



Snap Lake Environmental Monitoring Agency

**300-5120 49 Street Yellowknife NT X1A 1P8
Website: www.slema.ca**

2019-2020 ANNUAL REPORT OF ACTIVITIES

INTRODUCTION

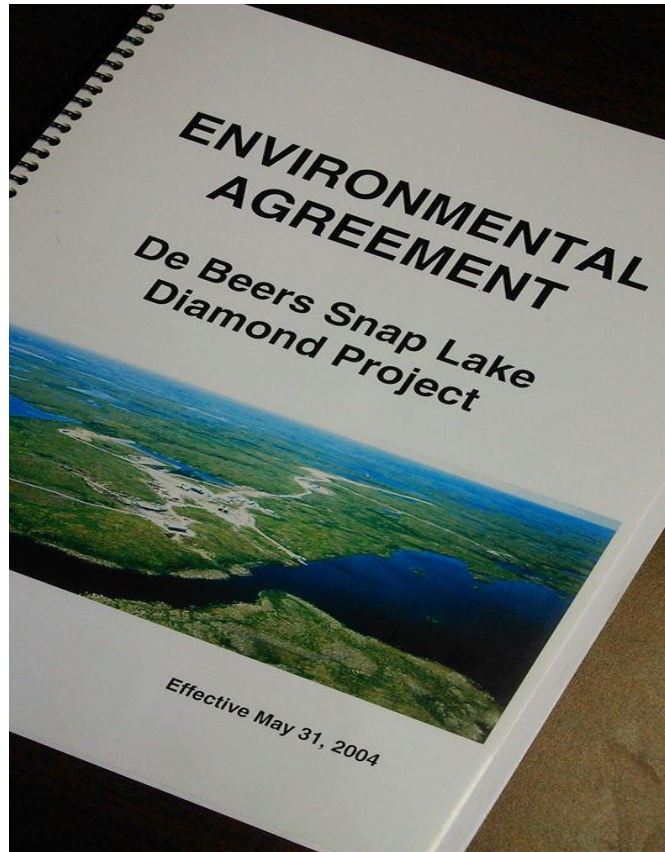
The Snap Lake Environmental Monitoring Agency (SLEMA) is an independent environmental watchdog responsible for monitoring the environmental performance of the Snap Lake Mine and to support the Aboriginal parties throughout the life of the mine.

SLEMA receives funding annually from De Beers to conduct its activities as per the Snap Lake Environmental Agreement. In 2019-2020, funding amounted to \$296,399, and audited financial statements are appended to this report of activities.

WHAT IS THE SNAP LAKE ENVIRONMENTAL AGREEMENT?

The Snap Lake Environmental Agreement is a binding contract between De Beers Canada, the proponent of the Snap Lake Mine De Beers, the Government of Canada, the Government of the Northwest Territories and four affected Aboriginal Organizations:

- Tłıchǫ Government,
- Yellowknives
Dene First Nation,
- North Slave Metis
Alliance
- Łutselk'e
Dene First Nation.



WHO WE ARE?

SLEMA is directed by a Core Group made up of eight board members appointed for an indefinite term at the discretion of the four Aboriginal groups. Four of these members make up the Executive Committee and are appointed annually at the Annual General Meeting.

FUNDING

DBCMI provides annual funding to SLEMA, in accordance with SLEMA's proposed budget. In 2019-2020, SLEMA received an operating budget of \$ 296,399. Audited financial statements are appended to this report of activities.

REGULAR MEMBERS (EXECUTIVE)



James Marlowe

Lutselk'e Dene First Nation



Greg Empson

Yellowknives Dene First Nation



Johnny Weyallon

Tłıchǫ Government



Arnold Enge

North Slave Metis Alliance

ALTERNATE MEMBERS



Beth Keats

Yellowknives Dene First Nation



Adrian D'Hont

North Slave Metis Alliance



Noel Drybones

Tłıchǫ Government



Charlie Catholique

Łutselk'e Dene First Nation

SLEMA also relies on two panels:

- The Science Panel has not met during the fiscal year. All technical reviews and recommendations to the SLEMA Board were done by staff, with assistance from consultants when needed. In the fiscal year, SLEMA retained Zhong Liu, its former Environmental Analyst, and Elizabeth Keats, TK advisor, to assist with the technical and TK (Traditional Knowledge) review of the Snap Lake Mine Water Licence and Land Use permit Renewal.
- The Traditional Knowledge Panel, made up of eight Elders selected by the Aboriginal communities, traveled to the Snap Lake Mine on June 18, 2019 and met with the SLEMA board and De Beers on June 19, 2019 to discuss issues of concerns to the Indigenous membership as they related to mine closure. The TK Panel is currently made up of:

Joe Rabesca and Noel Drybones, Tlicho Government

Wayne Langenham, North Slave Metis Alliance. One vacant seat.

