



NI HADI XA

Annual Report 2019



OBJECTIVES



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Ni Hadi Xa is a contractual agreement between six (6) Indigenous Nations; Deninu K'ue First Nation, Łutsel K'e Dene First Nation, Yellowknives Dene First Nation, North Slave Métis Alliance, Northwest Territory Métis Nation and Tłı̨chǫ Government, and De Beers Canada. The Ni Hadi Xa Agreement is a legally binding contract which provides for environmental monitoring and management of the Gahcho Kué Diamond Mine additional to such matters governed by legislation.

This effort aims to provide ways to avoid or minimize the impacts of Gahcho Kué on the rights of Indigenous Parties; their traditional lands; their relationship to the land, water and resources; their social, cultural, economic and spiritual values; their way of life; and the environment.

Ni Hadi Xa exists to watch over the Gahcho Kue mine. This is different than the existing environmental agreement agencies set up to monitor the other diamond mines in the NWT, because there is a much greater emphasis on traditional knowledge monitoring."

Some of the objectives of Ni Hadi Xa are to:

- ★ respect and protect land, water, wildlife, plants and the land-based economy, essential to the way of life and well-being of the Indigenous Parties and present and future generations;
- ★ ensure ongoing review of Environmental Monitoring and Management Plans, activities, and reports of De Beers and the regulators in relation to the Gahcho Kué Diamond Mine;
- ★ develop and improve the capacity of the Indigenous Parties to participate in adaptive environmental management;
- ★ make recommendations to De Beers with respect to these objectives;
- ★ integrate and promote equal use of traditional knowledge in environmental monitoring and management;
- ★ communicate to the Parties and the public on activities and achievements of the above objectives.



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STRUCTURE

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Ní Hadi Xa was established in December 2014. It is administered by a Governance Committee comprised of seven (7) land and environmental specialists appointed by each signatory party to the Agreement. The committee makes decisions by motion and seeks to have consensus.

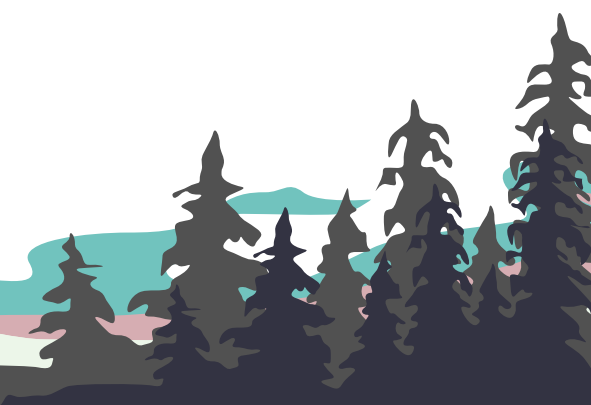
The Governance Committee exercises its will through Ní Hadi Xa staff who run the day-to-day operations. Staff monitor the impacts of Gahcho Kué in three different ways. The first is technical – reviewing the environmental monitoring and management plans; the second is observation – our staff will be on site, working with the De Beers environment staff to observe the actions that are occurring as part of the mining effort; while the third way is traditional knowledge monitoring – where our staff and land users are on the land, observing what's occurring in the area around Gahcho Kué.

★ **Technical Review:** NHX employs the Environmental Manager who carries out technical reviews of permits, licenses and regulatory documents and provides reports and recommendations. Additionally, we have dedicated resources to ensure that outside experts can be bought in to conduct external reviews.

★ **On-site Observation:** NHX has an Environmental Monitor who works on-site at the mine within the mine's environmental team. Their role is to observe what happens at the site, report observations and incidents and provide recommendations to the Ní Hadi Xa Governance Committee.

★ **Traditional Knowledge:** NHX employs two part-time Traditional Knowledge Monitor's and one part-time Traditional Knowledge Coordinator, who are responsible for the implementation of our traditional knowledge monitoring program. Traditional knowledge monitoring is carried out via two avenues: 1) through observations and data collected by the NHX TKM staff who spend at minimum 12 weeks of the year on-the-land near the mine site, and 2) through observations and data collected by Indigenous Party beneficiaries who participate in our On-the-Land Travel Program (OTLTP).

