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Website: www.slema.ca

Marc Casas Regulatory Officer Mackenzie Valley Land and Water Board 7th Floor – 4910 50th Avenue P.O.Box 2130 Yellowknife, NT X1A 2P6

File: Water Licence MV2011L2-0004

December 21, 2012

Re: 2012 Geotechnical Field Inspection

Dear Mr. Casas,

Snap Lake Environmental Monitoring Agency (SLEMA) has reviewed the Technical Memorandum for the September 2012 Geotechnical Inspection (conducted by Golder Associates) and the responses from De Beers. SLEMA would like to provide the Mackenzie Valley Land and Water Board (MVLWB) with the following comments.

The engineers from Golder Associates conducted inspection of the North Pile facility (including sumps and ditches, embankments, and PK deposition) and the Water Management Pond (WMP) dams from September 10 to 13, 2012, and reported their findings in the technical memorandum on November 13, 2012. The key issues identified by the engineers are:

- "The conditions and management of water observed during the geotechnical inspection were markedly improved from those noted during the September 2011 geotechnical inspection."
- 2. "The mine plan and the North Pile Operation, Maintenance, and Surveillance Manuals are not well-communicated to the various mine departments within De Beers; this is a key risk to the operations at the Snap Lake Mine." "Further, a fundamental overall understanding of the North Pile is lacking on site."
- 3. "A monitoring program for the North Pile facility and the WMP dams is in place." "Data are being collected by De Beers; however, there are major deficiencies in the collection, interpretation and use of those data."



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4. "Golder continues to strongly recommend that, as part of addressing the items discussed above, De Beers form their own suitably staffed geotechnical department for the North Pile facility at the Snap Lake Mine."

SLEMA is satisfied with the technical memorandum and supports all of the recommendations made by Golder Associates engineers.

De Beers responded to each specific recommendation of the Technical Memorandum on November 14, 2012. De Beers implemented some of the recommendations and was investigating the others. However, Key Issues #2 and #3 appear not to be fully addressed in the response letter.

One of the Future Measures Planned to Manage Risks in the September 2012 Report of the North Pile Risk Assessment is "Improved Training / Operational Manuals / Standard Operating Procedures / Safe Work Plans", and the proposed time is "ongoing". SLEMA would like to know the ongoing progress of this planned measure, and how De Beers plans to improve the collection, interpretation and use of the monitoring data from the North Pile facility and WMP dams.

Risk assessment is a valuable management tool. De Beers made efforts in identifying and managing risks associated with the North Pile facility and submitted a report in September 2012. SLEMA would like to recommend that the MVLWB request annual reporting of the follow-up risk assessment and management activities for the North Pile facility, in the Water Licence Annual Reports.

If you have any questions whatsoever please feel free to contact the undersigned or David White at 867-765-0961 / dwhite@slema.ca.

Sincerely,

Johnny Weyallon

Chairperson