Albert Boucher and Madeline Drybones, Łutselk'e Dene First Nation

Mike Francis and Napoleon Mackenzie, Yellowknives Dene First Nation



OUR STAFF

SLEMA is managed by a part-time Executive Director who administers the agency and liaise with the Board and external stakeholders, and a full-time Environmental Analyst who is responsible for reviewing the operational performance of the mine as it relates to all regulatory approvals, including the requirements of the Environmental Agreement. Together, the staff provides advice and recommendations to the Core Group in all aspects of its mandate.



Sonia Aredes
Environmental Analyst



Philippe di Pizzo
Executive Director

NEW STAFF AND DIRECTOR (2020-)



Shin Shiga
Executive Director
(October, 2020-)



Marc Whitford
Director, NSMA
(September, 2020-)

MESSAGE FROM THE CHAIR

I am pleased to present the 2019-2020 annual report of the Snap Lake Environmental Monitoring Agency (SLEMA). SLEMA is a public watchdog for environmental management at Snap Lake Diamond Mine. As De Beers Canada moves full steam ahead towards the closure and reclamation of Snap Lake Mine, our Board members and staff have been busy working with our communities to monitor the environmental management and planning at the mine site. Since April 2020, we have reviewed many regulatory documents, including the updated Water Management Plan, Erosion and Sedimentation Management Plan, Aquatic Effect Monitoring Program Design Plan, and many monitoring reports. I trust that our comments will contribute to better environmental management and the eventual closure of the mine.

Like the rest of the world, the COVID-19 pandemic has affected both De Beers and SLEMA's activities since March 2020. To reduce personal contacts, our staff have been working from home, and the Fish Tasting by the elders was canceled in September 2020. We are grateful to the frontline healthcare workers who are risking their lives to contain this pandemic, and at the same time, feel fortunate that the Northwest Territories have been largely spared from the worst of the calamity so far. Speaking of adapting to the new normal, SLEMA has welcomed a new board member, Marc Whitford, from the North Slave Metis Alliance. We want to thank our departing director and former chairperson, Arnold Enge, for his dedication to the Agency. We also are joined by the new Executive Director, Shin Shiga, in October 2020. The Board is excited to work with our new staff. Our former Executive Director Philippe served tireless for the Agency for the last seven years, leading us through the second Environmental Assessment and two Type A

Water License hearings. I want to thank Philippe and wish him the best of luck with his next adventures.

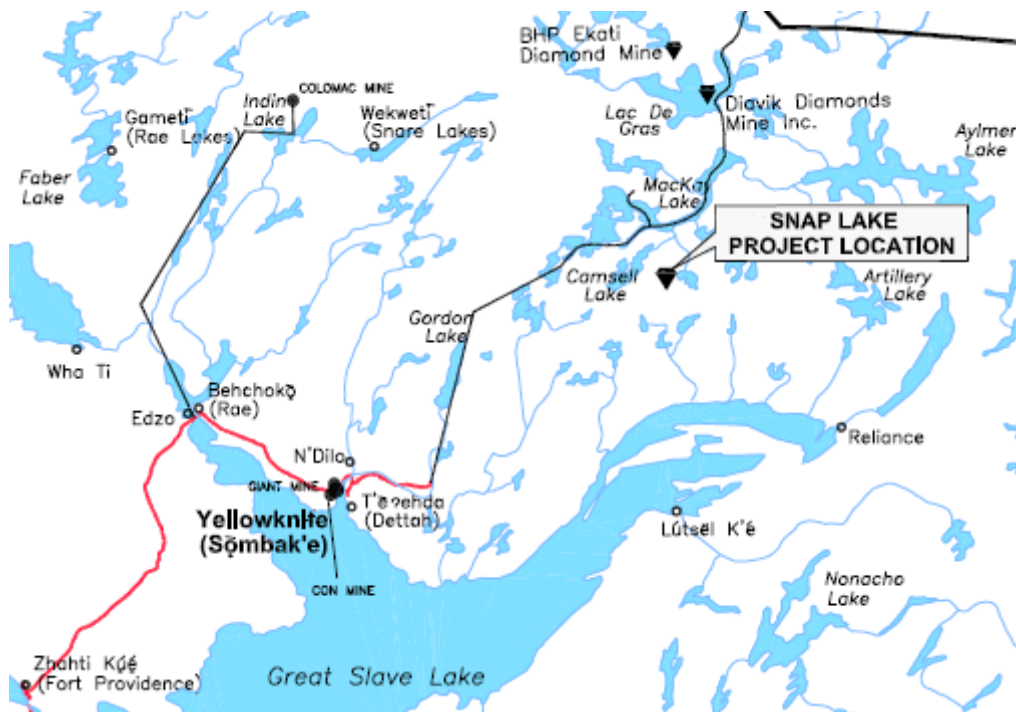
During the pandemic, we learned to help each other more than ever and look to our elders for guidance. Since the inception of the Agency, many elders have blessed us with their wisdom and generosity. I want to acknowledge the legacies left by Harry Apples, Eddy Camille, Ed Jones, and Joe Michel. These four elders, who are now passed on, imparted their strength and wisdom to us so that we may continue carrying on with our mandate to ensure good and robust environmental management of our ancestral land, where Snap Lake Mine now sits.