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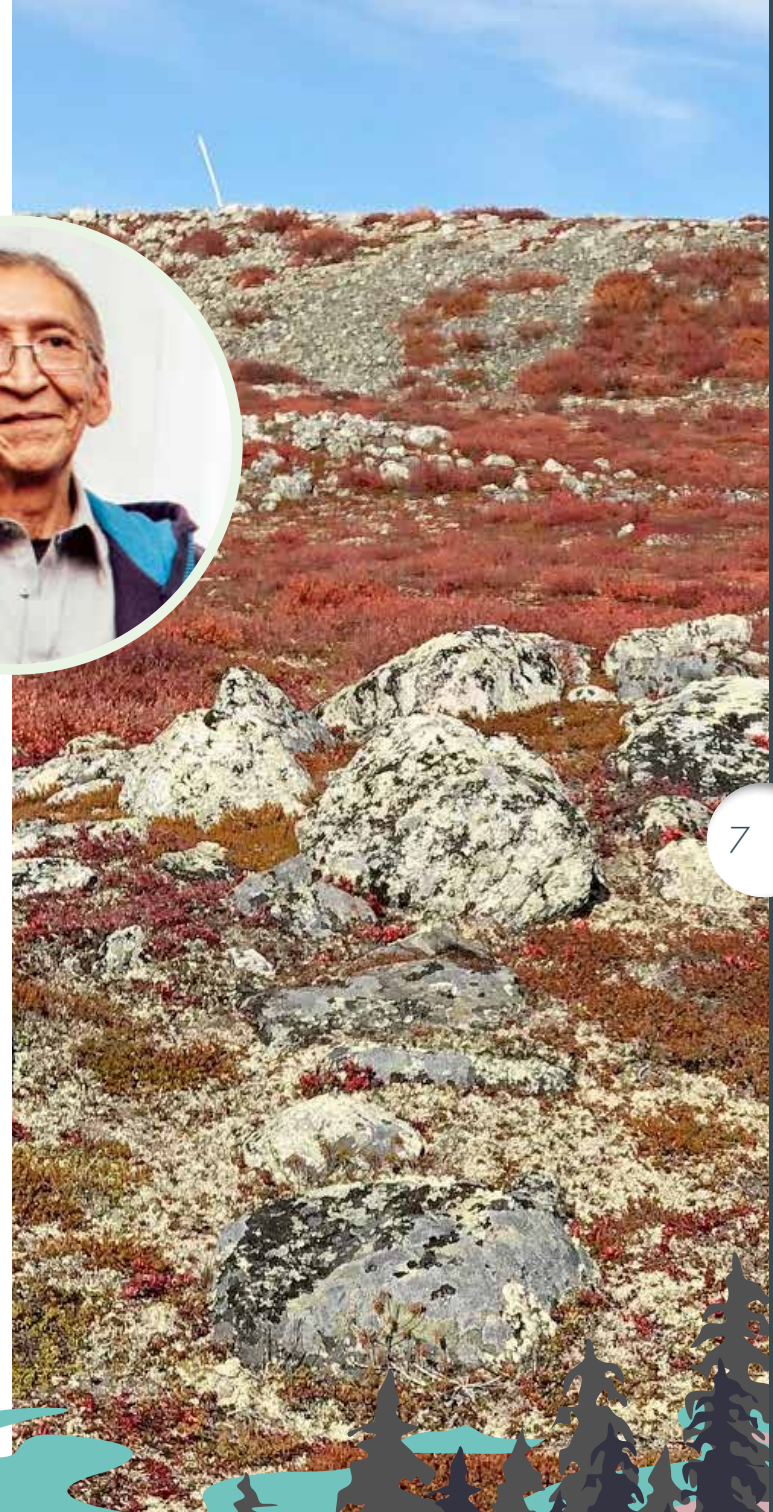




Message from Rosy Bjornson, NHX Environmental Manager

Hello all, I am happy to say we had an excellent year in the context of work that Ni Hadi Xa implements. Monitoring environmental and management plans at the mine site to observing activities around the mine site with the traditional knowledge of the Dene.

