TAHERA CLOSING COMMENTS

Geotechnical

Issues that have been resolved:

It has been agreed that the current mine/geotechnical design information related to the PKCA, waste dumps, C1 diversion, ponds, and ditches is adequate to assess the impacts of the proposed project. It was further agreed that the following issues raised by interveners will be addressed as part of detailed design and/or the regulatory phase of project permitting:

- The potential need for more drilling to characterize permafrost and bedrock conditions at the West Dam of the PKCA
- The position and orientation of the liner in the PKCA dams
- The potential need for a central divider dyke in the PKCA
- PKCA closure design details, such as the West Dam and the tailings surface
- C1 diversion, including the ground conditions along the C1 diversion route and the potential need for a dissipation pool
- Geotechnical and geothermal conditions at the ponds and ditches
- The potential failure of the North Dam of the PKCA

Issues that remain unresolved

None.

Recommendations

None.

Water Quality

Site Water Quality Estimates

- Estimates of Water Quality at the point of discharge have been largely accepted by the stakeholders.
- The estimates indicate there are few issues wrt water quality at this site, including potential for slightly elevated concentrations of nutrients, suspended sediments, TDS and a few metals.
- We believe that the residual concerns can be addressed through effective monitoring programs

Additional Modelling Scenarios to predict recieving water quality

- We have estimated water quality under a range of conditions in the recieving environment. These show that we can meet most of the applicable recieving water criteria by the edge of a mixing zone without any water treatment.
- However, the stakeholders would like to see some additional model runs to further demonstate that there will be no build-up of TDS, metals or nutrients in the recieving environment. They have indicated that these additional calculations can be made during the regulartory phase of this project. Tahera is more than willing to working with those stakeholders to provide them the information they have requested as part of the regulatory phase

TDS Effects on Aquatic Life

- The effects of TDS or Total Dissolved Solids on aquatic life are not well understood and this is a new issue that mining companies are being asked to consider in their impact assessments.
- We understand that no impacts have been measured from TDS at the Ekati Mine. We also note that there are no guidelines indicating what a safe threshold is for TDS levels in the recieving environment.
- Tahera will work with other mines as information evolves to address this issue and to develop appropriate criteria for this project. We believe these criteria should be specific to this site, reflecting the specific components of the TDS and the assimilative capacity of the recieving environment. The presentations by DFO and Environment Canada seem to agree that site specific criteria are appropriate.
- There appears to be concensus that this can be resolved in the regulatory phase.
- This issue can be managed effectively through monitoring and adaptive management.

Water Quality Monitoring committments

- We agree with all of the water quality monitoring recommendations suggested by the various stakeholders, including flows from each of the sources of water to and from the PKCA, the additional control site, and the additional station on the Jericho River. We also agree with the parameters that have been requested. Final details on the monitoring programs should be site specific and can be resolved in the regulatory phases.

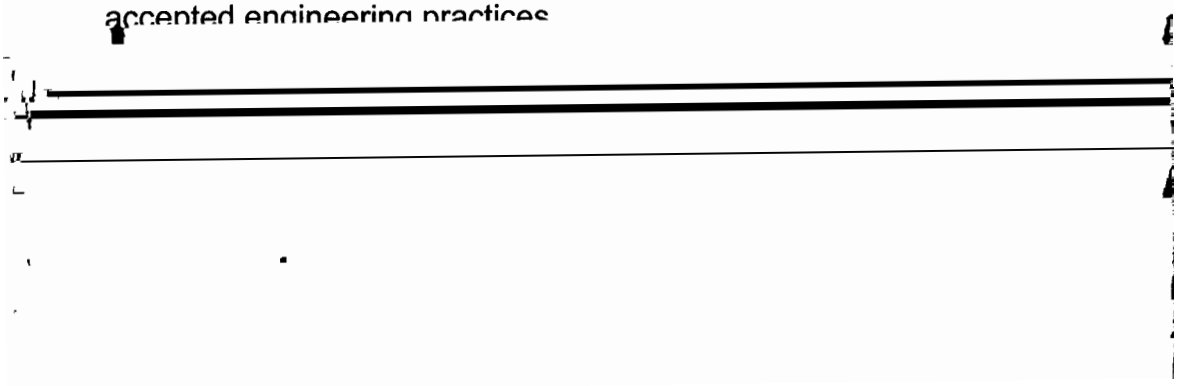
WATER Quantity and Management

Regarding water quantity and the management of water for the Jericho site area we are pleased that several Interveners stated that, though there are still details to confirm in terms of design and management, these can be addressed during the regulatory phase.