Even though there is no active mining at Snap Lake Mine anymore, there is still much work to do before the land is fully remediated. We at the Agency will be working hard to keep monitoring the progress and encourage you all to contact us whenever you have questions or concerns about what we do.

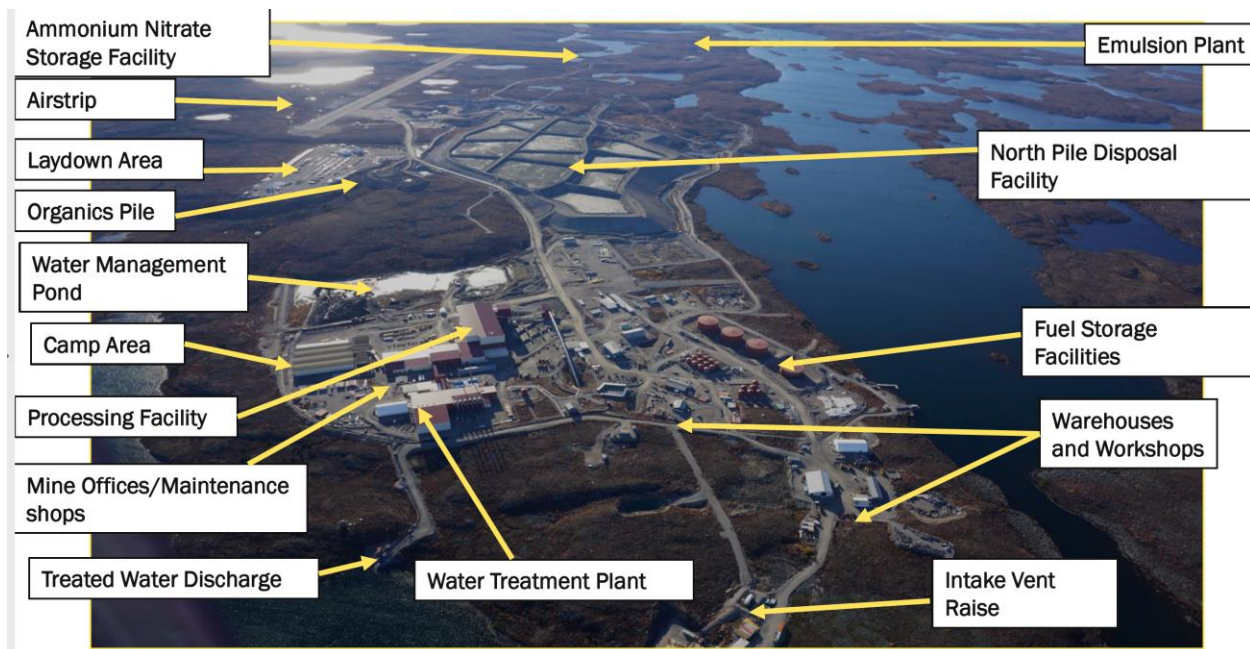
Sincerely,
Johnny Weyallon
Chairperson

THE SNAP LAKE MINE

The Snap Lake Mine is a diamond mine owned and operated by De Beers Canada. The mine is located about 220 kilometers northeast of Yellowknife, Northwest Territories. Mining began in 2007 and was expected to continue for 22 years until De Beers announced on December 4, 2015 that the mine was indefinitely being placed under care and maintenance. Flooding of the underground workings was completed, and a new licence was issued by the Mackenzie Valley Land and Water Board in and sent to Minister Shane Thompson for approval.



