



March 22, 2024

Mason Mantla
Chairperson
Wek'èezhìi Land and Water Board
#1, 4905 – 48th Street Yellowknife, NT
X1A 3S3

Jamie Steele
Manager Diamond Resource Management
North Slave Region
Environment and Climate Change
Government of the Northwest Territories

Dear Mr. Mantla and Mr. Steele:

**W2022L2-0001: Notification of Construction Schedule for Point Lake WRSA
Seepage Collection System**

Arctic Canadian Diamond Company Ltd. (Arctic Canadian), a wholly owned subsidiary of Burgundy Diamond Mines Ltd. (Burgundy) is pleased to present the final outstanding requirement of the Water Licence (W2022L2-0001) regarding the schedule of construction for the seepage collection system at Point Lake WRSA. Additionally, Burgundy aims to demonstrate alignment with the Water Licence requirements.

Following the public review of the Point Lake Runoff Collection Channel and Sump as part of the Point Lake WRSA Design Plan V1.1, which was approved by the Board on 6 November 2023¹, our interpretation of Licence W2022L2-0001 suggests that a separate Design and Construction Plan is not necessary prior to the construction of the Point Lake WRSA Runoff Collection Channel and Sump. Burgundy's reasoning is as follows:

- The WRSA Runoff Collection Channel and Sump is detailed within Section 6.1 of the Board approved Point Lake WRSA Design Plan Version 1.1. The design of the Seepage Collection System has been considered by reviewers and approved by the Board. Additionally, nearly all of the requirements from Schedule 5, Part F Condition 1 (see Appendix A for reference) are included within the WRSA Design Plan V1.1, as required by Schedule 5, Part F Condition 3 (see Appendix A for reference).

¹ [letterhead master \(mvlwb.ca\)](http://letterhead.master(mvlwb.ca))



- The only exception is the absence of a schedule for construction as part of the WRSA design report. We do not perceive this omission as an issue, as determining a specific construction commencement date for the Point Lake WRSA is challenging due to various operational factors. Unlike other engineered structures with finite construction windows, the construction of a WRSA is an ongoing process throughout the entire operational life of the Point Lake Project.
- Burgundy believes that the construction schedule of the Point Lake WRSA and the seepage collection system is implicitly included in the schedule for development and operation of the Point Lake mine.
- The only remaining step would be to provide notification to the Inspector and the Board prior to commencement of construction as required in W2022-0001 Part F Condition 5
- Finally, Part F, Condition 17 excludes the construction of sumps.

For further clarity, the references to Schedule 5, Part F, Conditions Applying to Construction (1,3,4 and 9) are presented in Appendix A.

This letter serves as a formal Notification of the construction of the seepage collection system for the Point Lake WRSA to both the Board and the Inspector, as required by Part F, Conditions 5 and 6. A Schedule of Construction is provided below in Appendix B.

Burgundy plans to execute the construction of the Point Lake Waste Rock Storage Area (WRSA) seepage system in accordance with the approved Tetra Tech's Point Lake WRSA Design Plan Version 1.1. The construction of the seepage system will require installation of geotextile and fusing of a geomembrane liner in the sump and north/west channel branches. Given that the fusing of geomembrane can only take place in warmer spring/summer temperatures, and following consultations with Tetra Tech, Burgundy intends to establish a Stage 1 seepage system around the southern portion of the WRSA. This will allow for the mining of metasediment-containing waste while collecting seepage and run-off until the entire seepage system can be installed and commissioned.

The Stage 1 seepage system would involve blasting and excavating from 0+000 m to 1+000 m of the West collection channel and excavating a 1 m deep ditch from east to west across the WRSA, as shown in Appendix C: Point Lake WRSA - Stage 1 Seepage System Design. This setup will facilitate the placement of waste rock (containing potentially acid-generating (PAG) meta-sediments) in the southern portion of the WRSA within the ditching. The monitoring program will commence upon construction, as described in the QAQC plan.

Given the topography of WRSA footprint, the seepage and run-off from this area would primarily flow to the northern confluence of the two ditches. A small portion of this area (hatched in green) would naturally drain back to Point Lake pit. At the intersection of the ditches, a berm with a geotextile liner would be used to collect water for suction truck collection. The retention volume of the Stage 1 seepage



system would be sufficient to contain run-off water during freshet. The collected water will be trucked to Lynx Pit as approved in WPKMP V10.1²³.

