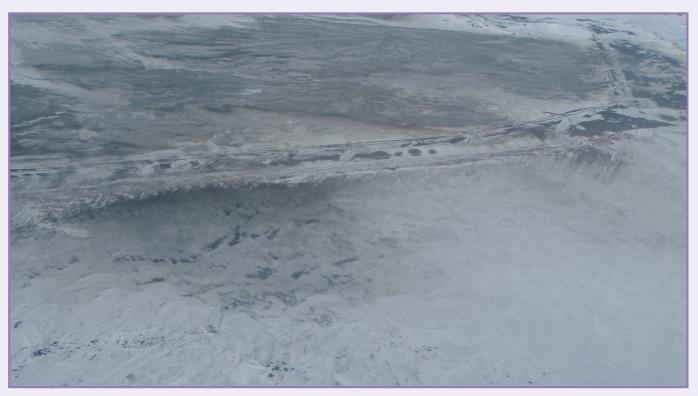


Airborne Deposition of FPK
Jericho Diamond Mine
Technical Meetings
Cambridge Bay, NU
June 20-21,2011





Issue Identified



During the under ice sampling round of the AEMP it was noted that airborne FPK had deposited outside of the PKCA.

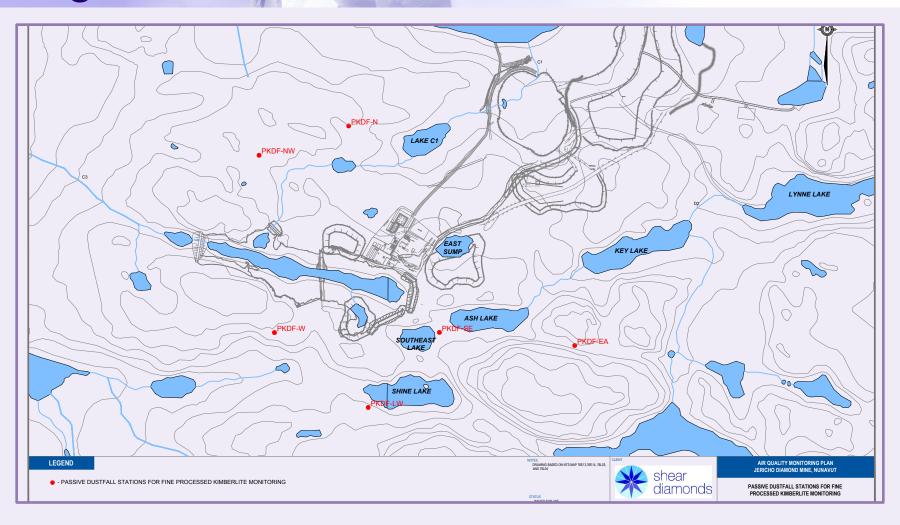


Immediate Action Taken

- Additional sampling stations added to the AEMP
 - Under ice samples to include Lynn and Key lakes
 - Open water samples to include Southeast and Shine lakes
- Six additional dustfall stations in support of the Air Quality Monitoring Program
- EBA Engineering contracted to assist in assessing mitigation options

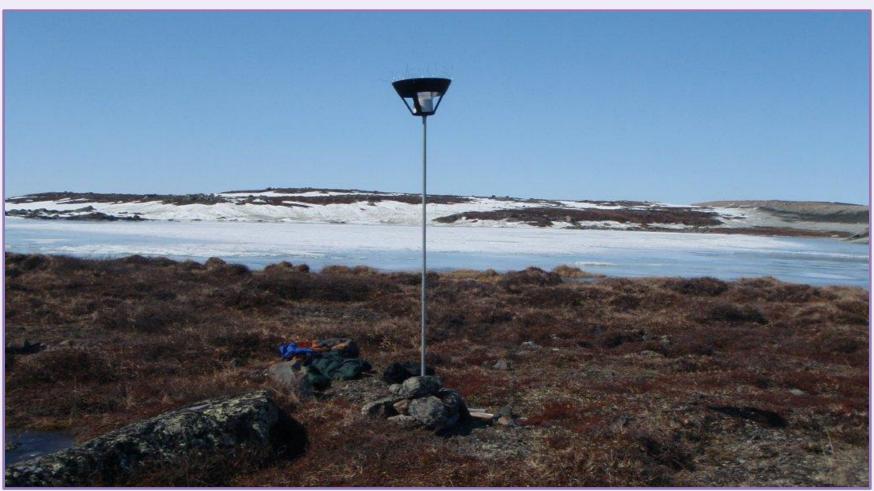


Figure 1 – Dustfall Locations











Follow Up Action Taken

- An area of approximately 4 m2 was excavated to bottom (1.7 m) to expose a clean face to see stratification
- Two snow core samples were collected from top of snow to ground level and sent for analysis for particle size and total particulate
- A sample was collected from the top layer of the consolidated FPK and sent for chemical composition and shake flask analysis
- Approximately 35 m3 of FPK snow was excavated from the banks of southeast dam and placed inside the PKCA



FPK Stratification





FPK In the Snow





FPK - Leeward Side of Southeast Dam





Observations

- Observations were made by EBA on June 2, 2011
- The key observations were:
 - The upper area of the PK facility showed evidence of material transport by wind.
 - The middle and lower areas did not.
 - Sandy material is being transported up and over the dams and is being captured in the leeward windbreak.
 - The observed wind affected area of the PKCA has an approximate area of 40,000m2 (4 hectares) which is approximately 40% of the total PK covered area.



