



File: W2017D0004

February 23, 2024

Burgundy Diamond Mines
900 – 606 4 St. SW
Calgary, AB T2P 1T1

Attention: Mr. Harry O'Keefe

**Re: Land Use Permit MV2017D0004
Mining and Associated Activities
Ekati Mine, Northwest Territories**

Dear Mr. O'Keefe,

An inspection of the Burgundy Diamond Mines Limited Type A Land Use Permit MV2017D0004 for Mining and Associated Activities was conducted by Inspector Tom Bradbury on February 1, 2024. The inspection was carried out to ensure operating conditions annexed to the above-noted land use permit are being adhered to during this land use operation. The Inspector was accompanied by Mr. Ethan Osterhold (Environmental Specialist, Environment).

The Inspector is pleased with the efforts of Ekati personnel to adhere to the operating conditions annexed to Land Use Permit W2017D0004. The Permittee is reminded to ensure secondary containment practices are implemented at all fueling areas during fuel transfer and that areas remain cleared of snow before fuel transfer occurs. There were no major concerns noted during the inspection. Your copy of the Inspection Report is enclosed for your review and records.

If you have any questions or concerns, please contact the undersigned at (867) 446-4487.

Sincerely,

Tom Bradbury
Resource Management Officer III
GNWT-E.C.C.
North Slave Region
tom_bradbury@gov.nt.ca

Cc:

Harry O'Keefe – Environmental Superintendent, Burgundy Diamond Mines
Anneli Jokela – Regulatory Manager, WLWB
Rhiana Bams – Regulatory Specialist, WLWB
Marc Casas – Executive Director, IEMA



ENVIRONMENTAL INSPECTION REPORT

Permittee:	Burgundy Diamonds Limited – Ekati	Inspection Date: February 1, 2024
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		Permit Expiry Date	Previous Inspection
Land Use Permit No.	MV2017D0004	July 11, 2025	December 13, 2023
Quarrying Permit No.	N/A	N/A	
Contractor:	Procon Mining	Subcontractor:	

Location(s) Inspected:	Misery Surface
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Current Stage of Operation:	Actively Mining U/G with surface supporting infrastructure.
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Condition of Operation A- Acceptable U - Unacceptable N/A - Not Applicable

	Operating Condition	Aspect Inspected	
		General Conditions	Condition
A	Location and Area	A	
B	Time	A	
C	Type and Size of Equipment	A	
D	Methods and Techniques	A	
E	Type, Location, Capacity and Operation of All Facilities	A	
F	Control or Prevention of Ponding of Water, Flooding, Erosion, Slides and Subsidence of Land	A	
G	Use, Storage, Handling and Ultimate Disposal of Any Chemical or Toxic Material	A	
H	Wildlife and Fisheries Habitat	N/A	
I	Storage, Handling and Disposal of Refuse or Sewage	A	
J	Protection of Historical, Archeological and Burial Sites	N/A	
K	Objects and Places of Recreational, Scenic or Ecological Value	N/A	
L	Security Deposit	A	
M	Fuel Storage	A*	26(1)(m) 29, 37, 38
N	Methods & Techniques for Debris & Brush Disposal	A	
O	Restoration of the Lands	A	
P	Display of Permits and Permit Numbers	A	
Q	Matters Not Inconsistent with the Regulations	A	
R	Sections 8 to 16 M.V.L.U.R.	A	



