

1 different components, including the causeway
2 reclamation. Once we receive that, we will confirm
3 that either through a third party or in-house. I
4 suspect it is a fairly minor aspect.

5 DIONNE FILIATRAULT: Thank you, Mr.
6 Chairman.

7 CHAIRMAN: Are there further
8 questions from the floor?

9 LICENSEE CONTINUES QUESTIONING DFO:

10 RICK PATTENDEN: Mr. Chair, Rick
11 Pattenden. For clarification in regards to the
12 request for information regarding reference sites
13 for sediment deposition, I would refer the Board to
14 Appendix N, Figure 4.1, which identifies the
15 location of two reference sites for sediment
16 deposition. That's the aquatic effects monitoring
17 protocol document.

18 CHAIRMAN: Okay. Thank you,
19 Derrik. I'm sorry.

20 GREG MISSAL: Greg Missal with
21 Tahera Diamond Corporation. I think I would just
22 like to agree with Dionne that perhaps security '
23 associated with the causeway might make best sense
24 to be held by the Water Board, that's probably a
25 good fit for that item.

26 And that is -- that item is part of our

1 abandonment and reclamation estimate that was
2 presented by Nuna Logistics.

3 DERRIK MOGGY: I guess the only
4 concern that I would have, then, is that our
5 performance bonding was to ensure that habitat
6 compensation was created there. That was part of
7 the agreement that we had reached in the no net
8 loss plan, so provided that was accomplished, then
9 that would be fine with DFO.

10 DIONNE FILIATRAULT: Sorry, Mr. Chairman,
11 we are just kind of staring back and forth. We
12 have no issues.

13 CHAIRMAN: Okay. Thank you,
14 Derrik.

15 Next presentation will be by Hamlet of
16 Kugluktuk, Peter Taptuna, the mayor.

17 BILL TILLEMAN: Thank you,
18 Mr. Chairman. So I will swear in the Mayor, and
19 his written presentation will be filed and marked
20 as an exhibit.

21 **EXHIBIT NO. 12:**

22 **WRITTEN PRESENTATION OF THE HAMLET OF**
23 **KUGLUKTUK**

24 BILL TILLEMAN: Thank you, Mr. Mayor.
25 Please state your name, and spell your last name
26 for the record.

1 MAYOR TAPTUNA: Peter Taptuna,
2 T-A-P-T-U-N-A.

3 (MAYOR PETER TAPTUNA SWORN)

4 BILL TILLEMAN: Thank you.

5 PRESENTATION BY THE HAMLET OF KUGLUKTUK:

6 MAYOR TAPTUNA: Thank you, Mr.
7 Chairman. First of all, I would like to apologize
8 to the Board for not being available for your
9 opening last night, as we had other commitments
10 with the hamlet council.

11 And I would like to thank the Water Board for
12 giving the Hamlet of Kugluktuk an opportunity to
13 present its views on this application.

14 The Hamlet of Kugluktuk wishes to make
15 several comments regarding the water license
16 application made by Tahera Diamond Corporation in
17 relation to their plans to mine diamonds at the
18 Jericho site.

19 The community of Kugluktuk relies on water
20 from the Coppermine River watershed for
21 municipality purposes. The Jericho site is not
22 within this watershed. Therefore, the Hamlet of
23 Kugluktuk does not have any specific water concerns
24 related to this project.

25 In reviewing the information provided to the
26 Hamlet by Steve Lines with the Nunavut Water Board,

1 it is noted that the company will be expected to
2 make compensation in relation to the destruction or
3 alteration of water bodies that fish inhabit
4 surrounding their project. Although it is unclear
5 to us how the water license review process
6 interacts with the issuance of a fisheries
7 authorization for the project, we feel that they
8 must be closely interlinked, and we wish to take
9 this opportunity for public comment to highlight
10 our, Kugluktuk's, views.