On behalf of the Ni Hadi Xa Governance Committee, I would like to extend thanks to all the organizations, businesses and individuals that helped with the implementation of the service and delivery of the Ni Hadi Xa programs e.g., On the Land Family Travel Program, Traditional Knowledge Monitoring Program and On site Environment Monitoring Program.



Message from the Chair (Tom Unka, NWTMN)

I would like to take this time to congratulate Tommy Lafferty, NHX Traditional Knowledge Coordinator on joining the NHX staff and working alongside the TK monitors to keep them well equipped, coordinated, and safe.

Ni Hadi Xa had took a loss in staff this past September 2019 when Alison Baetz, Environment Monitor took on other opportunities at the Gah Cho Kue mine and resigned with Ni Hadi Xa. That sent the staff and hiring committee into full swing and they were able to conduct interviews and make an offer by the end of the year December 2019 to Garrick Lafferty who will begin in January 2020. Welcome Garrick to the team.

The Governance Committee would also like to welcome new member; Sarah Gillis, Yellowknives Dene First Nation.

I also want to Thank the Ni Hadi Xa Governance Committee members on their efforts in assisting and guiding the Ni Hadi Xa Staff in the efforts and implementation of the Ni Hadi Xa Agreement.

GOVERNANCE



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The Ni Had Xa Governance committee met four times in 2019. January, April, August, and November. During the meetings, the committee made decisions on who to hire to conduct the independent five-year review of the Ni Hadi Xa Agreement and unanimously decided that we would hire The Fire Light Group. We reviewed meeting minutes and discussed each agenda item.

The Ni Hadi Xa has two sub committees. The first one is for hiring of staff and the second sub committee is for the financial budget reflections and projections. In 2019, both sub committees were active as they had to hire a new Environment Monitor at the mine site, as well as a traditional knowledge coordinator in Łutselk'e. The second sub committee assists the Ni Hadi Xa manager with the projection budget for 2020.

The Ni Hadi Xi Governance Committee meet on the land in August 2019 as well; it was the first time for some of the committee members to be out in the tundra camping. The committee had regular meetings during the day inside the cabin and in the evening, they would go out harvesting berries or sit around the campfire telling each other stories.



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FINANCES

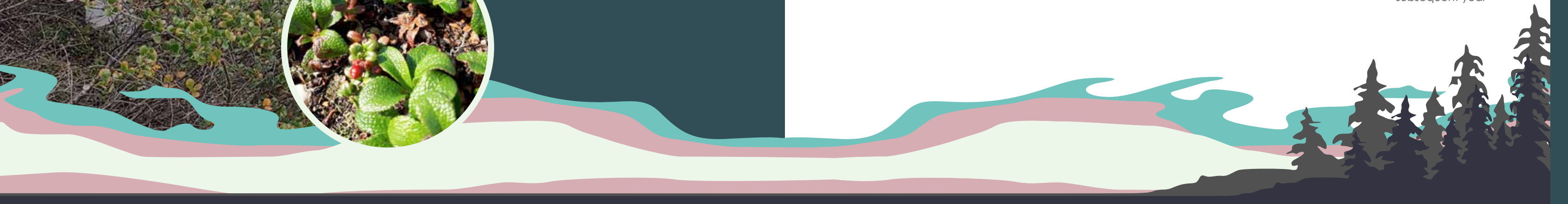
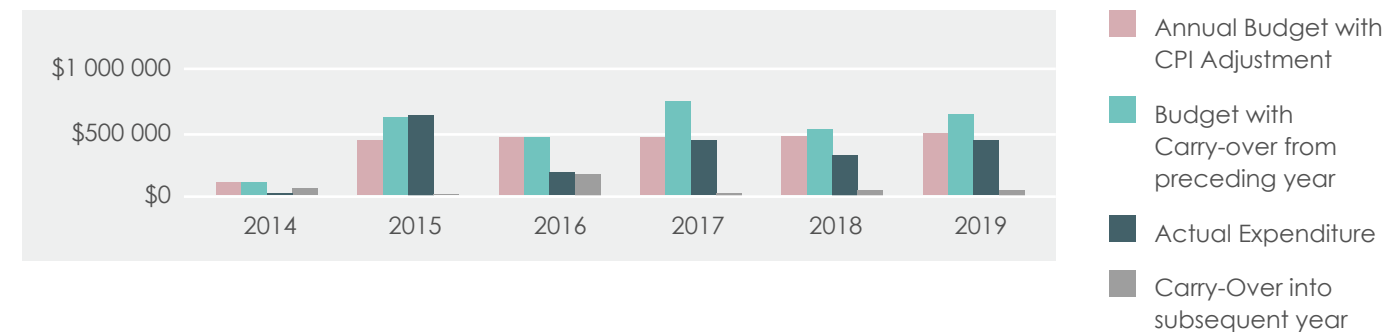


