



NIRB File No.: 00MN059

November 12, 2014

Shear Diamonds (Nunavut) Corp.  
Manuel Rappaport  
Director

Sent via email: [manuel@tachediamonds.com](mailto:manuel@tachediamonds.com)

**Re: The Nunavut Impact Review Board's 2013-2014 Annual Monitoring Report for the Jericho Project and Board's Recommendations**

---

Dear Manuel Rappaport:

The Nunavut Impact Review Board (NIRB or Board) is hereby releasing its *2013-2014 Annual Monitoring Report for the Jericho Project* (Monitoring Report). The enclosed Monitoring Report is based on the NIRB's monitoring activities as set out within the Jericho Project Certificate [002] as issued for Shear Diamonds (Nunavut) Corporation's Jericho Diamond Project and within Sections 12.7.1 and 12.7.2 of the Nunavut Land Claims Agreement. This report provides findings that resulted from monitoring of this Project that took place from October 2013 to September 2014.

By way of a motion carried during its regular meeting held in October 2014, the Board has issued the following recommendations to assist Shear Diamonds (Nunavut) Corporation in achieving compliance with the Jericho Project Certificate and to ensure the NIRB has all information necessary to adequately discharge its mandate with respect to provisions within section 12.7 of the NLCA as such pertain to the Jericho Project.

**Outstanding Reports – Project Certificate, Appendix D**

Appendix D of the Jericho Project Certificate requires that the Proponent submit an annual report to NIRB by April 30<sup>th</sup> of each year the project is in operation until the post-closure phase. Since Shear's purchase of the site in 2010, the NIRB has not received any annual reports, and despite the Board's previous recommendations issued in 2012 and 2013, no additional information has been received to date.

**Recommendation 1:** The Board requests that Shear provide the following outstanding submissions; annual reports for 2010, 2011, 2012, and 2013; quarterly reports for 2010 through 2014; and wildlife monitoring data from 2010-2014. It is requested that this information be provided within 30 days' receipt of this correspondence.

#### 2014 Site Visit – Project Certificate, Appendix D

Condition 34 of the Jericho Diamond Project Certificate requires that all fuel storage areas are bermed and meet regulatory requirements, and Condition 35 requires that waste be controlled in such a way that reduces or eliminates the attraction to carnivores, while fencing and other suitable deterrents be employed in all landfills and waste storage areas. During the 2014 site visit, the Monitoring Officer noted that the Jericho site remains in non-compliance with these conditions.

**Recommendation 2:** The Board requests that Shear provide a proposed plan of action to remedy the non-compliance to Condition 34 which requires secondary containment, as well as Condition 35 which requires that fencing be implemented around all landfill and waste storage areas. It is requested that this information be provided within 30 days' receipt of this correspondence.

#### Site Risk Management during Temporary Shutdown

During the 2012-2013 reporting period, Aboriginal Affairs and Northern Development Canada noted several risks at site that require management as detailed within correspondence to the NWB dated June 1, 2013, including:

- The management of site water during freshet,
- Tailings management, and
- Fuel and hazardous waste management and site closure.

During 2013 and 2014, AANDC made note of its continued efforts at Jericho to manage the previously identified site risks. The NIRB's 2013 recommendations included a request that Shear, or other designated site manager, provide an update on water monitoring and sampling practices as well as releases of water at site (NIRB Board Memo 2013, Recommendation 3); the requested information has not yet been received by the NIRB.

**Recommendation 3:** The Board requests that Shear, or, given the current site management regime, Aboriginal Affairs and Northern Development Canada provide an update to the NIRB on water monitoring and sampling practices as well as releases of treated site contact water, and an update of activities undertaken to manage the risks as identified at the Jericho site. It is required that this information be provided within 60 days' receipt of this correspondence.

#### Updated Monitoring Requirements during Care and Maintenance

The reporting requirements outlined in the Jericho Project Certificate are intended to address monitoring of the potential impacts of an active mine. The site has been in care and maintenance for a number of years, and Shear has not provided the required monitoring reports.

**Recommendation 4:** The Board requests that Shear describe its plans to regain compliance with reporting requirements set out within the Jericho Project Certificate, as well as a proposed plan for reporting going forward, including rationale for the proposed plan, should the site remain in care and maintenance or temporary closure. It is required that this information be provided within 60 of days' receipt of this correspondence.

The Board respectfully requests, for items requiring follow-up action by Shear Diamonds (Nunavut) Corporation, that a response be provided within the timeline as requested for each of the recommendations.

Should you have any questions or require further clarification regarding the recommendations outlined above or as related to the NIRB's monitoring program for the Jericho Project, please contact me directly at (867) 983-4611 or [tarko@nirb.ca](mailto:tarko@nirb.ca).

Sincerely,



Tara Arko  
Jericho Project Monitoring Officer  
Nunavut Impact Review Board

cc: Stephen Traynor, Aboriginal Affairs and Northern Development Canada  
Jericho Distribution List

Enclosure: The Nunavut Impact Review Board's *2013-2014 Annual Monitoring Report for the Jericho Diamond Mine Project*