

## APPLICATION FOR INCORPORATION

WE, the undersigned, hereby declare that we desire to have a Society incorporated under the *Societies Act*, and that:

### CONSTITUTION

1.

The name of the Society is the “**SNAP LAKE ENVIRONMENTAL MONITORING AGENCY**” for the De Beers Snap Lake Diamond Project.

2. The Objects of the Society are:

- (a) to support the Aboriginal Parties’ efforts to protect the environmental interests on which they rely;
- (b) to support the mine owners, Governments of Canada and Northwest Territories in their respective efforts to protect the environment as required by them;
- (c) to review and monitor the environmental performance of the Project using western science and traditional knowledge;
- (d) to work with the mine owners to mitigate environmental impacts of the Project thereby mitigating the potential for socio-economic effects;
- (e) to serve as a public watchdog of the regulatory process and the implementation of the Environmental Agreement;
- (f) to make recommendations to any body having regulatory or management responsibility for a matter, for the achievement of the purposes and guiding principles in the Environmental Agreement;
- (g) to facilitate programs to provide information and to consult with the members of the various Aboriginal Parties;
- (h) to report to the Parties and the public on the Monitoring Agency’s activities and the achievement of its mandate; and
- (l) to provide an accessible and public repository of environmental data, studies and reports relevant to the Monitoring Agency’s mandate.

The main office of the Society shall be located in Yellowknife, NT.

## BY-LAWS

1.

**Definitions:** In these Bylaws the following terms shall have the meanings prescribed to them below.

a. **“Board of Director”** means the Board of Directors of the Society.

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b. **“Chair”** means the person elected to the office of Chair in accordance with Article 4 of these Bylaws.

c. **“DBCMI”** means DeBeers Canada Mining Inc.

d. **“Environmental Agreement”** means the Agreement made as of the 31<sup>st</sup> of May, 2004.

e.

**“Members”** means the Dogrib Treaty 11 Council, the Lutsel K’e Dene Band, the Yellowknives Dene First Nation and the North Slave Métis Alliance plus such other Members as may be admitted to the Society from time to time.

f. **“Project”** means the mine to be constructed and operated at or near Snap Lake in the Northwest Territories for the production of rough diamonds.

2.

**Terms of Admission:** The Members of the Society shall be the Parties deemed to be Members pursuant to the Environmental Agreement and to include Dogrib Treaty 11 Council, Lutsel K’e Dene Band, Yellowknives Dene First Nation and North Slave Métis Alliance:

3.

### **Directors:**

a. Each Member of the Society is entitled to appoint two (2) Directors to the Society;

b.

The subscribers to the Application for incorporation of the Society shall be the appointed representatives of the Members of the Society.

c.

Each member shall appoint two (2) Directors to represent it in the conduct of the affairs of the Society. One of the Directors shall be authorized as the official Director of the Member for all purposes including the casting of the Member’s vote. The Alternate Director shall act in place of the Authorized Director where the Authorized Director is absent or unable by reason of ill health, accident or other cause to carry out his or her duties.

d.

Each member shall within 30 days of the formation of the Society, advise the Society of the name, address and telephone number of its Director and Alternate Director appointed to represent the Member in the affairs of the Society.

e.

In every meeting called, whether of the Members of the Society or the Board of Directors, each Member shall be represented by one (1) Director or the Alternate as the case may require or both but in no case is a Member entitled to more than one (1) vote in the conduct of the affairs of the Society.

f.

The same Directors shall represent the Member both in meetings of the Society or its Board of Directors.

g.

Each Member shall abide by the provisions in this Article and every other provision herein pertaining to Members.

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#### 4. **Withdrawal and Change of Members:**

a.

Any Member or Alternate of the Society may withdraw from membership in the Society by notice in writing to the appointed Chair of the Society.

b.

Each of the Members may from time to time change their Directors or either of them or Alternate upon written notice to the Chair of the Society.

#### 5. **Officers:**

a.

The Society shall appoint a Chair, Vice-chair, Secretary and Treasurer from amongst their numbers for a term of one year.

b.

The Chair shall preside at all meetings and shall be responsible for managing the affairs of the Society.

c.

The Vice-Chair shall assist the Chair as required and in the latter's absence, shall perform the duties and exercise the powers of the Chair.

d.

The Secretary shall be custodian of the Seal of the Society, be responsible for recording the Minutes of the meetings.

e.

The Treasurer shall be responsible for the financial management of the Society, and shall present duly audited financial statements at the Annual General

Meeting of the Society.

**6. Rights of Members:**

a.