Ni Hadi Xa has a budget that allows for four positions within the organization. One Environment Manager, One Environment Monitor, Two Traditional Knowledge Monitors, and a Traditional Knowledge Program Coordinator. It also allows for a Governance Committee to have face to face meetings to discuss the implementation of the Ni hadi xa programs. Each First Nation and Metis organization is allocated an amount of funds to participate in the meetings that may take place in any of the six indigenous communities. Each year the committee approves a workplan and budget for the Ni Hadi Xa.



Calendar Year	Annual Budget with CPI Adjustment	Budget with Carry-over from preceding year	Actual Expenditure	Carry-Over into subsequent year
2014	\$192,500	\$192,500	\$20,773	\$171,727
2015	\$526,025	\$697,752	\$712,749	-\$14,998
2016	\$550,925	\$535,927	\$294,342	\$256,583
2017	\$557,536	\$814,119	\$521,958	\$35,578
2018	\$564,147	\$599,725	\$421,533	\$137,900
2019	\$575,430	\$713,330	\$513,751	\$146,679

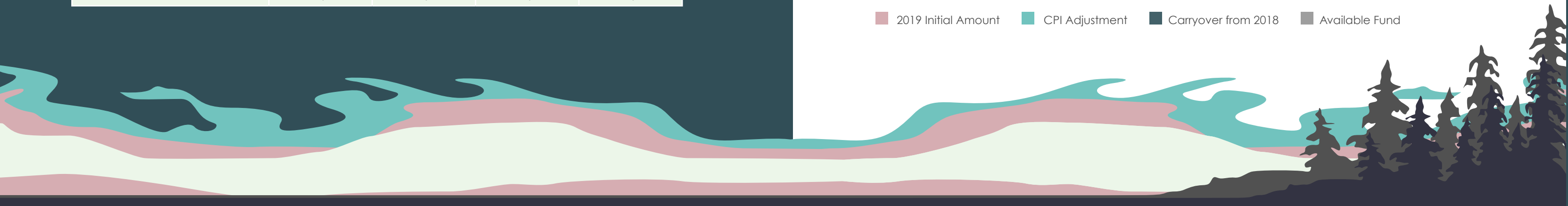
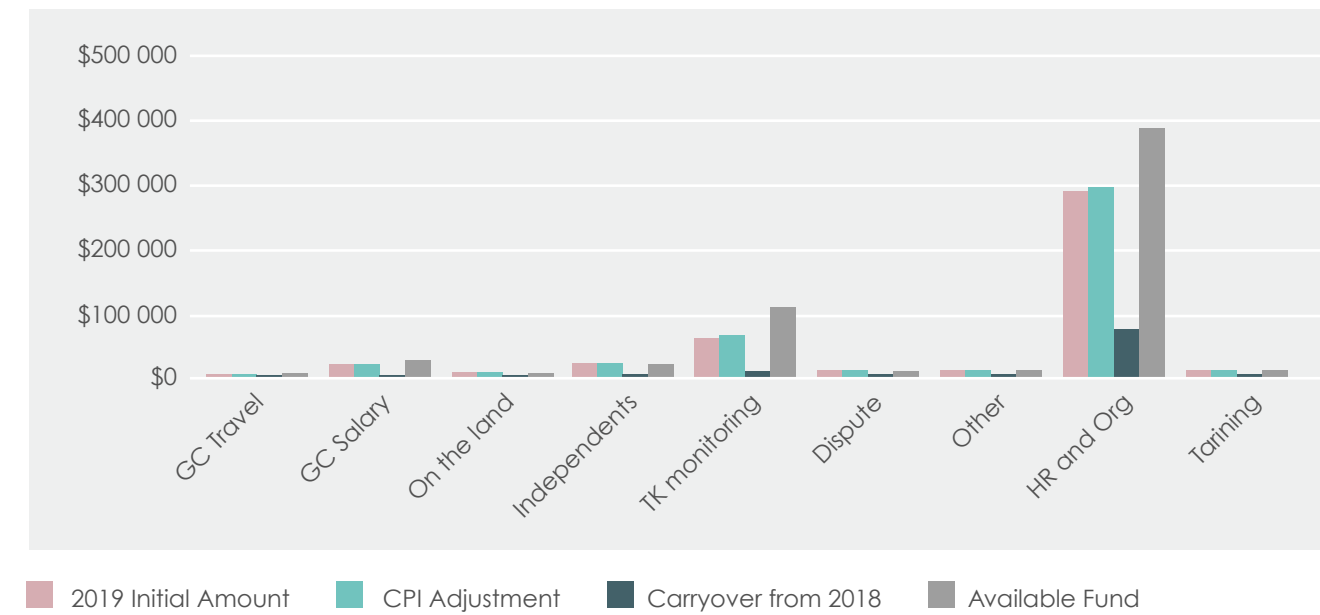
Annual Budget and Expenditure Summary





Budget class summary	2019 Initial Amount	CPI adjustment	Carryover from 2018	Available Fund
GC Travel Support	\$19,661	\$20,054	\$2,884	\$22,938
GC Salary Supplement	\$37,811	\$38,567	\$5,577	\$44,145
On The Land Meeting	\$25,600	\$26,112	\$0	\$19,012
Independent Peer Review	\$40,960	\$41,779	\$0	\$41,779
TK Monitoring Operation	\$82,227	\$83,872	\$28,617	\$135,379
Dispute Resolution	\$20,480	\$20,890	\$0	\$3,000
Other	\$4,096	\$4,178	\$822	\$5,000
HR & Org Support	\$325,632	\$332,145	\$100,000	\$434,245
