



August 28, 2015

Mackenzie Valley Environmental Impact Review Board
200 Scotia Centre
P.O. Box 938
Yellowknife, NT
X1A 2N7

Attention: Chuck Hubert, Senior Environmental Assessment Officer

**Re: EA1314-01 Jay Project, Dominion Diamond Ekati Corporation Developer's
Assessment Report – Responses to YKDFN Supplemental Technical Report
Traditional Knowledge**

Dear Mr. Hubert:

Dominion Diamond is pleased to provide you with our response to the Supplemental Technical Reports on Traditional Knowledge submitted by the Yellowknives Dene First Nation on August 17, 2015 for the Jay Project (attached).

I would note that Dominion Diamond was pleased to support the YKDFN in the preparation of this report. With respect to our response to the specific recommendations of the report, given the time constraints Dominion has focused on responding to the overarching recommendations in s.6.1 of the report. As noted in our response, Dominion Diamond is open to working with the YKDFN, IBA communities, or potentially affected communities on ways to ensure the continual incorporation of traditional knowledge into the Jay Project during the construction and operational phases.

As always, we would like to reaffirm our commitment to work diligently with the MVEIRB and other parties throughout the remainder of the process and we look forward to a further discussion of issues at the Public Hearings in September.

Regards,

A handwritten signature in black ink, appearing to read 'R. Bargery', is written over the typed name 'Richard Bargery'.

Richard Bargery
Manager, Permitting Jay Project
Dominion Diamond Corporation



JAY PROJECT

Yellowknives Dene First Nation

TECHNICAL REPORT RESPONSES

YKDFN TK Report

August 2015

Table of Contents

1	INTRODUCTION	1-1
2	RECOMMENDATION AND RESPONSE	2-1
2.1	Subject of Recommendation	2-1
2.1.1	Recommendation 1	2-1
2.2	Subject of Recommendation	2-1
2.2.1	Recommendation 2	2-1
2.3	Subject of Recommendation	2-1
2.3.1	Recommendation 3	2-1
2.3.2	Response to Recommendations	2-2
3	REFERENCES	3-1



Abbreviations

Abbreviation	Definition
DAR	Developer's Assessment Report
DFO	Fisheries and Oceans Canada
DNA	deoxyribonucleic acid
Dominion Diamond	Dominion Diamond Ekati Corporation
Ekati Mine	Ekati Diamond Mine
IBA	Impact Benefit Agreement
MVEIRB	Mackenzie Valley Environmental Impact Review Board
NWT	Northwest Territories
TK	Traditional Knowledge
VC	valued component
WEMP	Wildlife Effects Monitoring Program
YKDFN	Yellowknives Dene First Nation

Units of Measure

Unit	Definition
%	percent



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 and the DAR.

The Yellowknives Dene First Nation (YKDFN) submitted its Traditional Knowledge Report (YKDFN 2015a) for the Jay Project environmental assessment to MVEIRB on August 17, 2015, as support to their Technical Report submitted on July 31, 2015 (YKDFN 2015b). This document provides a response to the recommendations outlined in Section 6.1 of the report.

2 RECOMMENDATION AND RESPONSE

The YKDFN appreciates the chance to prepare this TK Study for the Jay Project and offers the following suggested next steps.

2.1 Subject of Recommendation

A significant amount of time during the site tour and workshop was spent engaging and providing information specific to the proposed Jay Project. Elders were interested in details outlined in the Plain Language Project Description and the researchers were able to show photographs and maps of the area, as well as highlight key elements from documents provided by Dominion to help them understand what is being proposed on their territory. While this was a valuable exercise in consultation, it meant that less time was available to actually discuss recommendations specific to the Jay Project. Indeed, Elders needed time to consider all of the information about the Jay Project that was presented.

2.1.1 Recommendation 1

Owing to the fact that much time with the Elders was spent providing information about the Jay Project instead of conducting new research, the YKDFN requests additional research time to carry out new TK interviews specific to the n'deh of the Jay Project environs.

2.2 Subject of Recommendation

Much time with the Elders was spent providing information about the Jay Project instead of conducting new research and the past must not be repeated:

The main reason for hesitating over Phase II was that it had not been described in enough detail for the people to understand what they might be involved in (YKDFN 1997a: 27).

It is important that the YKDFN be afforded the time and resources to provide recommendations specific to the construction, development, monitoring and mitigation of the Jay Project.

2.2.1 Recommendation 2

The YKDFN requires additional research time to work with more Elders to develop new recommendations specific to the Nàk'oo?aatì (Lac du Sauvage) area based on their experience of the last 20 years that can supplement the 1997 recommendations.

2.3 Subject of Recommendation

The proposed Jay Project provides an opportunity for the YKDFN to evaluate how TK has been integrated into the NWT Diamonds Project envisioned in the 1990s and realized today through the operation of the Diavik and Ek'ati Diamond Mines.

