



JAY PROJECT

DIAVIK DIAMOND MINES (2012) INC.

TECHNICAL REPORT RESPONSES

August 2015

Table of Contents

1	INTRODUCTION	1-1
2	RECOMMENDATION AND RESPONSE	2-1
2.1	Jay Project Environment Monitoring and Mitigation.....	2-1
2.1.1	Recommendation.....	2-1
2.1.2	Response.....	2-1
3	REFERENCES	3-1

Abbreviations

Abbreviation	Definition
DAR	Developer's Assessment Report
DDMI	Diavik Diamond Mines (2012) Inc.
Dominion Diamond	Dominion Diamond Ekati Corporation
MVEIRB	Mackenzie Valley Environmental Impact Review Board
GNWT	Government of the Northwest Territories
Diavik Mine	Diavik Diamond Mine
Project	Jay Project

1 INTRODUCTION

Dominion Diamond submitted a Developer's Assessment Report (DAR) to the Mackenzie Valley Environmental Impact Review Board (MVEIRB) in November 2014. Following completion of the DAR, Dominion Diamond submitted Round 1 and Round 2 information request responses (April 7, 2015 and July 3, 2015, respectively), and attended Technical Sessions hosted by MVEIRB in Yellowknife between April 21 and 24, 2015, to address regulator and parties' questions and concerns in regard to the Jay Project (Project) and the DAR.

On July 31, 2015, Diavik Diamond Mines (2012) Inc. (DDMI) submitted their technical report to MVEIRB for the Project outlining recommendations on remaining topics of concern. This report provides responses to those recommendations outlined in the DDMI technical report (DDMI 2015), with the intent of clarifying these remaining topics as the Project moves into the MVEIRB Hearings Phase.

2 RECOMMENDATION AND RESPONSE

2.1 Jay Project Environment Monitoring and Mitigation

2.1.1 Recommendation

It is DDMI's position that the proposed Jay Project will likely cause changes to the environment that are predicted to extend spatially to include the area surrounding the Diavik Mine. These environmental changes may adversely affect DDMI as the operator of the Diavik Mine. As such DDMI recommends:

- That the MVEIRB confirm, through this Environmental Assessment process, DDMI's position that the Jay Project is likely to cause adverse effects to DDMI as the operator of the Diavik Mine.
- That the MVEIRB require that the Proponent engage with DDMI to develop mutually acceptable monitoring and mitigation to effectively eliminate these effects to DDMI.
- That the MVEIRB specify that that monitoring and mitigation, specific to effect on Diavik, be included within the regulatory phase.
- That the Proponent commit to advancing these monitoring and mitigation measures, with any necessary revisions, for review and acceptance by the Land and Water Board.
- That the Proponent commit to advancing these monitoring and mitigation measures, with any necessary revisions, for review and acceptance by the Parties to the Environmental Agreement.
- That the Government of the Northwest Territories commit to fully recognize the impact of the Jay Project as monitored and mitigated by the Proponent, on Diavik's closure performance when evaluating relinquishment of DDMI's closure security.

2.1.2 Response

Through the DAR and through various subsequent Information Requests for DDMI and the MVEIRB, Dominion Diamond has demonstrated that it has adequately assessed potential effects of the Jay Project on downstream water users, such as the Diavik Diamond Mine (Diavik Mine). Additionally, Dominion Diamond has assessed potential cumulative effects resulting from the Jay Project, existing projects (such as the Diavik Mine), and reasonably foreseeable projects (such as the Diavik Mine A21 project). Moreover, Dominion Diamond engaged with DDMI through this process and used the most current published data available in its assessments.

Dominion Diamond's assessments of both potential Project effects and potential cumulative effects, as tested through the Environmental Assessment review process to date, conclude that there are no anticipated significant adverse effects resulting from the Jay Project, including to DDMI as the operator of the Diavik Mine.

Dominion Diamond has committed to continue to engage with DDMI on the development of detailed environmental monitoring plans for water and wildlife where there is a spatial overlap of interests or needs. Dominion Diamond anticipates that regulatory approvals for the Jay Project will, by necessity, be focused specifically on regulating the potential effects of the Jay Project. For example, effluent quality

criteria would be established for the Project water discharge to Lac du Sauvage and an aquatic monitoring program would be established based on the anticipated effects of that discharge.

Dominion Diamond has committed to continue to take part in regional monitoring programs for water and wildlife that would be led by government agencies. For example, Dominion Diamond will continue its participation with the Government of the Northwest Territories (GNWT)-led Caribou Zone of Influence Working Group. This will address potential effects beyond the scope of the various project-specific permits that are held by each mine operator.

In response to the items (above) directed to Dominion Diamond (bullets 4 and 5), Dominion Diamond will advance the environmental monitoring and mitigation plans according to the applicable review process including engagement with stakeholders where appropriate. These plans and programs may undergo review through the Wek'èezhìi Land and Water Board, other regulatory processes (e.g., GNWT), or the Ekati Mine Environmental Agreement.

3 REFERENCES

DDMI (Diavik Diamond Mines (2012) Inc.). 2015. Jay Project Environmental Assessment (EA1314-10) DDMI Technical Report. Submitted to the Mackenzie Valley Environmental Impact Review Board, July 2015. Yellowknife, NWT, Canada.