Training	\$7,680	\$7,834	\$0	\$7,834
APPROVED:	\$564,147	\$575,430	\$137,900	\$713,330

2019 Budget Summary





NI HADI XA AGREEMENT FOUR YEAR REVIEW

In the Ni Hadi Xa agreement it states an independent review must take place within four years of the agreement being implemented. This year Ni Hadi Xa hired an independent reviewer, The Firelight Group, to conduct a four-year review of the Ni Hadi Xa agreement. This review took place over the year, each component of the agreement was reviewed, and recommendations were made based on the review. Gaps were identified as well as ways to link the gaps together. Ni Hadi Xa staff is working on the implementation of the recommendations as directed by the NHX Governance committee.



Environment Monitor at Gah Cho Kue mine site

Allison Baetz, worked as the Environment monitor at the mine site. Her duties included but were not limited to observing the activities of the De Beers Environment team and their daily procedures as the mine is in operations. Allison also had an opportunity to attend a Conservation Leadership and Management program in Rio De Jenario, Brazil. Allison has been committed to the program and has conducted all her activities with the utmost respect. Allison has moved on to better opportunities with De Beers and resigned from Ni hadi xa in September 2019. This kicked off a hiring process which included, advertisement, interviews and job offer. The hiring committee hired Garrick Lafferty, NWTMN member. Garrick is to begin in January 2020. All the reports from the Environment Monitor for 2019 are available at the Ni Hadi Xa office and on our website.