ENVIRONMENTAL INSPECTION REPORT Pg. 2

Date: February 1, 2024	Permit#: MV2017D0004
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Explanatory Remarks
<p>An inspection of the Burgundy Diamonds Limited, Misery surface LUP was conducted by Inspector Tom Bradbury on February 1, 2024. The inspection was carried out to ensure operating conditions annexed to the above-noted land use permit are being adhered to during this land use operation.</p> <p>The entire Ekati mine site had experienced a severe weather event 48 hours prior to the inspection, which involved a whiteout and cessation of non-essential personnel and equipment. Therefore, many of the areas were still earmarked for snow removal at the time of inspection. These factors have been considered during the inspection of the Misery surface infrastructure.</p> <p>Potable water tanks, sewage tanks, and piping infrastructure were in good condition with no observable staining or leaks (Photos 1-2).</p> <p>Vehicles which were parked and not in use for the short term were equipped with secondary catchment including trays or absorbents (Photo 3-4).</p> <p>*The bulk diesel fuel tank (EC-00001121) looked to be weeping diesel (Photos 5-6). The snow stuck to the piping was discoloured and smelled of fuel.</p> <p><u>Laydown Area</u></p> <p>There were several dormant vehicles that are out of service (Photo 7). Vehicle #04398 was leaking fluid (Photos 8-9). These vehicles must be either drained of fluids or checked regularly for leaks. If the vehicles are going to remain staged for long term storage secondary containment/catchment is required.</p> <p><u>Fuel Areas</u></p> <p>The Misery heavy duty truck shop 10,000L diesel fuel storage tank (EC#00026381) had a small bucket beneath the hose for potential leakage but it was filled with snow. These areas were in need of clearing due to the recent snow storm (Photo 10).</p> <p>Spill kits were observed near all the fuel tanks but most would be hard to access, if necessary, given the snow accumulation in these areas.</p> <p>*The Misery diesel fuel storage and refuelling area(s) required some attention. A small leak was observed from a flange in the refuelling area (EC00001140) that will need to be fixed (Photo 11).</p> <p>*The spill pad box was blown in with snow, therefore limiting access if needed.</p> <p>*The secondary containment for the fuel nozzle was also filled with snow and will need to be cleared (Photo 12).</p> <p>During the inspection of the Misery surface fuel tank farm and infrastructure the Hydrocarbon Technician was clearing the fuel filling area of snow (Photos 13-14). He acknowledged that the fuel areas were in need of snow clearing across the entire site and that the work would continue throughout the day. The noted concerns were relayed and the Inspector was assured that snow clearing was being prioritized.</p> <p>When asked how often maintenance checks were completed on fuel tank infrastructure the response was there are weekly checks.</p> <p>It was also noted that preparation for winter road was occurring and that all areas which were in need of snow clearing were being prioritized.</p> <p>As follow-up, it was stated that photos would be provided to show that the fuel areas and noted areas of hydrocarbon leakage/staining identified throughout the inspection would be cleaned. These photos were provided on February 6, 2024 (Photos 15-17).</p> <p>It may be prudent to direct more manpower toward fuel area housekeeping and maintenance during the winter road season with the number of trucks delivering fuel via the winter road, especially after significant snowfall events.</p>



Photo 1 – Misery surface – fire suppression water tank.



Photo 2 – Misery surface – potable water tank





Photo 3 – Misery surface – Absorbents for parked vehicles (1).



Photo 4 – Misery surface – Absorbents for parked vehicles (2).