11 The Hamlet of Kugluktuk is familiar with the
12 Department of Fisheries and Oceans , their no net
13 loss policy, as it has been applied to the Ekati
14 mine site, Diavik mine, and the Kugluktuk
15 breakwater. In particular, we are aware that the
16 Diavik Diamond Mines Incorporated is currently
17 being required by DFO to alter pristine lakes
18 called M1, M2 and M3 near the project as
19 compensation for lost fish habitat on the east
20 island.

21 There is ample evidence and public support
22 for the no net loss policy to be applied in an
23 innovative manner in the Kitikmeot that respects
24 the relative value of fish stocks to the people,
25 fish habitat problems that truly exist in the
26 Kitikmeot, and considering the pristine and common

1 nature of small barrenground lakes.

2 We feel it is less important to enhance fish
3 stocks near a mining project that are not essential
4 for harvesting purposes than it is to support
5 habitat work for under harvesting pressures. It is
6 much more important to deal with the fish habitat
7 problems that may exist at orphaned mineral
8 exploration sites such as Hope Lake and other areas
9 in and around Contwoyto Lake area, or try to deal
10 with real problems such as low water flow in
11 streams essential for Arctic char spawning. When
12 there are literally hundreds of thousands of small
13 lakes on the central barrenlands that condition to
14 exist in purely pristine condition, it is very
15 difficult to substantiate how altering a handful
16 really benefit fish population as a whole.

17 We are urging the Nunavut Water Board and DFO
18 to approve fish habitat compensation measures
19 considering these values. In particular, measures
20 that have been put forth by the proponent in order
21 to compensate for loss or degradation of fish
22 habitat at Carat Lake, Long Lake, or any other
23 streams or water bodies surrounding the project.
24 We would hope that these considerations can be used
25 in order to design worthwhile enhancement projects.
26 I will just name off a few projects that could

1 include. As mentioned before, there is orphaned
2 sites, exploration sites, determining if barrel of
3 substances that have been dumped into Hope Lake and
4 extracting item before they contaminate the lake.

5 Reviewing the draft West Kitikmeot land use
6 clean-up site list to determine which other
7 orphaned sites may pose a risk to fish, assess
8 these problems and actually clean up these sites.

9 Consider any number of other stream clearing
10 projects on coastal streams and rivers, similar to
11 the project currently being conducted by Kugluktuk
12 Angonaitit Association at Hingittok Lake. This
13 project is being done through the HTO, Kugluktuk
14 HTO and Golder Associates out of Edmonton. As we
15 are trying to save a lake, a spawning lake for
16 char, and we are currently doing this project with
17 Golder Associates out of Edmonton.

18 And this project has been done in one of the
19 Kitikmeot communities a few years back, in
20 Kugaaruk, which was successful, and actually
21 benefits the people of the community.

22 It appears that Department of Fisheries and
23 Oceans does not have the resources in order to
24 address the ongoing widespread spawning problems
25 encountered by Arctic char along the Kitikmeot
26 coast. This department has also not made it clear

1 to Kugluktuk whether or not abandoned or orphaned
2 waste sites that are now the responsibility of the
3 federal government pose a threat to fish
4 populations over waters that are important to our
5 communities. When I say our communities, that
6 includes people at the outpost camp at Contwoyto
7 Lake and Bathurst Inlet. However, DFO does not
8 appear to be willing to use money raised by
9 shareholders of mining companies to alter
10 undisturbed water bodies that to no one's knowledge
11 have ever been fished.

12 Fish habitat compensation related to the
13 Tahera project poses an excellent opportunity to
14 address all of these issues or any one of these
15 issues.

16 And the attitude of these communities are
17 that the proponent and DFO have negotiated a
18 consensual no net loss plan without any real
19 community input. I guess the issue here is that
20 there are other streams, lakes that can be looked
21 at that are used by the Nunavut Kitikmeot people of
22 these communities, and enhancing one of the several
23 hundred thousand lakes by the proponent's site
24 there, which in the past has not been used by any
25 community members or harvested in any ways.

26 I would like to thank you for consideration

1 of our submission. Thank you, Mr. Chairman.