All Members of the Society shall have the right to take part in all activities and to use all facilities established by the Society for the promotion of its Objects, subject to such rules and resolutions as the Society may from time to time prescribe for specific activities; and

b.

No membership fee shall be charged to any Member.

**7. Obligations of Members:**

a.

Members of the Society shall strive to promote the objects of the Society; and

b.

Members of the Society shall carry out their duties consistently with the Environmental Agreement and any amendments that may be made to that Agreement by the Parties.

c.

The Society shall develop and establish a panel of experts to assist in the Application and consideration of scientific knowledge. The make up and size of that panel shall be decided upon by the Members from time to time as circumstances and duties require.

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d.

The Society shall establish two (2) additional panels, each consisting of four (4) representatives, one of which representatives to be appointed by each of the Members, for the purpose of considering traditional knowledge and for the purpose of advising the Society in all matters pertaining to the application of traditional knowledge. One of the panels shall be established for the purposes of determining all matters of traditional knowledge relating to water and fish and the other relating to all matters concerning land and wildlife.

e.

The Society may appoint additional panels or committees from time to time to help conduct its affairs.

f.

Directors may be paid reasonable traveling and living allowances to compensate them for expenses incurred by them in the conduct of their duties for the Society, at rates to be established from time to time by a resolution of the Society.

g.

Directors may be paid a reasonable per diem to compensate them for work and time spent in the conduct of their duties for the Society, at rates to be established from time to time by a resolution of the Members.

**8. Meetings:**

a.

The Annual General Meeting of the Society shall be held within sixty (60) but not earlier than thirty (30) days after the date of the fiscal year end, at a time, and in a place to be determined by the Society. Notice of the meeting shall be transmitted by methods which will ensure that it is received by all Members at least thirty (30) days prior to the meeting.

b.

Special meetings of the Society may be called at any time by the Chair or upon the request of any two (2) Members of the Society. Written notice of special meetings shall be given to all Members at least fourteen (14) days prior to the meeting and shall specify the purpose of the meeting.

c.

All meetings of the Society shall be open to the Parties.

d.

A quorum at meetings of the Society is 75% of the Members of the Society so that at least three (3) of the four (4) Members must be present at a meeting in order for a quorum to be present. Each of the Members shall be entitled to one (1) vote at any meeting of the Society and the passing of a Resolution or other matter at any meeting of the Society shall be whenever possible by consensus or if consensus cannot be arrived at, then by at least an agreement reached between 3 of the 4 Members of the Society. Should only 3 of the 4 Members of the Society be present for any general or special meeting, then a consensus of all Members must be reached in order to pass a Resolution or other matter pertaining to the Society.

e.

The Society shall establish such procedural rules that are not inconsistent with the purposes and principles of these By-Laws and the Environment Agreement.

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**9. Borrowing Powers:**

a.

The Society shall have no power to borrow money.

b.

Nothing in section 8(a) shall be construed as preventing the Society from accepting any grants or donations of monies.

**10. Disposal of Funds:**

a.

All monies received by or on behalf of the Society shall be deposited in a bank account for the Society, which account shall be with one of the chartered banks.

nks of Canada.

- b. All disbursements from the Society's bank account shall be made in accordance with policies and administrative procedures established by the Society.

11. **Auditors:**

- a. The appointment and remuneration of Auditors shall be approved by the Society.
- b. At each Annual General Meeting the Treasurer shall present the Auditor's signed financial statement detailing assets, liabilities, receipts and disbursements for the previous fiscal year.

12. **Seal and Signing Authority:**

- a. The Seal of the Society shall consist of the word "seal" inside a circle formed by the words "Snap Lake Environmental Monitoring Agency".
- b. The Seal shall be kept in the custody of the Secretary.
- c. The Secretary and at least one other Officer shall have authority to sign instruments or documents on behalf of the Society. Any financial transaction, any cheque or other negotiable instrument, shall require the signature of the Treasurer plus one other Officer of the Society.

13. **Minutes of Meetings, Books and Records:**

The Minutes of the Society may be inspected by any Member of the Society at the Annual General Meeting or at the Head Office of the Society at any time during normal business hours. Members of the Society shall at all times have reasonable access to the books and records of the Society. Members of the public shall have access to the Minutes of the Meeting of the Society at the Office of the Society.

14. **Fiscal Year:**

The fiscal year end of the Society shall end on March 31st of each calendar year.

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15. **Bylaws:**

The Bylaws of the Society shall not be altered or added to except by a Special Resolution of the Society. For all purposes of the Society, a Special Resolution shall mean:

- a. A Resolution passed:
  - i.

at a General meeting of which not less than fourteen (14) days notice specifying the intention to propose a Resolution has been duly given; and

ii.

by a vote of not less than 75% of those Members who, if entitled to do so, vote.

b.