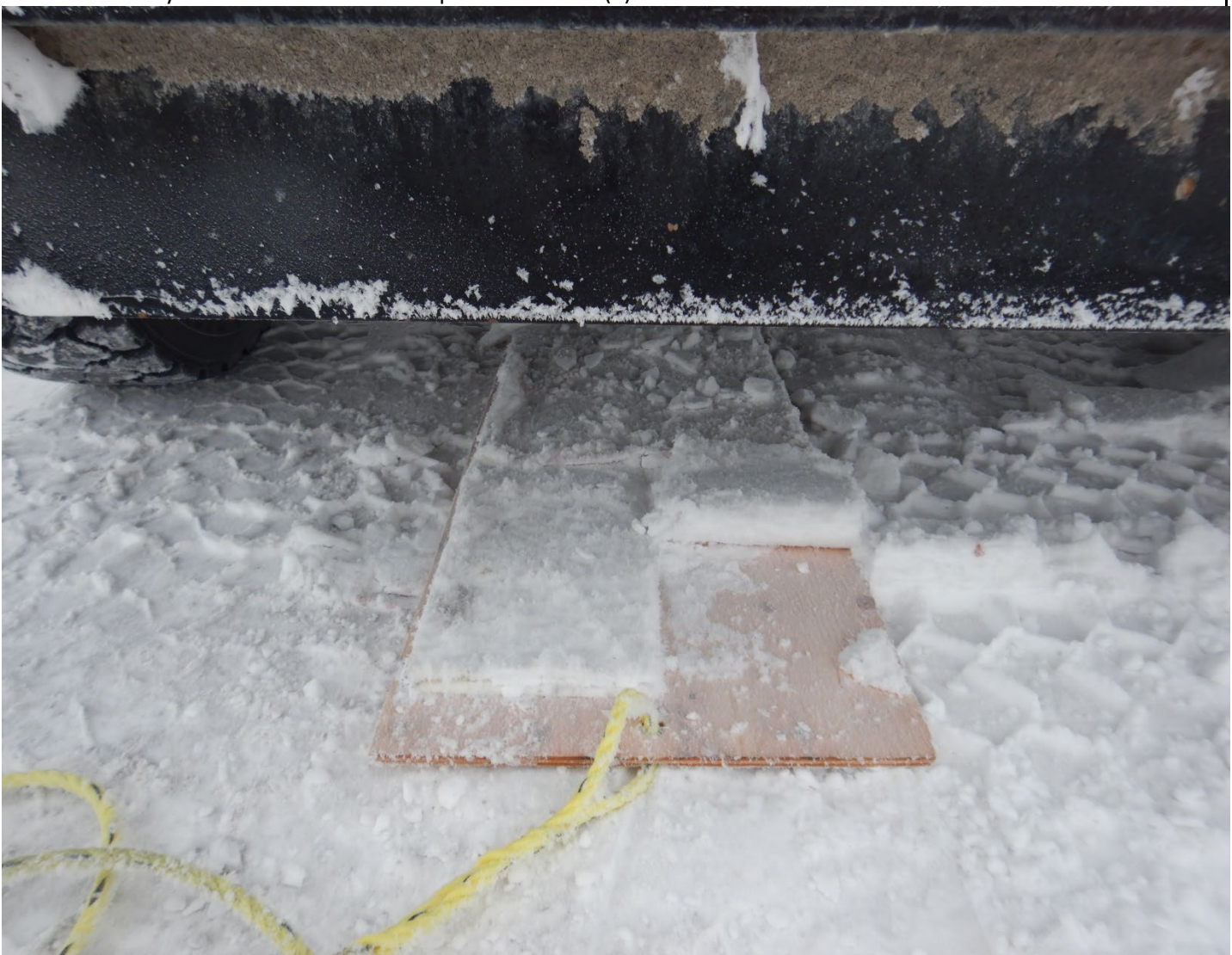




Photo 5 – Misery surface – Bulk diesel fuel tank leakage.