2 CHAIRMAN: Thank you. Are there
3 any questions from the applicant to the intervenor,
4 Hamlet?

5 GREG MISSAL: Mr. Chairman, Greg
6 Missal with Tahera Diamond Corporation. No
7 questions for Peter tonight, but I would like to
8 thank him for taking the time and coming to talk to
9 us, that's appreciated. Thanks. Thank you.

10 CHAIRMAN: Any questions from
11 DIAND?

12 GLEN STEPHENS: No, Mr. Chairman.

13 CHAIRMAN: Environment Canada?
14 Thank you. DFO?

15 DFO QUESTIONS THE HAMLET OF KUGLUKTUK:

16 Q DERRIK MOGGY: Peter, thanks for the
17 comments. I would like to have some clarification
18 on a couple of comments that you made in your
19 letter and in your intervention. You indicate
20 there is an ongoing and widespread spawning problem
21 encountered by Arctic char in the Kitikmeot coast,
22 and I was wondering if you can clarify that a bit
23 more?

24 A MAYOR TAPTUNA: Peter Taptuna, Hamlet
25 of Kugluktuk. We have identified at least four
26 locations on Arctic coasts here. At this time, we

1 are in the process of evaluating one of them, which
2 had already been done last August. This is three
3 phases to our project that we are doing with Golder
4 and Associates out of Edmonton, and that's to
5 evaluate and assess what's got to be done to the
6 stream to save a spawning area. And there is also
7 a couple other streams that's been identified in
8 the Gulf coast here, Coronation Gulf Coast.

9 Q DERRIK MOGGY: Okay. Thanks. I
10 think it kind of refers back to I think your bullet
11 number 4 in your statement there that there is a
12 number of other streams there. And, I mean, it
13 would be good to have some of that background
14 information, I guess, in the future to be able to
15 look at those types of projects, because I think
16 they are a really good opportunity to look at
17 habitat enhancement.

18 No further comments, Mr. Chair.

19 CHAIRMAN: Thank you. Any
20 questions from independent consultants?

21 RAMLI HALIM: No questions.

22 CHAIRMAN: Any questions from
23 NTI? Thank you. KIA? Any questions from the
24 staff?

25 BILL TILLEMAN: No.

26 CHAIRMAN: Thank you. Thank you

1 very much.

2 MAYOR TAPTUNA: Thank you,
3 Mr. Chairman.

4 CHAIRMAN: Koana. Next
5 presentation will be done by the independent
6 consultants. We should take five minutes.

7 (BRIEF ADJOURNMENT)

8 CHAIRMAN: Welcome back. First
9 of all, I would like to ask people of Contwoyto
10 Lake, Bathurst Inlet, Bay Chimo, and Cambridge Bay,
11 if you have anything to say, please voice your
12 concerns. If you have any questions, please feel
13 free to say anything. The floor is open to you.

14 Welcome back. The next presentation is from
15 NTI and KIA.

16 BILL TILLEMAN: Thank you,
17 Mr. Chairman. We will get them sworn in, and away
18 they go.

19 Please state your name for the record, and
20 spell your last name.

21 JACK KANIAK: Jack Kaniak,
22 K-A-N-I-A-K.

23 (JACK KANIAK SWORN)

24 BILL TILLEMAN: Please state your
25 name, and spell your last name for the record.

26 RAYMOND KAYASARK: Raymond Kayasark,

1 K-A-Y-A-S-A-R-K.

2 (RAYMOND KAYASARK SWORN)

3 BILL TILLEMAN: Thank you, sir.

4 Please state your name for the record, and spell
5 your last name.

6 JEANNIE EHALOAK: Jeannie Ehaloak,
7 E-H-A-L-O-A-K.

8 (JEANNIE EHALOAK SWORN)

9 BILL TILLEMAN: Thank you. Please
10 state your name for the record, and spell your last
11 name.

12 MICHAEL MCGURK: Michael McGurk,
13 M-c-G-U-R-K.

14 (MICHAEL MCGURK AFFIRMED)

15 BILL TILLEMAN: Please state your name
16 for the record, and spell your last name.

17 GEOFF CLARK: Geoffrey Clark,
18 C-L-A-R-K.

19 (GEOFFREY CLARK SWORN)

20 BILL TILLEMAN: Thank you, Mr.
21 Chairman.

22 PRESENTATION BY KIA AND NTI:

23 GEOFF CLARK: Thank you,
24 Mr. Chairman and the Board. First of all, I would
25 like to thank the Board and staff for holding this
26 important license application hearing.