2.3.1 Recommendation 3

The YKDFN would like to work with DDEC to understand how and where their recommendations of the past have been integrated into the proposed Jay Project and how proposed revisions to these recommendations will be addressed.

2.3.2 Response to Recommendations

Dominion Diamond respects the importance of Traditional Knowledge (TK) to northern Aboriginal people, and actively seeks out ways to incorporate TK at the Ekati Diamond Mine (Ekati Mine). The importance of TK is recognized and preserved in the Ekati Mine's Engagement Plan, Environmental Agreement, four Impact Benefit Agreements (IBAs), and in the regulatory approvals. Traditional Knowledge is used to inform existing mitigation and monitoring at the Ekati Mine, analysis in the Developer's Assessment Report (DAR) for the Jay Project, and conceptual mitigation and monitoring plans for the Jay Project. Dominion Diamond is committed to further integration of TK in all phases of the Jay Project and the operation of the Ekati Mine.

Since Dominion Diamond acquired the Ekati Mine, the focus of the Community Engagement Programs has been on Aboriginal involvement in the environmental monitoring programs. The overall intent of the Community Engagement Programs is to demonstrate environmental initiatives and provide hands-on experience for community members (Elders, adults, and youth) so that they may gain a general awareness, as active participants, on how the Ekati Environment Department conducts its day-to-day environmental monitoring programs. Community participation in these programs provide the opportunity for ongoing aquatic and wildlife resource use and management in a new capacity and provide the opportunity for community members to share information on traditional resource use in the area.

In 2013, a "report of the traditional knowledge camp for the Diavik Aquatic Effects Monitoring Program" was released (Thorpe Consulting Services 2013). This report brings together results from TK and scientific knowledge shared during a 2012 camp held near the Diavik Diamond Mine at Lac de Gras, which included participation from: the Kitikmeot Inuit Association; Łutselk'e Dene First Nation; North Slave Métis Alliance; Tłı̨chǫ Government; and Yellowknives Dene First Nation. This report includes observations and knowledge on the health of fish and water in Lac de Gras using new indicators grounded in both TK and scientific knowledge (Thorpe Consulting Services 2013). Water quality results from TK and supporting information from scientific study provided the same general conclusion that the water is still good in Lac de Gras.

Traditional land use and knowledge have been used in the mitigation and monitoring of effects at the Ekati Mine, examples include.

- In response to concerns about impacts on caribou and other wildlife as a result of the Ekati Mine, Inokhok/Inokhuit (stone marker) were built at strategic locations around the mine site and made more visible by adding flagging tape, by making them larger, or by painting "hats" on them. Fences were also constructed to deflect and protect caribou from mining at the Beartooth Pit, Pigeon Pit, Misery camp, and airstrip. There were also recommendations from the Kitikmeot Inuit Association for the use of tall poles and tarps that moved with the wind to deter caribou; the first prototype was built by the Tłı̨chǫ at site last year.
- In 2011, community participants in the Wildlife Effects Monitoring Program (WEMP) Community Engagement Program helped Ekati staff identify 23 habitat locations around the Ekati Mine for establishing plots for the grizzly bear DNA Program that is designed to assess and monitor the distribution and occupancy of grizzly bears near the mine.

- In 2013, participants in the vegetation workshop suggested that Ekati should make the tailings beaches wavy with little hills at closure so that the plants can grow more easily, and further, that Ekati should include fine clays and soils on the waste rock piles to support vegetation growth, till the lands to encourage progressive regrowth and even moisture distribution, and limit the transplanting of sedges to 10 percent (%) of the source material.

Furthermore, site-based TK and community engagement programs related to the environmental monitoring programs include:

- youth and Elder participation in fish sampling and assessment programs for the Aquatic Effects Monitoring Program (every three years; six years for large-bodied fish);
- youth and Elder visits for caribou monitoring as part of the (WEMP) (annual);
- community participation in group workshops and site visits to demonstrate and discuss air quality, dust, and vegetation monitoring, and other specific topics of interest (annual);
- Caribou and Roads program with Kugluktuk Elders group as part of the WEMP (annual to 2008);
- Winter Road tours; and,
- archaeological site visits.

Dominion Diamond also relies upon TK from other publically available sources. For example, the Government of Northwest Territories has hosted in recent years a series of multi-party workshops on caribou and mines, and some of these workshops have been dedicated to TK. The results of those workshops as regards to TK are considered by Dominion Diamond when carrying out and reporting on the Ekati Mine WEMP. Additionally, there are reports on TK that may be generated for other purposes, but are also relevant to the Ekati Mine, and Dominion Diamond also considers these where appropriate. For example, the TK Study for Diavik Soil and Lichen Program (Tłıchǫ Research and Training Institute 2013) provides important information on the effects of mining on lichen and associated caribou avoidance of mines.

