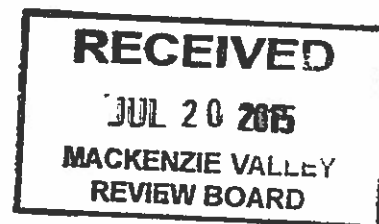




JUL 13 2015



Ms. Elizabeth Copland  
Chairperson  
Nunavut Impact Review Board  
PO Box 1360  
CAMBRIDGE BAY NU X0B 0C0

Mr. Stanley Anablak  
President  
Kitikmeot Inuit Association  
PO Box 360  
KUGLUKTUK NU X0B 0E0

Ms. JoAnne Deneron  
Chairperson  
Mackenzie Valley Environmental  
Impact Review Board  
PO Box 938  
YELLOWKNIFE NT X1A 2N7

Mr. Brendan Bell  
Acting Chief Executive Officer  
Dominion Diamond Corporation  
1102 - 4920 52<sup>nd</sup> Street  
YELLOWKNIFE NT X1A 3T1

Dear Ms. Copland, Ms. Deneron, Mr. Anablak and Mr. Bell:

I am writing in response to Ms. Copland's May 12, 2015 letter regarding the Kitikmeot Inuit Association's request for the Nunavut Impact Review Board to conduct a review of Dominion Diamond Corporation's Jay Project under Article 12, section 12.11.1 of the Nunavut Land Claims Agreement. By way of this letter, I am also responding to the May 26, 2015 letter from Dominion Diamond Corporation and the Kitikmeot Inuit Association regarding participant funding for the Jay Project.

The Kitikmeot Inuit Association has expressed concern that the Project may have significant adverse ecosystemic and socio-economic impacts on the Inuit of the Kitikmeot Region. More specifically, the Project may impact the Coppermine River, which is an important source of drinking water and a critical Aboriginal fishery and major traditional food source. I acknowledge the Kitikmeot Inuit Association's concerns and agree that they should be considered.

In recognition of the Kitikmeot Inuit Association's concerns, I have been informed that the Mackenzie Valley Environmental Impact Review Board has committed to holding a public hearing in the Hamlet of Kugluktuk in order to hear these concerns directly. The

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Kitikmeot Inuit Association participated in the earlier stages of this environmental assessment, and this commitment will ensure that due consideration is given to the impacts of the Jay Project on the Kitikmeot Inuit. I am confident that the statutory mandate of the Mackenzie Valley Environmental Impact Review Board, as expressed in section 114(c) of the *Mackenzie Valley Resource Management Act*, which states its purpose is “to ensure that the concerns of Aboriginal people and the general public are taken into account in that process,” is sufficient to ensure that the concerns of Aboriginal peoples, including the Kitikmeot Inuit, are taken into account during the environmental assessment, and that appropriate mitigation measures are fully considered.

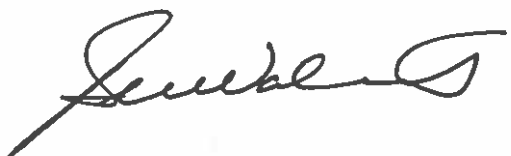
For these reasons, I do not consent to the Kitikmeot Inuit Association’s request for a review of Dominion Diamond Corporation’s Jay Project pursuant to section 12.11.1 of the Nunavut Land Claims Agreement. Using a single environmental assessment process to consider the Kitikmeot Inuit Association’s concerns is consistent with the federal government’s stated position of one project, one assessment, and will ensure that mitigation measures, if required, are subsequently incorporated into relevant regulatory authorizations.

The Project will be assessed through the Mackenzie Valley Environmental Impact Review Board environmental assessment process, and regulated by the subsequent *Mackenzie Valley Resource Management Act* water licensing process. Those are the most appropriate processes to allow for the full engagement and regulation of the subject matters that you identify as concerns.

Active participation of potentially impacted Aboriginal groups in the environmental assessment process is essential to ensure that their interests are thoroughly considered. While there are no established participant funding programs under northern land claim-based environmental assessment regimes, the federal government’s approach is to enable co-management boards, such as the Mackenzie Valley Environmental Impact Review Board, to hold hearings in potentially impacted communities to listen to the concerns of residents directly, where possible and appropriate. This approach strengthens the Board’s public consultation process and helps support informed decision making. With respect to potential funding opportunities through the Canadian Northern Economic Development Agency, I defer to my colleague the Honourable Leona Aglukkaq.

I would like to assure the Nunavut Impact Review Board, the Kitikmeot Inuit Association and the Hamlet of Kugluktuk that the ecosystemic and socio-economic impacts, including potential transboundary impacts of the Jay Project, will be fully considered before any decision is issued by the responsible ministers.

Sincerely,

A handwritten signature in black ink, appearing to read 'Bernard Valcourt', written in a cursive style.

Bernard Valcourt, PC, QC, MP

c.c.: The Honourable Leona Aglukkaq, PC, MP  
The Honourable Peter Taptuna, MLA  
The Honourable Robert McLeod, MLA  
The Honourable J. Michael Miltenberger, MLA  
Mr. Ryan Nivingalok  
Ms. Cathy Towntongie  
Mr. Richard Bargery