1 I would like to thank the effort of the
2 applicant in filing the extensive amount of
3 information that they have had to for this
4 application. And I would like to also thank the
5 other intervenors, and the public and the
6 interested people who are here for the
7 presentation.

8 My name is Geoff Clark, and this presentation
9 is a joint presentation by the Kitikmeot Inuit
10 Association and Nunavut Tunngavik Incorporated
11 regarding Tahera Diamond Corporation's water
12 license application for the Jericho diamond
13 project. And I would like to introduce the members
14 of our panel today. At my far left is Jack Kaniak,
15 who is KIA's land manager. Next to him is John
16 Donihee, KIA's legal counsel. Next to him is
17 Raymond Kayasark, who is KIA's vice-president. And
18 next to Raymond is Jeannie Ehaloak, who is the
19 environmental coordinator of Nunavut Tunngavik
20 Incorporated in the Department of Fisheries and
21 Oceans lands, environment and resources. And next
22 to Jeannie is Dr. Mike McGurk, who works for Rescan
23 Environmental Services. And I work in the KIA
24 lands department here in Kugluktuk with Jack.

25 The format of today's presentation will be a
26 presentation first by Nunavut Tunngavik

1 Incorporated, and then the Kitikmeot Inuit
2 Association will make a presentation, which is a
3 broad overview of KIA's role and position with
4 respect to the Jericho project, and then a
5 description of KIA's specific concerns.

6 Without further ado, I would like to turn it
7 over to Jeannie now to start her presentation on
8 behalf of Nunavut Tunngavik.

9 JEANNIE EHALOAK: Thank you, Geoff.
10 Thank you, Mr. Chair. Good evening. My name is
11 Jeannie Ehaloak. I'm the environmental coordinator
12 with the Department of Fisheries and Oceans Lands
13 and Resources of Nunavut Tunngavik Incorporated in
14 Cambridge Bay.

15 To begin with, NTI would like to thank the
16 Nunavut Water Board for the opportunity to
17 participate in the final hearings addressing the
18 Tahera Diamond Corporation water license
19 application and to allow the views of Nunavut
20 Tunngavik to be presented.

21 NTI, along with Kitikmeot Inuit Association,
22 engaged Rescan Environmental to review the Tahera
23 Diamond Corporation water license application and
24 guidelines as set out by the Nunavut Water Board.
25 The review carried out by Rescan Environmental is
26 focussed on evaluating the information submitted by

1 Tahera Diamond Corporation to determine the
2 completeness and effectiveness of the proposed
3 measures to ensure responsible environmental
4 stewardship.

5 NTI recommends that the following issues be
6 addressed through the terms and conditions of a
7 project certificate. Critical issues, the issues
8 and concerns identified by NTI and the KIA review
9 fall into the following categories: those that need
10 to be addressed prior to the acceptance of the
11 water licence application; namely, the term of the
12 water license and the monitoring stations; those
13 that need to be addressed and monitored during the
14 duration of the mine life for effective
15 environmental stewardship.

16 The monitoring program. Issues identified in
17 the category of monitoring cover broadly all stages
18 of mine operation and mine life, and include
19 aspects of the ecosystemic and socioeconomic
20 impacts of the project.

21 Additional requirements. The proponent, in
22 its final submission and supplementary documents,
23 has requested from the various regulators
24 clarification of the monitoring variables and
25 directives required. NTI recommends that all the
26 regulators implicated in this project define their

1 requirements for effective monitoring and that the
2 Nunavut Water Board include these as part of the
3 recommended terms and conditions for acceptance of
4 the water license application.