Examples of more recent Ekati-based TK projects include the participation of members of all IBA groups in the design and carrying out of the Lynx Lake fish-out, archaeological inspections of the proposed Jay Project area by Yellowknives Dene First Nation, and inspection of the proposed Jay Road route through an esker by Tłıchǫ Government representatives and Elders. Dominion Diamond will undertake similar engagement for the Jay Project, such as to inform the methods and timing of the Jay fish-out. Dominion Diamond works collaboratively with the IBA organizations, other mines, government agencies and other stakeholders to provide meaningful engagement that is of mutual benefit to the TK Holders and to the Mine.

In preparation for submission of the DAR, Dominion Diamond carried out a series of Community Engagement Workshops with the Kitikmeot Inuit Association, Łutselk'e Dene First Nation, North Slave Métis Alliance, Tłıchǫ Government, and Yellowknives Dene First Nation in March, June, and July 2014. Workshops in March were held in Yellowknife while workshops in June and July were held in the communities of Łutsel K'e, N'Dilo, Behchokǫ, Yellowknife, and Kugluktuk.

The objectives for the workshops included:

- Introduce and discuss the proposed Jay-Cardinal Project and subsequently Jay Project;
- Obtain input on the methods for the Jay-Cardinal/Jay Fish-Out and the options for the Offsetting Plan; and,
- Incorporation of Traditional Knowledge.

Feedback received during the workshops was considered in the Conceptual Fish-Out Plan in the DAR (Appendix 9B), and the final plan will consider any new input received from the communities and Fisheries and Oceans Canada (DFO) as the Jay Project moves into the regulatory phase. Building on the lessons learned from the successful completion of the Lynx fish-out, the final detailed fish-out plan will be prepared before the fish-out begins and will include an implementation plan for relocation of fish, if that remains a specific objective of the Jay fish-out. All fish-out crews will have experience with fish handling and processing, and will include community members.

Dominion Diamond also undertook significant engagement with communities and traditional knowledge holders concerning the routing of the Jay Road and the cut through the esker. This engagement involved site visits, including aerial and walking tours of the Jay esker and proposed road routes with the design engineer, workshops, and community and leadership meetings. The result of this significant and continual engagement was the selection of the current route, including the cut through the esker, as the least disruptive to the environment and to caribou movement.

For the DAR, traditional land use and knowledge were a key consideration in the selection of valued components (VCs), and the identification of effects pathways and mitigation. For example, pathways that incorporated community concerns for caribou and other wildlife included: physical hazards of the Project (pits, airstrip, roads, and waste rock storage area); ingestion of contaminated soil, vegetation, water and air; changes in surface water flows and levels that can affect habitat; and sensory disturbance (zone of influence) and barriers to movement from the infrastructure and roads. Pathways that incorporated community concerns for fish included changes to water quality and fish health from spills, dust, sedimentation during runoff, and increased metals and nutrients.

Traditional Knowledge helped to determine the effects assessment area for fish VCs. Effects to Arctic Grayling, Lake Trout, and Lake Whitefish were examined at the spatial scale of the combined Lac du Sauvage and Lac de Gras waterbodies since the fish VCs occur in both lakes. Both lakes are relatively large and deep and have similar habitat characteristics, and the lakes are connected by a short channel that, according to TK, provides connectivity year-round (Weledeh Yellowknives Dene 1997).

An example of TK integration into the quantitative assessment of the effects from the Project is evident in the caribou energetics model (subsection 12.4.2.3 [Behaviour, Energy Balance, and Calf Production]). For example, seven alternate caribou paths identified by Tłı̄ch̓ Elders (DTC 2001; DAR Map 12.4-3) were applied to the energetics model to calculate the potential energetic costs from deflection around the Project, including the Misery, Jay, and Sable roads, and Ekati and Diavik mine infrastructure. The results of this model are presented directly in the context of TK and traditional land use information.

Traditional knowledge was also used to inform the assessment through the following:

- importance of the Narrows and Lac du Sauvage esker to caribou migratory movements;
- caribou populations increase and decrease through time;
- the availability of caribou lichen could be used as a predictor for where caribou might be during migrations;
- fire and climate change influence caribou abundance and distribution, and recently, caribou are arriving on the wintering grounds later in the year;
- importance of the Narrows for fish spawning and movement between Lac du Sauvage and Lac de Gras; and,
- the Narrows stays open in the winter due to the swift currents through the area.