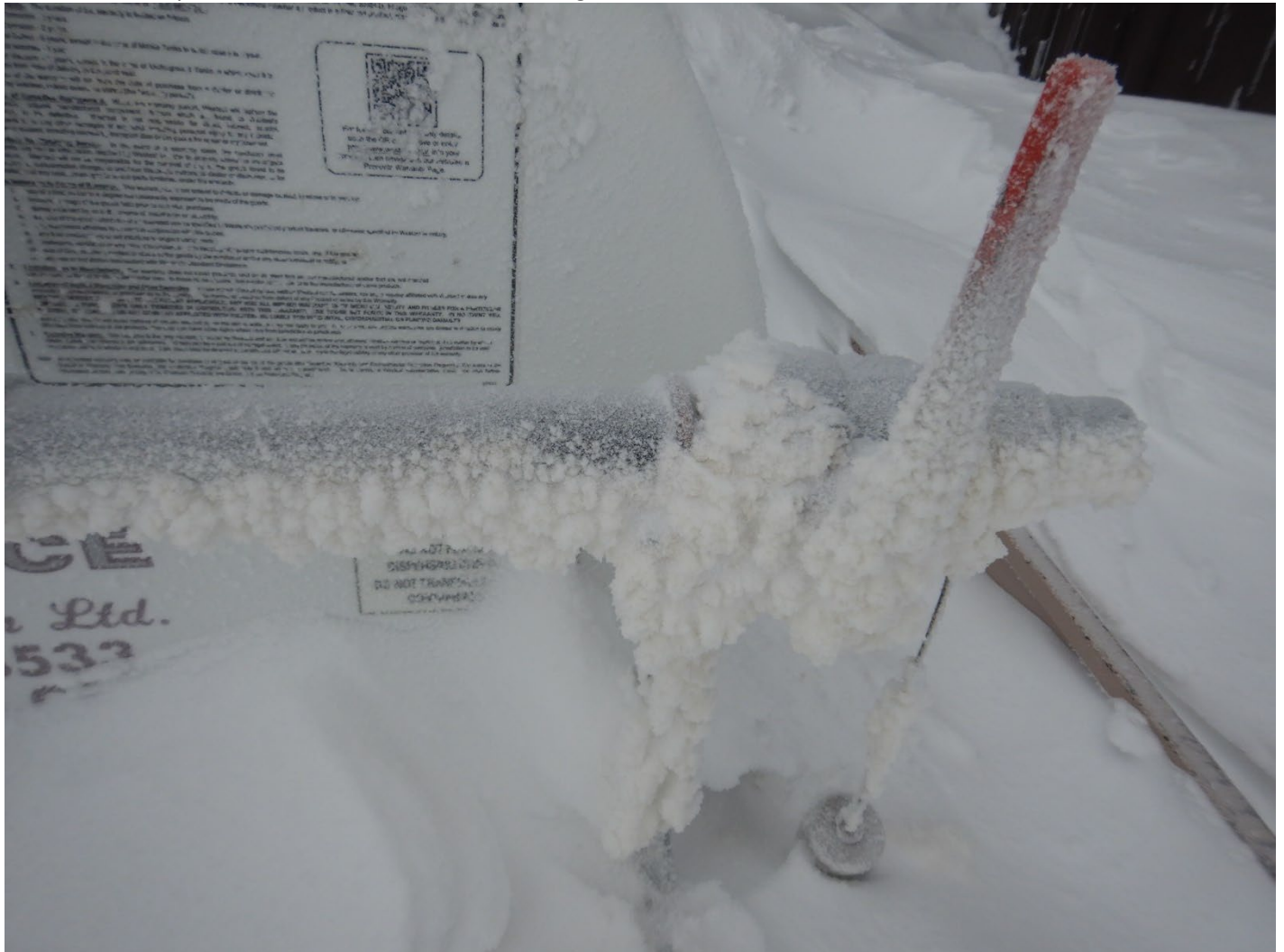


Photo 6 – Misery surface - Bulk diesel fuel tank – Clean-up and inspection required.





Photo 7 – Misery surface – Laydown – Out of service equipment.



Photo 8 – Misery surface – Laydown – Out of service equipment #03498 – Leaking fluids.





Photo 9 – Misery surface – Laydown – Fluid leakage from vehicle #03498



Photo 10 – Misery surface – Heavy Duty Truck Shop – 10,000L tank.





Photo 11 – Misery surface – Diesel fuel storage area – Leaking flange.



Photo 12 – Misery surface – Diesel fuel storage area – Secondary containment blown in with snow.





Photo 13 – Misery surface – Diesel fuel storage area – Snow clearing in progress (1).



Photo 14 – Misery surface – Diesel fuel storage area – Snow clearing in progress (2).





Photo 15 – Misery surface - Bulk diesel fuel tank – Post clean-up.





Photo 16 – Misery surface - Diesel fuel storage area – Post clean-up.





Photo 17 – Misery surface – Laydown – Fluid leakage from vehicle #03498 - Post clean-up.



Completed off Site
Representative's Signature

Tom Bradbury
Inspector

Tom Bradbury
Inspector's Signature