Tahera developed a preliminary design for a site water management plan and a detailed overall site water balance as part of the Supplementary Information. The water balance model will be used to evaluate water quantities on the site. All site runoff water will be stored over the first two years of operation. An observational approach will determine site water quality. Together, these items form the basis of a prudent and conservative approach to controlling site water quality and potential impacts. A diffuser has been accepted as a means of releasing water from the open pit after pit infilling is complete.

The following items will be addressed by Tahera prior to the Water License Application taking into consideration the constructive suggestions and comments submitted by the various Interveners:

- Prepare detailed final designs for all water management facilities following accepted engineering practices



personal CO monitors, to ensure Workers Compensation Board requirements are met.

In addition, Tahera will calibrate and upgrade the meteorological station at the site to ensure it is operational and recording wind speed, wind direction, the standard deviation of wind direction, and temperature. This will provide the minimum requirements for air quality dispersion models.

Land treatment

Tahera is pleased that several interveners agreed that spray irrigation is a good treatment option for the PKCA discharge, should it prove necessary. A more

detailed design will be prepared, including design considerations that minimize or eliminate erosion, as requested for, and committed to during the Hearings this week. The design will be tested at the Jericho site prior to its full-scale application, satisfying requests made during the Hearing.

Several interveners asked if Tahera had evaluated treatment processes other than spray irrigation. Tahera agrees with DFO that use of PKCA for ammonia removal may be a valid alternative to spray irrigation, and has proposed to evaluate this treatment process as a contingency. Insofar as other alternatives, such as atomization, Tahera indicated that it is very familiar with this method and that the operational advantages of spray irrigation made it the preferred option for the Jericho Project.

Interveners commented on the need to develop a proper monitoring program for spray irrigation. Tahera believes that the conceptual program it has presented to NIRB satisfies this requirement for purposes of evaluating impacts. Tahera and intervenors agreed that requests for more specific details, such as monitoring specific soil and water constituents, will best be dealt with during the regulatory phase.

Tahera presented a number of measures to mitigate adverse impacts if they begin to develop during spray irrigation, in agreement with requests by some interveners. As indicated above, treatment in PKCA for ammonia removal has already been proposed as a contingency if spray irrigation turns out to be unsuitable, addressing a strong request by Environment Canada.

In summary, Tahera believes that the information presented on spray irrigation is satisfactory for purposes of evaluating impacts, that it is a good treatment options for the Jericho Project, should it be necessary, and that Tahera's commitments to develop in ore detail this treatment system and a monitoring program, as outlined above and during the Hearing, meets the concerns expressed by intervenors.

Aquatics

The environmental assessment of the Jericho Diamond Project has established that the majority of potential impacts on aquatic biota can be mitigated. We have confidence with this conclusion because appropriate baseline data were used as a foundation for impact predictions. The only significant impact will be the loss of fish and fish habitat in the Long Lake system. Tahera is committed to undertaking a fish salvage program in Long Lake as a way to partially mitigate this impact. For impacts on fish and fish habitat that cannot be fully mitigated, we are working

closely with the Department of Fisheries and Oceans to develop a suitable fish habitat compensation plan.

Tahera understands that if the Project is allowed to proceed, mining activities that could affect fish and other aquatic animals will need to be monitored in order to protect the environment. We are committed to implementing a monitoring program that can detect potential problems if they occur so that corrective measures can be taken. Tahera has agreed to collect pre-development monitoring data and will include two additional components in its program. These are phytoplankton and zooplankton. We also have agreed to follow many of the guidelines outlined by of the Canadian Metal Mining Environmental Effects Monitoring Protocol.

Wildlife

We have reviewed the interactions between the Jericho Project and migratory birds, raptors, small mammals, carnivores, and large ungulates including the Bathurst caribou herd in the project area and the surrounding region. Effective mitigation measures are available and will be applied to ensure that there will no significant adverse effects by the Jericho Project on the terrestrial ecosystem, wildlife habitat, or Inuit harvesting activities. The Jericho Diamond Project wildlife management plan will be developed and implemented in compliance with the federal Migratory Birds Convention Act and the Nunavut Wildlife Act to minimize the effects of wildlife encounters with project activities. We have listened to the words of the elders and public this week. The importance of caribou to both the Inuit of the Kitikmeot Region of Nunavut and their Dene neighbors in the NWT was reinforced. A multi stakeholder-monitoring program on the effects of all land uses on the Bathurst herd caribou range was recommended. Tahera would participate in such a forum if it could be both cost effective, and improves overall knowledge on the effects of coexistence of man with caribou on the Bathurst herd's overall range.

