



July 16, 2007

Sent By [Hand Delivery/Facsimile/Courier/Electronic Mail]

Mackenzie Valley Environmental Impact Review Board
Suite 200, Scotia Centre, 5102-50 Avenue
Box 938, Yellowknife, NT
X1A 2N7

**Attention: Mr. Martin Haefele
Environmental Assessment Officer**

Dear Mr. Haefele:

**Re: Gahcho Kué Diamond Mine Project – EIR0607-001
De Beers Canada Mining Inc.
Comments on Draft Environmental Impact Review Work Plan**

On June 1, 2007, the Mackenzie Valley Environmental Impact Review Board (“MVEIRB”) released the *Draft Work Plan for the Gahcho Kué Diamond Mine Environmental Impact Review EIR0607-001* (“Draft WP”) for review and comment. This letter provides De Beers Canada Inc.’s (“DBC”) comments on the Draft WP. It is our understanding that these comments, along with those of other parties to the Environmental Impact Review (“EIR”) process, will be considered by the Environmental Impact Review Panel (the “Panel”) for the proposed Gahcho Kué Diamond Mine Project (the “Development”) in the finalization of the Work Plan.

DBC would like to note that these comments are provided with the intent of confirming expectations related to the procedural execution of the EIR.

Section 3.4 Developer

(i) Comments

Reference is made in this section to the developer continuing to consult with communities and organizations during the EIR process. The use of the word “consulting” and “consultations” could be confused with the Crown’s duty to consult. As the MVEIRB and Panel are aware, DBC is not the proper party to fulfil Crown consultation obligations.



(ii) Recommendation

DBC recommends that the use of the phrase “engagement activities” be used instead of “consultation” as this would be a suitable substitute that describes the expected activities and prevents confusion over who is responsible for Crown consultation.

Appendix – Gantt Chart

(i) Comment

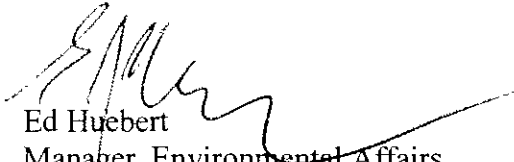
The Gantt Chart depicting the duration and tasks for the EIR schedule indicates that the Environmental Impact Statement (“EIS”) would be expected from DBC in mid-October 2007. The actual date the EIS is submitted depends in large part on the requirements in the finalized *Terms of Reference for the Gahcho Kué Diamond Mine Environmental Impact Review EIR0607-001* (“EIS TOR”). For example, adoption of the approach suggested in DBC’s comments on the draft EIS TOR would result in the EIS likely being submitted in January 2008. If, however, DBC was required in the final EIS TOR to produce two separate and mutually exclusive EIS documents (i.e., one traditional, and one “holistic”), further discussions with the MVEIRB would be required to determine the additional time needed to complete the EIS. As a result, DBC will not be in a position to confirm when the EIS will be submitted until it has reviewed the finalized EIS TOR.

(ii) Recommendation

DBC supports an efficient and effective review process for the proposed Development. DBC further believes that the Draft WP represents an important step in providing certainty in this review process. Accordingly, DBC asks that the Panel give due consideration to this issue of timing implications that flow from the requirements outlined in the final EIS TOR when finalizing the Work Plan. DBC will provide the Panel with an indication of when the EIS will be submitted once it has reviewed the finalized Work Plan.

Should you require further information on the comments above or have any questions, please contact the undersigned at (867) 766-7322.

Yours truly,


Ed Huebert
Manager, Environmental Affairs
NWT Projects