The Stage 1 collection system has the advantage of starting collection of the dump run-off/seepage water while allowing mining of waste and keeping the planned final sump in the north of the WRSA free of water during construction. The final seepage system materials are being transported to site on the 2024 winter road, and we anticipate construction/commissioning of the full seepage system by end of August 2024. Please refer to the proposed project schedule in Appendix B – Planned Construction Schedule for Point Lake WRSA Seepage System.

Quality assurance and quality control of the seepage system will be overseen by Tetra Tech remotely during Spring, with on-site presence during installation of the geotextile/geomembrane liners around the northern sump. Only upon the completion of the full seepage system will the PAG waste be placed in the northern portion of the WRSA.

Burgundy trusts this document addresses Board requirements in a clear and fulsome manner. If you have any questions or concerns regarding the content of the report, please contact the undersigned at Kurtis.Trefry@burgundydiamonds.com or 1.403.650.1310 or Lindsay Seier, Senior Permitting Advisor, at 403- 910-1933 ext. 2404 and Lindsay.seier@burgundydiamonds.com.

Sincerely,

Kurtis Trefry M.SEM, P.Ag
Acting Manager – Environmental Reporting and Permitting

Record#: HSE RCD ENV 1968
Document Owner: Environment Department
Date: 22-March-2024

² [Ekati - WPKMP - Version 10.1 - Conformity Confirmation - Mar 5 24.pdf \(mvlwb.ca\)](#)

³ [Ekati - WPKMP - Version 10.1 - Mar 5 24.pdf \(mvlwb.ca\)](#)

Appendix A – Conformity Table: Summary of Schedule 5, Part F (1, 3, 4 and 9) of the Water License

Relevant Water License Schedule		Information Location, per Burgundy’s Conformance
1. A Design and Construction Plan referred to in Part F, Condition 4 shall include, but not be limited to, the following information:		
a.	A description of the facilities to be constructed;	Section 1.0 of the report (Part 2 of 3), and Figure 1
b.	The proposed location for the structures;	Section 2.0 of the report (Part 2 of 3), and Figure 2b
c.	Any potential impacts to the aquatic environment;	Section 7.0 of the report (Part 2 of 3)
d.	A description of any monitoring including, but not limited to, sampling locations, parameters measured, and frequencies of sampling to be carried out to determine impacts to the aquatic environment, with rationale;	Section 7.0 of the report (Part 2 of 3), and Appendix E
e.	A detailed description of any measures used to prevent or mitigate impacts to the aquatic environment;	Section 7.0 of the report (Part 2 of 3)
f.	A schedule for the Construction;	This letter
g.	Drawings of Engineered Structures stamped by a Professional Engineer; and	Figures 4-17
h.	Description of adaptive management processes that systematically link monitoring results to management activities and allow management activities to be developed adaptively, in response to changes in the environment; and	Section 7.0 of the report (Part 2 of 3) and Appendix F
3. A Waste Rock Storage Area Design Plan , referred to in Part F, Condition 9 shall include, but not be limited to:		
b.	In addition, in the case of the Point Lake Project WRSA(s) and Overburden Pile, the Plan shall include, but not be limited to:	
i.	Integrated construction and closure engineering design of metasediment piles, overburden stockpile, and WRSA seepage collection system;	Sections 3.0, 4.0, 5.0, and 6.0 of the report (Part 2 of 3)
x.	A Construction Schedule;	Section 5.1.1 of the report (Part 2 of 3) This letter
xvii.	Description of WRSA seepage collection system, including sumps and monitoring protocols; description of monitoring of roads and sumps to identify and respond to unexpected seepage losses; description and rationale for a groundwater monitoring program; contingencies if seepage is identified that is not being collected in sumps;	Section 6.2 of the report (Part 2 of 3)
xviii.	Description of Construction and Closure monitoring programs;	Section 5.4 of the report (Part 2 of 3) ERM 2023
xix.	A quality control and quality assurance plan;	Section 5.4 of the report (Part 2 of 3)
4. Design and Construction Plan - A minimum of 90 days prior to commencement of Construction of any Engineered Structures		Point Lake WRSA Design Plan V1.1
9. Waste Rock Storage Area Design Plan - At least 90 days prior to commencement of Construction of any Waste Rock Storage Area		Point Lake WRSA Design Plan V1.1

Appendix C – Point Lake WRSA Stage 1 Seepage System Design

