



Indian and Northern
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February 11, 2009

YFJ reviewed 0/2

John Bartlett, Environmental Superintendent
De Beers Canada Inc.
Suite 300, 5101-50th Avenue
Yellowknife, NT X1A 3S8

RE: 2007 Environmental Agreement Annual Report

On November 13, 2008, Indian and Northern Affairs Canada (INAC) received the 2007 Environmental Agreement Annual Report ("Annual Report") from De Beers Canada Inc. (DBCI). DBCI distributed copies of the Annual Report directly to all Parties and the Monitoring Agency at the same time.

Pursuant to Article X, Section 10.1(e) of the Environmental Agreement for the De Beers Snap Lake Diamond Project, within forty-five (45) days of the receipt of the Annual Report, any Party or the Monitoring Agency may advise the Minister whether such Annual Report is satisfactory or unsatisfactory. Furthermore, Section 10.1(f) of Article X states that within ninety (90) days of the receipt by the Minister of the Annual Report, the Minister shall advise DBCI whether the Annual Report is satisfactory or whether the Minister has determined that the Annual Report is deficient.

INAC requested that all Parties forward their comments on the Annual Report, indicating whether the report is satisfactory or unsatisfactory, by the week of January 5, 2009 to Lindsey Cymbalisky. The Snap Lake Environmental Monitoring Agency (SLEMA) has provided written comments (attached). The Environment and Natural Resources Division of the Government of the Northwest Territories (GNWT-ENR) has also provided written comments (attached), indicating that they will be working in collaboration with DBCI to finalize the Air Quality Monitoring and Emissions Monitoring and Management (AQEMM) Plan and the Wildlife Management Program (WMP). INAC has not received comments from other parties.

In the 2008 Annual Report, INAC would like to see more detailed consideration of Article X, Section 10.1, in which it is stated that:

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- b) Each Annual Report shall include the results of Environmental Monitoring Programs, and a rolling summary and analysis of environmental effects data over the life of the Project to illustrate any trends. The actual performance of the Project shall be compared to the results in the environmental assessment and the MVEIRB Report and an evaluation provided as to how DBCMI's Adaptive Management has performed to the date of each Annual Report.
- c) Each Annual Report shall include, but not be limited to, the following:
- i. A comprehensive summary of all supporting information, data and results from the Environmental Monitoring Programs and all studies and research;
 - iv. Actions taken or planned to address effects or compliance problems which are set out in the Annual Report;

In the 2007 Annual Report, Table 2.1 attempts to address Article X, Section 10.1 b), and c) by providing a very basic summary of the reports and findings; however, there is no mention of trends. Where applicable, graphs would be useful to illustrate trends. Furthermore, there is no mention of actions taken or planned to address any elevated values or anomalies in the data. INAC recommends that these actions be included in this summary table.

Additionally, Section 3 of the Annual Report mainly describes the purpose and design of each report without providing many of the findings. INAC suggests that (where applicable) a graph or chart summarizing the data at the end of each of the subsections would be useful.

Overall, INAC, SLEMA, and GNWT-ENR have found the 2007 Annual Report to be satisfactory with regard to the requirements of the Environmental Agreement.

If you have any comments or concerns, please contact Lindsey Cymbalisky by phone (867-669-2586) or via e-mail (lindsey.cymbalisky@inac.gc.ca).

Sincerely,

Trish Merrithew-Mercredi

Trish Merrithew-Mercredi
Regional Director General
Indian and Northern Affairs Canada

Encl:

Letter from SLEMA regarding 2007 Environmental Agreement Annual Report

Letter from GNWT-ENR regarding 2007 Environmental Agreement Annual Report

DISTRIBUTION LIST

Parties to the De Beers Snap Lake Diamond Project Environmental Agreement

Gary Bohnet, Deputy Minister, Environment and Natural Resources, Government of the Northwest Territories

Grand Chief George Mackenzie, Tlicho Government

Chief Steven Nitah, Lutsel K'e First Nation

Chief Edward Sangris (Dettah), Yellowknives Dene First Nation

Chief Fred Sangris (Ndilo), Yellowknives Dene First Nation

Bill Enge, President, North Slave Métis Alliance

David White, Executive Director, Snap Lake Environmental Monitoring Agency