Dominion Diamond proposed to construct caribou crossings at appropriate discrete locations along the Jay Road. After receiving input from Aboriginal communities during the engagement process and during site visits, Dominion Diamond has changed its approach to caribou crossings along the Jay Road to reflect that feedback. The main section of the Jay Road will be constructed with frequent and wide caribou crossings that will respect the communities' identification of the importance of this area for caribou movement. Once the road is constructed, monitoring, including by community members, will be implemented to assess the effectiveness of the constructed caribou crossings.

In addition to caribou crossings, input from communities during engagement also identified the recommendation for road closures to protect caribou during migration. The Project design includes the strategic use of kimberlite stockpiles that will allow for periodic and temporary closure of primary road segments if necessary to protect caribou, while maintaining processing plant operations. The use of road closures and other mitigation strategies to reduce the impacts from the Jay and Misery roads to caribou is outlined in the Caribou Road Mitigation Plan. Aboriginal communities also provided feedback on the placement and design of the egress ramps on the waste rock piles. For the Jay waste rock storage area, several caribou egress will be built as the rock pile progresses.

The DAR identified the Jay Project as negatively influencing the local traditional land use. Dominion Diamond will meet with potentially affected Aboriginal groups about establishing a monitoring program that tracks the avoidance by traditional land users of the Ekati area. A potential goal of such a program, dependent upon the engagement with potentially affected Aboriginal communities, would be to track the existing traditional land use of the general Ekati area, any changes resulting from the Project development, and the underlying reasons behind any changes observed, such as loss of TK.

Dominion Diamond currently operates the Ekati Mine with a commitment to consideration of TK in mine planning, mine operations, and mine closure. Dominion Diamond's performance to date for the Jay Project is documented in the Jay Project DAR and in the follow-up responses to the Adequacy Review, Information Requests, and Undertakings. Dominion Diamond is committed to engaging with IBA communities by building on and advancing past engagement practices, undertaking regular engagement meetings between Dominion Diamond senior management, and community leadership.

As well, Dominion Diamond will continue with its regular engagement on the Jay Project, other potential projects at Ekati, and Ekati operations in general through a variety means, including:

- quarterly meetings between Dominion Diamond senior management and community leadership;
- annual community presentations of environmental monitoring information;
- various technical workshops and Board process for reviews of technical documents under the Water Licence; and,
- leadership/elder/youth site visits for environmental monitoring programs (typically annual).

2.3.3 Response to Recommendation 1 and 2

As illustrated in the information included above, Dominion Diamond is committed to work with communities on the ongoing collection, documentation, recording, and verification of TK for the operation of the mine and for new projects throughout the life of the Ekati Mine. This commitment provides opportunities to integrate TK into the Jay Project (and Ekati Mine) on a continual and ongoing basis.

In an effort to continually supplement the existing body of knowledge, Dominion Diamond supports community-based TK projects. Dominion Diamond reviews these projects on an application by application basis and would be willing to meet with the YKDFN to discuss the submission of a new application to continue their work with elders and communities.

2.3.4 Response to Recommendation 3

In response to DAR-YKDFN-IR-31 and in the information included above, Dominion Diamond has illustrated how TK has been incorporated into the Ekati Mine operations and the Jay Project to date. Dominion Diamond is open to work with the YKDFN and with other IBA and potentially affected communities to ensure that TK continues to be incorporated into its operations on a go forward basis. Dominion Diamond would be pleased to meet with YKDFN or other interested communities to discuss how we can continue to work together to ensure this occurs.



3 REFERENCES

- DTC (Dogrib Treaty 11 Council). 2001. Caribou Migration and the State of Their Habitat. Final Report to West Kitikmeot Slave Study Society. Yellowknife, NWT, Canada.
- Tłıchq Research and Training Institute. 2013. Traditional Knowledge Study for Diavik Soil and Lichen Sampling Program, 2013. Tłıchq Government.
- Thorpe Consulting Services. 2013. At Night we Slept on Diamonds: Report of the traditional knowledge camp for the Diavik Aquatic Effects Monitoring Program. Thorpe Consulting Services Ltd., Yellowknife, NWT, Canada.
- Weledeh Yellowknives Dene. 1997. Weledeh Yellowknives Dene: A Traditional Knowledge Study of Ek'ati. Yellowknives Dene First Nation Council, Dettah, NWT, Canada.
- YKDFN (Yellowknives Dene First Nation). 2015a. "Lands that are Wide and Open" Traditional Knowledge Report For the Proposed Dominion Diamond Ekati Corporation's Jay Project. Prepared by Trailmark Systems, Inc. for Traditional Knowledge Program, Land and Environment Yellowknives Dene First Nation. Submitted to the Mackenzie Valley Environmental Impact Review Board, August 2015. Yellowknife, NWT, Canada.
- YKDFN. 2015b. Technical Report, Jay Project, EA1314-01. Submitted to the Mackenzie Valley Environmental Impact Review Board, August 2015. Yellowknife, NWT, Canada.