



January 30, 2017

Stephanie Autut  
Executive Director  
Nunavut Water Board  
PO Box 119  
Gjoa Haven NU  
X0B 1J0

**RE: JERICO DIAMOND MINE – SITE STABILIZATION PLAN**

Dear Ms. Autut:

I am writing to follow up on our meeting of January 13, 2017. The purpose of that meeting was to discuss the Water Board staff's suggestion that we consider whether our site stabilization activities for the Jericho Diamond Mine should continue under the authority of section 89 of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*, as opposed to under a licence.

The background for this issue is as follows:

After Shear Diamonds (Nunavut) Corp. stopped maintaining the Jericho Diamond Mine in 2012, the then Minister of Aboriginal Affairs and Northern Development Canada intervened at the site under the authority of section 89 of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*, and began to take measures to prevent adverse effects on the environment (see attached letter dated January 22, 2014). Additionally, under the authority of section 87 of the Act, the Inspector has taken measures that she had previously directed Shear to undertake.

Since that time, the Northern Contaminated Sites Program (NCSP) of Indigenous and Northern Affairs Canada (INAC) has continued to act under sections 89 and 87 to conduct care and maintenance activities to prevent, counteract and mitigate adverse impacts at the site. During this time, we have also developed and evaluated remedial options.

When NCSP is increasing the scope of work in the manner we have planned for 2017's care and maintenance program, to more intensive stabilization activities, we work with the regulators to ensure compliance with the appropriate regulatory jurisdiction. Regardless of the jurisdiction, NCSP works in a manner that is transparent and collaborative. In accordance with these principles, we applied to the Nunavut Water Board (NWB) for a water license for the stabilization activities planned for 2017.

As the NWB began to process our application, we were informed that the activities to stabilize the site would require a Type A Licence which typically takes nine months, and that there was no realistic way of accelerating this timeline.

Board staff noted that it would be unfortunate if process timelines led to the delay of a project that is solely focussed on environmental risk management and stabilization, and therefore encouraged us to consider a departure from our standard approach, and transition into the stabilization activities in reliance on ministerial authority under section 89 of the Act.

We are mindful that the *Nunavut Agreement* says that, apart from exceptions that are not relevant here, no person may use water without the approval of the Board (section 13.7.1). For that reason, and to ensure that our program has the benefit of the Board's technical review and oversight, we would like to engage with you on how best to proceed in the event the Minister wishes to continue with the site stabilization activities on the basis of section 89 of the Act.

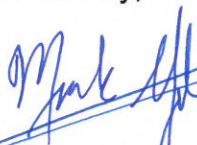
Therefore, we request that the Board consider coordinating a process for review of the proposed stabilization activities, including public distribution and opportunity to comment. (The information previously submitted as a water licence application could serve as the basis for such a process.) As this project is adjacent to Inuit Owned Lands, the identification of the interests and concerns of Kitikmeot Inuit is particularly important.

While the Board would have its own constraints on timelines, and without prejudging the outcomes, we would be in a position to use the funds which are currently secured for this project if the Board concurred with our approach in time to mobilize to site in May 2017. This means we would need a clear indication in late April.

INAC would like to thank the NWB for their guidance and oversight with respect to the Jericho site stabilization activities. We look forward to receiving your response, and to continuing to work together to improve the environmental conditions at this site.

If you have any further questions or require additional information please contact me at 819-934-1188 or via e-mail at [mark.yetman@aandc-aadnc.gc.ca](mailto:mark.yetman@aandc-aadnc.gc.ca).

Sincerely,



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