A Resolution proposed and passed as a Special Resolution at a general meeting of which less than fourteen (14) days notice has been given, may be passed providing:

i.

all the Members entitled to attend and vote at the general meeting agree in writing; or

ii.

a Resolution consented to in writing by all Members who would have been entitled at a general meeting to vote on the Resolution vote in favour of it.

**16. Participation by Telephone:**

Provided that all Members present at a meeting and entitled to vote consent, a Member or any other person entitled to attend a meeting may participate at a meeting by means of telephone or other communication facilities that permit all persons participating in the meeting to hear each other and every waiver, consent, approval or other action of a Member participating by telephone shall be as valid and effectual as if he or she were actually present in person at the meeting.

**17. Notices:**

Any notice required to be given pursuant to these By-Laws shall be in writing and shall be deemed to have been well and sufficiently given if:

a.

The notice is personally delivered to the party to whom it is intended or if such party is a Corporation to an Officer of that Corporation; or

b.

If mailed by pre-paid mail or sent by facsimile to the address or facsimile number, as the case may be, as provided by the Member for that purpose to the Directors of the Society.

18. **Distribution of Assets:**

Upon dissolution of the Society, or surrender of its certificate of incorporation, any funds remaining after payment of all debts shall be distributed among the Parties who have provided funds for the operation of the Society, in proportion to the amount of funding provided. Any other assets and information shall be distributed according to decisions made by the Society.

19. **Arbitration:**

Any dispute arising in the circumstances set out in Section 7 of the *Societies Act* must be decided by arbitration under the *Arbitration Act*.

IN WITNESS WHEREOF we have subscribed our names to this application and by-laws this \_\_\_\_ day of \_\_\_\_\_, 2004.

**APPLICANTS**

**WITNESSES**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

Name: \_\_\_\_\_  
Dogrib Treaty 11 Council

Name: \_\_\_\_\_

Postal Address: PO Box 24  
Rae Edzo, NT X0E 0Y0

Postal Address: \_\_\_\_\_  
\_\_\_\_\_

Physical Address: \_\_\_\_\_  
\_\_\_\_\_

Physical Address: \_\_\_\_\_  
\_\_\_\_\_

Occupation: \_\_\_\_\_

Occupation: \_\_\_\_\_



\_\_\_\_\_  
Signature

Name: Darrell Beaulieu  
Yellowknives Dene First Nation

Postal Address: PO Box 2514  
Yellowknife, NT X1A 2P8

Physical Address: \_\_\_\_\_

\_\_\_\_\_

Occupation: Chief N'dilo

\_\_\_\_\_  
Signature

Name: \_\_\_\_\_

Postal Address: \_\_\_\_\_

\_\_\_\_\_

Physical Address: \_\_\_\_\_

\_\_\_\_\_

Occupation: \_\_\_\_\_

\_\_\_\_\_  
Signature

Name: Peter Liske  
Yellowknives Dene First Nation

Postal Address: PO Box 2514  
Yellowknife, NT X1A 2P8

Physical Address: \_\_\_\_\_

\_\_\_\_\_

Occupation: Chief Dettah

\_\_\_\_\_  
Signature

Name: \_\_\_\_\_

Postal Address: \_\_\_\_\_

\_\_\_\_\_

Physical Address: \_\_\_\_\_

\_\_\_\_\_

Occupation: \_\_\_\_\_

\_\_\_\_\_  
Signature

Name: \_\_\_\_\_  
North Slave Metis Alliance

Postal Address: PO Box 340  
Yellowknife, NT X1A 2N3

Physical Address: \_\_\_\_\_  
\_\_\_\_\_

Occupation: \_\_\_\_\_

\_\_\_\_\_  
Signature

Name: \_\_\_\_\_

Postal Address: \_\_\_\_\_  
\_\_\_\_\_

Physical Address: \_\_\_\_\_  
\_\_\_\_\_

Occupation: \_\_\_\_\_

\_\_\_\_\_  
Signature

Name: \_\_\_\_\_  
Lutsel K'e Dene Band

Postal Address: PO Box 28  
Lutsel K'e NT X0E 1A0

Physical Address: \_\_\_\_\_  
\_\_\_\_\_

Occupation: \_\_\_\_\_

\_\_\_\_\_  
Signature

Name: \_\_\_\_\_

Postal Address: \_\_\_\_\_  
\_\_\_\_\_

Physical Address: \_\_\_\_\_  
\_\_\_\_\_

Occupation: \_\_\_\_\_