Location of Snap Lake Diamond Mine



Aerial View of the Mine Site

HIGHLIGHTS OF ACTIVITIES IN 2019-2020

Snap Lake Licence Renewal

On April 1, 2019, De Beers filed with the Mackenzie Valley Land and Water Board a Renewal Application for Licence MV2019L2-0004 and on April 29, 2019, an Amendment Application for Permit MV2017D0032. These Applications were in support of the closure and Post-Closure phases of the Snap Lake Mine.

By May 17, 2019, comments and recommendations regarding the Applications were received from the Snap Lake Environmental Monitoring Agency (SLEMA); Environment and Climate Change Canada (ECCC); Fisheries and Oceans Canada (DFO); GNWT-ENR, the Government of the Northwest Territories – Department of Lands (GNWT-Lands), and MVLWB staff. De Beers responded to reviewers' preliminary screening comments and recommendations on May 30, 2019 and to all other comments and recommendations on June 3, 2019.

Technical sessions were organized by the MVLWB on July 16 and 17, 2019 and were attended by De Beers, SLEMA, DFO, ECCC, GNWT-ENR, GNWT-Lands, GNWT-Mining Recorders Office, Northwest Territory Métis Nation, Dominion Diamond Mines, Canadian Northern Economic Development Agency (CanNor), and MVLWB Board staff.

A Public Hearing was held on November 26-27, 2019 in Yellowknife, NT, at the Explorer Hotel.

Attendees included ECCC, GNWT, SLEMA, and De Beers. Undertakings resulting from the public hearing were recorded and circulated on November 29, 2019. There were four undertakings directed at De Beers and two directed at GNWT ENR. De Beers responded to the undertakings on December 16, 2019 and GNWT ENR responded on January 24, 2020.

A Draft Water Licence and draft Permit conditions were circulated by Board staff to reviewers for review and comment on January 6, 2020 and January 7, 2020 respectively, and comments on the draft permits were made by GNWT-ENR, GNWT-Lands, SLEMA, and DFO; and by GNWTENR, GNWT Lands, SLEMA, DFO, and ECCC on the draft Licence conditions. De Beers responded to comments and provided comments of their own on February 7, 2020. On February 14, 2020, ECCC and GNWT submitted written closing arguments to the Board. De Beers. requested an extension to their submission deadline from February 21, 2020 until February 23, 2020 which was granted by Board staff.⁵¹ De Beers submitted their closing arguments on February 23, 2020. The closing arguments allowed an opportunity for Intervenor and De Beers to update their position based on issues

raised during the regulatory process, and to summarize their final recommendations to the Board.

On March 20, 2020, the MVLWB made a decision regarding the Renewal and Amendment Applications and the revised financial security estimate and sent its recommendation to the Honorable Shane Thompson, Minister of Environment and Natural Resources, GNWT.

The SLEMA Board met in Yellowknife on June 19 and October 9, 2019. De Beers staff and the Lands Inspector were invited to attend and update the Board on their activities.

- SLEMA's Board met on October 9, 2019 to discuss the appointment of its Executive positions and prepare a budget for the following fiscal period.
- SLEMA staff participated in the Mackenzie Valley Land and Water Board's Snap Lake Mine Working Group Meetings on July 17 to 19, 2019 and November 26 and 27, 2019.
- The 2019 Annual General Meeting was held in Yellowknife on October 9, 2019. Regular and Alternate members of the Board attended the event.
- Monthly Environmental Updates are prepared and published on the SLEMA's website (www.slema.ca) and distributed to all signatories of the Environmental Agreement. These reports are also submitted to the Aboriginal Parties to the Snap Lake Environmental Agreement.

- SLEMA reviewed and commented on De Beers' annual environmental reports, monitoring programs and management plans, and study reports throughout the year, listed in the following section.

REPORTS AND DOCUMENTS REVIEWED BY SLEMA

During the year, SLEMA reviewed several documents and reports submitted by De Beers, required under the Snap Lake Environmental Agreement, the Snap Lake Water License, and the Snap Lake land use permits. Comments relating to the Agreement were submitted to the GNWT Department of Environment and Resources and those required under a water license or land-use permit were submitted to the Mackenzie Valley Land and Water Board.