Socioeconomic

Tahera is very pleased that KIA has tabled with the NIRB the IIBA Agreement in Principle that the two parties have recently initialed. Tahera believes that this agreement will help mitigate any negative socio-economic impacts of the project and will enhance the positive socio-economic impacts.

The agreement requires the Tahera Liaison Officer and the KIA Implementation Officer to meet regularly with territorial and federal government officials. Tahera

believes that these meetings, will permit all parties to coordinate and strengthen their efforts at mitigation.

Reclamation

- Tahera intends to follow the "Mine Site Reclamation Policy for Nunavut" issued by Indian and Northern Affairs Canada.
- Progressive reclamation such as waste dump contouring will be undertaken prior to full mine closure.
- The abandonment and reclamation plan will provide for sloping of pit berms, waste piles, pads, roads, and other earthworks so that these structures are safe for people, wildlife, and the environment.
- Overburden recovered during mining will be stockpiled to provide material to create a thin cover over appropriate structures for the purpose of natural revegetation.

Tahera intends to work with the KIA and INAC to confirm the reclamation cost estimate and determine the appropriate level of bonding realistic and relevant to the scale of the Jericho project.

Monitoring - WATER QUALITY

Issues Resolved

1. Suspended sediments from construction activities will be managed on a best management practices basis.

2. Tahera has committed to monitor lake winter oxygen levels prior to mine operation.

Issues Unresolved

1. Regarding INAC's request that the PKCA discharge should be non-chronically toxic at the edge of the dilution zone. CCME guidelines provide an initial indication of no effects levels. However, in some cases, these may be overly protective of the environment. In the case of cadmium, the CCME guidelines are so low that they are below normal detection limits. Therefore it may be appropriate to use site specific criteria for some parameters. Finally, if site-specific chronic toxicity levels are exceeded at the edge of the mixing zone, this should be a trigger for action and not a violation of a provision of the project water licence.

2. Any tests for non-chronic toxicity should be based on local aquatic organisms and particularly fish.

3. Use of the open pit for post closure treatment is in question. The open pit will be filled with drainage from the various site components for approximately 20 years following closure, and will act as a passive treatment system. DFO has suggested that this timeframe could be moved forward which could negate the use of the pit for treatment. Tahera's position is that the company should be free to base its operation

of the pit on closure in water quality data collected during operation with the default being a naturally filling pit and pursuant to acceptable discharge quality, an artificially filled pit. However, should the water quality meet the applicable standards before it has completely filled, consideration could be given at that time to accelerated filling.

REVEGETATION

Issues Resolved

1. KIA and INAC have asked for more complete revegetation plans and for progressive reclamation. Tahera has agreed to develop more complete revegetation plans using the EIS reclamation plan as a basis coupled with a thorough examination of reclamation trials at EKATI™. Reclamation trials at the Jericho site will be required to confirm if vegetation plans work. Focus will be on revegetating fine PK once areas become available for trials. Tahera has consistently agreed to progressive reclamation. All parties acknowledge revegetation will be problematic in all areas other than the PKCA and that boulder fields are a common landscape feature. Tahera will commit to discuss reclamation with regulators and reclamation will be discussed with the joint monitoring committee set up under the IIBA.

LICHEN MONITORING

Resolved Issues

1. Tahera has committed to monitor lichen and will consider using the EKATI™ program as a guide for the type and intensity of sampling required.

HAZARDOUS MATERIALS MANAGEMENT

All issues have been resolved. Tahera developed conceptual plans for the EIS and has committed to develop detailed plans prior to construction and operation in consultation with mine contractors. Specifically, ammonium nitrate storage will be addressed and performance of the landfarm will be monitored. Construction of the landfarm will be preceded by discussions with EKATI™ to ascertain whether the design that mine is using is appropriate for Jericho.

In Conclusion

The question was asked by James from Gjoa Haven what Tahera's policy was towards drugs and alcohol. Tahera will have a zero tolerance policy towards drugs and alcohol.

It is our belief that no significant impacts exist that would prevent this project from most to the next stage of the environmental review process. We believe that section 12.5.5 of the NLCA has been satisfied.

Tahera Corporation expresses its sincere gratitude to the Board and staff of the Nunavut Impact Review Board for the cooperation, commitment, and professionalism in facilitating these meetings. We would also like to thank the other parties in attendence this week – your contributions have been of great value. Finally, Tahera Corporation would like to thank the citizens of the communities of Cambridge Bay, Kugluktuk, and Gjoa Haven for their hospitality.

We look forward to all working with all stakeholders as we all collectively work toward developing Nunavut First Diamond Mine.