metres of the Ordinary High Water Mark of any Watercourse, unless otherwise authorized in writing by an Inspector. **Fuel Near Water (Formerly Condition #57)**
64. The Permittee shall ensure that all fuel caches have adequate Secondary Containment. **Fuel Cache Secondary Containment (Formerly Condition #64)**
65. The Permittee shall set up all refueling points with Secondary Containment. **Secondary Containment - Refueling**
66. The Permittee shall only use stands approved by an Inspector for supporting Fuel Storage Containers that are in use. **Fuel Container Stands (Formerly Condition #63)**

67. The Permittee shall not allow petroleum products to spread to surrounding lands or Watercourses. **Fuel Containment**  
(Formerly Condition #58)
68. The Permittee shall have one extra fuel storage container on site equal to, or greater than, the size of the largest fuel container. **FUEL/ EXTRA CONTAINER**  
(Formerly Condition #59)
69. The Permittee shall mark all Fuel Storage Containers and Tanks with the Permittee's name. **Mark Containers**  
(Formerly Condition #62)
70. The Permittee shall mark all stationary fuel caches and fuel storage facilities with flags, posts, or similar devices so that they are at all times plainly visible to local vehicle travel. **Mark Fuel Location**
71. Within ten days of the establishment of any fuel cache, the Permittee shall report the location and quantity of the cache in writing to an Inspector and the Board. **Report Fuel Location**  
(Formerly Condition #56)
72. The Permittee shall seal all outlets of Fuel Storage Containers and store the containers on their sides with the outlets located at 3 and 9 o'clock, except for containers currently in use. **Seal Outlet**  
(Formerly Condition #61)
73. The Permittee shall adhere to the Spill Contingency Plan, once approved, and shall annually review the plan and make any necessary revisions to reflect changes in operations, technology, chemicals, or fuels, or as directed by the Board. Revisions to the plan shall be submitted to the Board for approval. **Spill Contingency Plan**
74. Prior to commencement of operations, the Permittee shall ensure that spill-response equipment is in place to respond to any potential spills. **Spill Response**  
(Formerly Condition #65)
75. All equipment that may be parked for two hours or more, shall have a haz-mat/drip tray under it or be sufficiently diapered. Leaky equipment shall be repaired immediately. **Drip Trays**
76. The Permittee shall clean up all leaks, spills, and contaminated material. **Clean Up Spills**
- 26(1)(n) Methods and Techniques for Debris and Brush Disposal**
77. The Permittee shall not clear areas larger than identified in the complete application. **Minimize Area Cleared**  
(Formerly Condition #16)
- 26(1)(o) Restoration of the Lands**
78. Prior to the expiry date of this Permit, the Permittee shall complete all cleanup and restoration of the lands used. **Final Cleanup and Restoration**  
(Formerly Condition #66)

79. The Permittee shall carry out progressive reclamation of disturbed areas as soon as it is practical to do so.

**Progressive  
Reclamation**

**26(1)(p) Display of Permits and Permit Numbers**

80. The Permittee shall display a copy of this Permit in each campsite established to carry out this land-use operation.

**Display Permit  
(Formerly Condition  
#68)**

**26(1)(q) Biological and Physical Protection of the Land**

81. The Permittee shall not move any equipment or commence any drilling when one or more caribou are within five hundred (500) metres.

**CARIBOU  
DISTURBANCE  
(Formerly Condition  
#44)**

82. If migratory birds or their nesting areas, or any species at risk are encountered during the course of operations, the Permittee shall minimize all activity so as to not disturb these animals.

**Migratory Bird  
Disturbance**

83. The Permittee shall ensure that all persons working under the authority of the Land Use Permit are aware of and will adhere to the conditions as stated in the Land Use Permit.

**Notification To All  
Employees/Contractors  
(Formerly Condition  
#69)**

84. If any plan is not approved by the Board, the Permittee shall revise the plan according to the Board's direction and re-submit it to the Board for approval.

**Resubmit Plan**

85. The Permittee shall adhere to the Engagement Plan, once approved, and shall annually review the plan and make any necessary revisions to reflect changes in operations or as directed by the Board. Revisions to the plan shall be submitted to the Board for approval.

**Engagement Plan**

86. All revised plans submitted to the Board shall include a brief summary of the changes made to the plan.

**Summary of Changes**