5 In addition, the proponent has committed
6 various undertakings with regards to the project
7 design, impacts monitoring and mitigation issues
8 raised previously by the organizations and others.
9 NTI would encourage the proponent to demonstrate
10 its good corporate citizenship and environmental
11 stewardship by living up to these commitments.

12 In closing, NTI is in support of the proposed
13 water license application. NTI is encouraged by
14 the progress made in the development of the
15 application, and requests that the Nunavut Water
16 Board incorporate our issues, as well as monitoring
17 variables and directives defined by other
18 regulators into the terms and conditions for
19 acceptance of the application.

20 In addition, NTI encourages the proponent to
21 operate and undertake its stewardship role within
22 the letter and the spirit of the Nunavut Land
23 Claims Agreement. Again, thank you for providing
24 NTI an opportunity to participate in the review of
25 the Tahera Diamond Corporation water license
26 application. We look forward to hearing of Nunavut

1 Water Board's decisions on this matter and
2 proceedings. Koana. Thank you, Mr. Chair.

3 RAYMOND KAYASARK: Mr. Chairman, members
4 of the Nunavut Water Board, I am pleased -- it is
5 my pleasure to lead this presentation to the Water
6 Board outlining Kitikmeot Inuit Association's
7 position on Tahera's water license application for
8 the Jericho project.

9 My name is Raymond Kayasark, the
10 vice-president of the Kitikmeot Inuit Association.
11 I will start off with the presentation of the KIA
12 panel.

13 Today I have Geoffrey Clark, environmental
14 screener to help me. We also have Mike McGurk of
15 Rescan Environmental Consultants, and the KIA
16 counsel, John Donihee.

17 The KIA's review of Tahera's water license
18 application. Based on the review, the KIA is
19 pleased to outline its position on the water
20 license application for the Nunavut Water Board.

21 I will present the broad overview of KIA's
22 role and its position on the Jericho water license.
23 Mr. Clark will then present a more detailed
24 submission outlining those matters which KIA
25 believes the Nunavut Water Board should consider in
26 making its decision in the Tahera application.

1 The KIA is a regional Inuit association for
2 the Kitikmeot region of Nunavut. KIA represents
3 Inuit beneficiaries of the Nunavut Land Claim
4 Agreement in the Kitikmeot region.

5 The Jericho diamond project represents an
6 important economic opportunity for the Kitikmeot
7 region and for Nunavut. KIA supports and promotes
8 mining in the Kitikmeot region in the interest of
9 all Inuits.

10 The KIA supports mining development and
11 respects the environment, because we have the
12 responsibility for the Kitikmeot Inuit to balance
13 economic development and environmental protection
14 and to protect the land, life and Inuit lifestyle.

15 As the regional Inuit association, KIA is the
16 owner of the surface Inuit-owned land. The
17 Kitikmeot region, including Parcel C0-05. About 40
18 percent of the mine facility will be built, which
19 will dump coarse tailing, roads and building of the
20 facility on Inuit-owned land.

21 KIA is also the designated Inuit organization
22 over the course of Article 20 of the Nunavut Land
23 Claim Agreement, and the responsibility to
24 abandonment and restoration of the development of
25 Inuit-owned land.

26 KIA's role in surface land management. We

1 issued license and for Inuit-owned land. We still
2 need to complete the land claim for Tahera on the
3 Inuit-owned land parcel C0/05. This will be
4 required before construction of the project can
5 begin on Inuit-owned land. The lease, when
6 completed, will address the requirement for
7 Inuit-owned land on eventual restoration of the
8 site.

9 On September 8, 2004 Tahera and KIA signed an
10 Inuit Impact and Benefit Agreement. This IIBA was
11 reviewed and approved by the minister of Indian and
12 Northern Affairs Canada, and it is now in legal
13 force. The IIBA addressed social, economic and
14 other impacts of the Jericho project and committed
15 Tahera to action which will require the impact of
16 opportunity for the Kitikmeot Inuit to benefit from
17 this development.