SNAP LAKE ENVIRONMENTAL AGREEMENT REPORTS & REVIEWS

The Snap Lake Environmental Agreement requires De Beers to prepare and submit a number of separate reports and studies that are not part of the water licence and land use permit. These reports are submitted to the Government of the Northwest Territories and all interested parties, including SLEMA, are invited to review these documents and submit comments and observations. In 2019-2020, SLEMA reviewed and commented on the following documents:

- Wildlife Effect Monitoring Program Report
- Wildlife and Wildlife Habitat Plan Report
- Vegetation Monitoring Program Report
- Air Quality Meteorological Monitoring and Emission Report

- Management Plan for Closure and Post Closure
- 2018 Environmental Agreement Annual Report
- Decrease in Additional Security Deposit: request to adjust the ASD as the mine is currently over-secured and funds need to be refunded to De Beers and an amendment to the Snap Lake Environmental Agreement is required

WATER LICENCE & LAND US PERMIT REPORTS

Under Water Licence MV2011L2-0004 and Land Use permit MV2017D0032, De Beers is required to submit to the Mackenzie Valley Land and Water Board several reports and studies which are then distributed and reviewed by Interested Parties, including SLEMA. In 2019, 2020, SLEMA reviewed and commented on the following:

- Monthly Surveillance Network Program (SNP) Reports
The SNP is the totality of the sampling requirements detailed in the Water License and is submitted monthly to the MVLWB and stakeholders. De Beers submitted monthly SNP reports throughout the fiscal period.
- Land Use Permit and Water License Inspection Reports
Inspectors designated by the Minister under subsection 65(1) of the Act perform regular inspections and submits their reports to the Minister and SLEMA. No inspections were carried out during the period of zero-occupancy between October and the end of March although De Beers visits the site monthly and reports to all parties.

In 2019-20, the Inspector conducted inspections on:

April 16, 2019

June 7, 2019

September 4, 2019

- Response Plan for Low Drinking Water Quality Action Level for Manganese
- Low-Action Level Exceedances Notification
- 2018 Water License Annual Report
- 2019 Water License Annual Report
- Application for the renewal of the Type A Water Licence
- Application to amend the Land Use Permit
- Draft Water Licence and Land Use Permit
- 2018 Annual Closure and Reclamation Plan Progress Report
- Aquatic Effect Management Plan (AEMP) Response Plan for Plankton

Detailed information on these documents is available upon request from SLEMA or from the Mackenzie Valley Land and Water Board Public Registry. In addition, all monthly environmental updates prepared by SLEMA for its Indigenous members and partners are available at www.slema.ca or upon request.

ASSESSMENT OF DE BEERS

Based on its reviews of the mine's environmental record, including findings from Water Licenses and Land-Use Permit inspections, SLEMA concludes De Beers ran the Snap Lake Diamond Mine during the care and maintenance phase in a way that upheld the its environmental commitments during the reporting period of 2018-2019. Regular communication with SLEMA take place both at the staff level and during SLEMA board meetings. SLEMA is also satisfied with De Beers' s community engagement activities and events and participation in workshops and meetings organized by the Aboriginal signatories of the Snap Lake Environmental Agreement throughout the year and provided SLEMA with adequate information as and when needed.

ASSESSMENT OF REGULATORS

SLEMA not only monitors the environmental performance of De Beers Snap Lake Diamond Mine, but also the government agencies that regulate the Mine. In general, the regulators remain effective in making sure that De Beers runs the Mine in a way that maintains its environmental commitments.

Mackenzie Valley Land and Water Board (MVLWB):

The MVLWB ran well managed processes for the review of updated management plans, annual reports, and De Beers' requests and applications during the period of April 2019 to March 2020. However, SLEMA wishes to point out that more efforts should be put by the Board to organize public hearings and other public sessions in the communities affected by a licence or land-use applications such as Snap Lake.

SLEMA took part in all Snap Lake Mine Working Group Meetings organized by the MVLWB and fully appreciates all efforts taken by the Board to allow for open discussion and clarification of current topics related to Snap Lake Mine before holding a public hearing.

Environment and Climate Change Canada (ECCC): ECCC has been actively involved in the review of related requests, study reports, annual reports and plans within its jurisdiction.

Department of Fisheries and Oceans (DFO): DFO contributed to the review of related requests, study reports, annual reports and plans within its jurisdiction.

Department of Lands: The GNWT-Lands Inspector, Mr. Joe Heron, kept SLEMA staff and Board up to date on activities on site and met with SLEMA on a regular basis.

Department of Environment and Natural Resources (GNWT-ENR): ENR has been actively involved in the review of Environmental Agreement Annual Reports, wildlife issues, waste management issues, air quality issues, Water License and Land Use Permit related issues.

Overall SLEMA is satisfied with the regulators' actions and responses in regard to their respective responsibilities for the Snap Lake Mine.

HOW TO REACH US

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