Samples

- Samples were collected from:
 - The upper area
 - Predominantly fine sands
 - The middle area
 - Silty material
 - The leeward side
 - Sandy mixed with snow



Upper Area





Middle Area



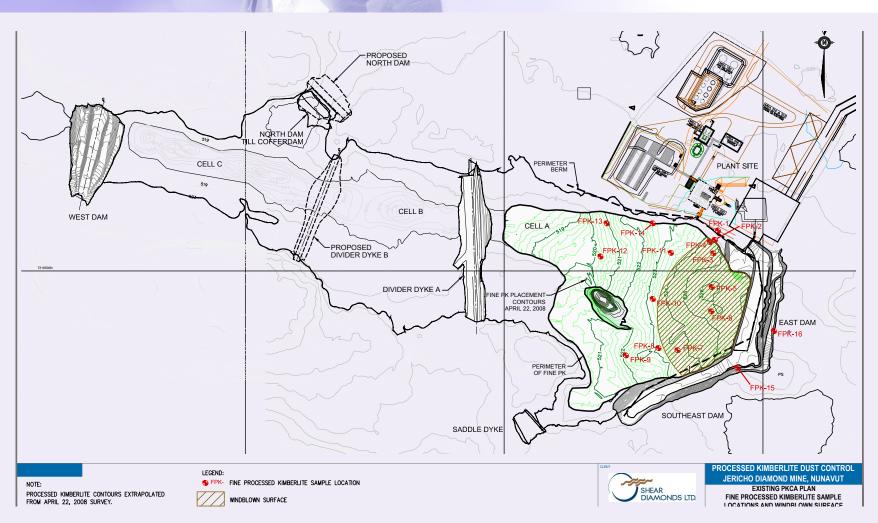


Leeward Side



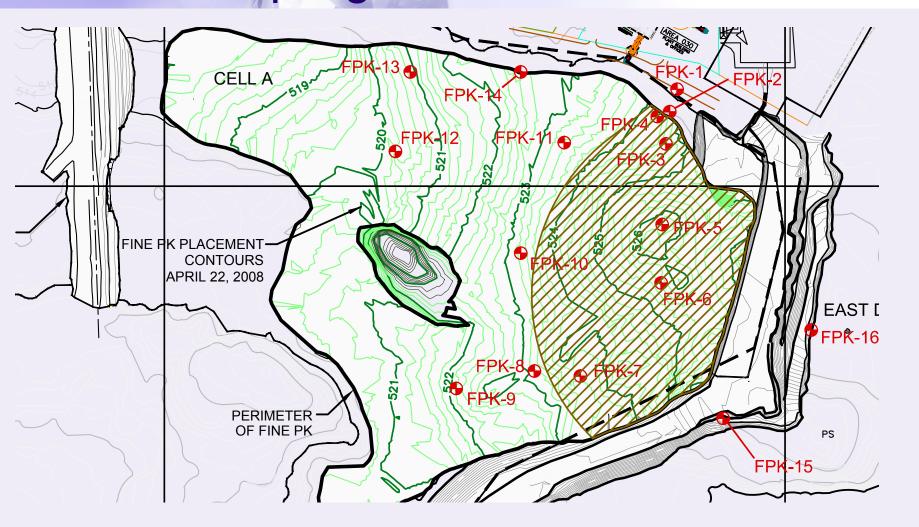


PKCA - FPK





FPK - Sampling Locations





Options for Mitigation

- Surface Wind Speed Controls
 - Most preferred
- Dust Suppressant Products
 - Requires discussion with regulators and further investigations
- Watering
 - Least preferred



Surface Wind Speed Controls

- Decrease the surface wind velocity through increased surface friction or larger topographical controls.
- Have the additional advantage of increasing snow accumulation on the tailings surface.
- Common wind speed control methods:
 - Snow fencing
 - Windrows
 - Other wind break ideas
 - On-site supplies (old haul truck tires), ditches, furrows, hay bales



Dust Suppressant Products

- Skin-forming, dust-suppressant products could be effective for the tailings facility.
- Present during the winter months and can cover a large area.
- Extensive environmental testing with many of the products.
- Application of the mixture would be done on foot using a water hose and nozzle or a truck-mounted water cannon.



Watering

- Impractical large area to cover, would require continual watering during dry periods in summer.
- Could lead to other issues erosion, remobilization of FPK.
- Large capital investment.
- Wind plays a strong role in any watering scenario.



Plan of Action

- Install snow fencing on upper, high wind, area.
- Use on-site materials to create wind breaks.
- Begin discussions with regulators on dust suppressant products for areas which continue to exhibit high erosion.

Document observations for report to be submitted at the

end of the trial period (1 year)