18 KIA has also the responsibility for the
19 protection and management of the water in, on, or
20 flowing through on the Inuit-owned land, Article 20
21 of the Nunavut Land Claim Agreement.

22 The Nunavut Board and policy has been
23 developed by NTI, KIA and others to address Article
24 20 rights and responsibilities and to manage water
25 on Inuit-owned land.

26 As part of IIBA negotiation, KIA and Tahera

1 addressed the impact of the project on Inuit water
2 rights on Article 20 of the Inuit land claim
3 agreement and the rights set out on checks 7, 11
4 and 60 of the Nunavut Water Act, resulting in the
5 water compensation agreement between KIA and
6 Tahera. On this matter, I want John to speak on
7 this one.

8 JOHN DONIHEE: John Donihee for the
9 Kitikmeot Inuit Association. Mr. Chairman, as a
10 result of the exchange this afternoon between first
11 KIA and Tahera, and then subsequently as a result
12 of Mr. Cavanagh's questions, I became aware of a
13 discrepancy in our evidence.

14 The evidence actually says that KIA and
15 Tahera have -- as Raymond has just said, that KIA
16 and Tahera have negotiated the water compensation
17 agreement. That, in fact, is the case. The
18 difficulty that arises is that the application for
19 the water license is from Benachee Resources
20 Limited. In Section 63 of the Act specifies that
21 the Inuit beneficiaries, landowners have to give
22 evidence that there is a water compensation
23 agreement between them and the applicant before the
24 water license can be issued.

25 It is a technical issue, and I would advise
26 the Board that KIA and Tahera have already amended

1 the -- made one minor amendment to the IIBA since
2 September. But I do want to point out that at this
3 point in time, there is no compensation agreement
4 between Benachee Resources and KIA.

5 I have spoken with Mr. Missal about that, and
6 we will take steps to make an amendment to the
7 IIBA, as quickly as we can. And I guess what I
8 would offer at the moment is, as soon as we manage
9 that, that we will inform the Board accordingly in
10 order to remove this difficulty with respect to
11 Section 63 of the Water's Act.

12 So we will take steps to address the issue.
13 But our evidence at this moment currently says that
14 we have a compensation agreement with Tahera. When
15 we wrote that and sent it to the Board, we thought
16 that solved the problem in Section 63, but it
17 doesn't at the moment. So we will sort it out, and
18 we will advise the Board accordingly, as soon as we
19 can.

20 Thank you, sir.

21 RAYMOND KAYASARK: The development of the
22 Jericho project will directly affect the land and
23 the water of Inuit-owned land parcel C0/05.
24 Outflow from the mine discharge point will flow
25 into Lake C3, Carat Lake, Jericho Lake, Jericho
26 River and on to Burnside River, and onward to

1 Bathurst Inlet.

2 Inuit-owned land parcel 05-19-76L compresses
3 the length of the length of Jericho River. If the
4 quality, quantity of the flow of Jericho River
5 water over ther Inuit-owned land waters, then
6 additional water compensation will have to be paid
7 to KIA. There are other parcels of Inuit-owned
8 land downstream on the Burnside River and the
9 drinking water supply of the community of Bathurst
10 Inlet and the Burnside River where they enter
11 Bathurst Inlet. This explains why the term of the
12 water license, issued by the Nunavut Water Board
13 are of considerable importance to the Inuit.

14 KIA has carefully reviewed the written
15 submission by Tahera and other parties in this
16 hearing. The KIA reviewed all the Jericho water
17 license application. KIA has relied on Rescan
18 Environmental Consultants. Rescan worked closely
19 with KIA and prepared recommendations contained in
20 the submission of the presentation.

21 The KIA set out the detailed position on the
22 water license application. It is in a written
23 submission for the Inuit Water Board and KIA to
24 provide a temporary recommendation to the Nunavut
25 Water Board within the framework on the draft water
26 license.