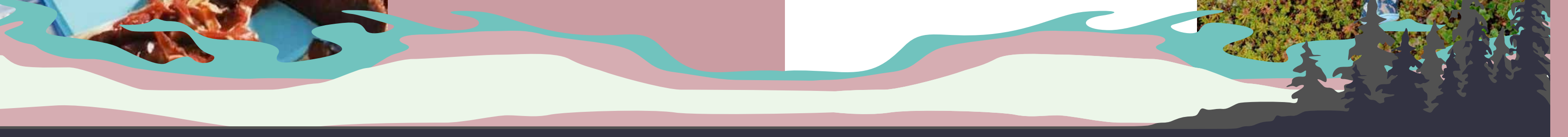


Traditional Knowledge monitoring program (TKMP)

The Traditional Knowledge monitoring program has been active in observing activities around the mine. They have been out to the Ni Hadi Xa Monitoring Cabin, located at the north shore of Fletcher Lake, each season. In the winter months, they assisted a University of Northern British Columbia wildlife researcher, Angus Smith, with the caribou behaviour monitoring program near Gahcho Kue mine and winter spur road. The TK monitors also took observations of the winter road activities and activities around the Gahcho Kue mine and Fletcher Lake cabin. In the summertime, the TK monitors observed the family travel program and assisted in keeping the families safe and comfortable. They also observed the participation of the indigenous communities' members in the annual fish tasting hosted by De Beers and participated in the on the land Governance committee meeting.



Our Environmental Manager, Rosy Bjornson, and three other NHX staff, Denecho Catholique, Herman Catholique, Thomas Lafferty attended the 44th Annual Geoscience Forum in Yellowknife between November 19 and 21, 2019. Denecho and Rosy presented at the forum on the activities of Ni Hadi Xa's environmental and TK monitoring programs. The presentation is available in the NHX office or on the website.





ON THE LAND FAMILY TRAVEL PROGRAM

This year we had several applications and selected three families for the travel program. These include,

- ★ Adam Mercardi and Family from North Slave Metis Alliance,
- ★ Iris Catholique and Family from ǀutsel K'e Dene First Nation, and
- ★ Magnoila Unka and Family from Deninu Kue First Nation.

Each family is provided a charter flight and funding for groceries and essential items needed to enjoy a six-day trip to the cabin in the barren grounds at Fletcher Lake.

Adam Mercardi: I would love to come back.

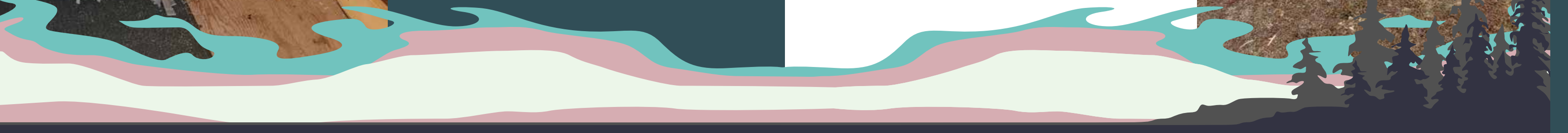
Magnoila Unka: Nothing can replace the experience of stepping onto your homelands and instantly feeling reconnect to your ancestors.

Iris Catholique: Reconnecting with the land and our traditional hunting areas brings so much memories that can only be told and seen in those areas firsthand. Thankful I was able to bring my family to this area and share our traditional knowledge.

Next Steps

Ni Hadi Xa will continue to implement the programs and will promote the important work of the Ni Hadi Xa as well as its unique qualities of the Traditional Knowledge program and On the Land Family travel program.

If you have any questions about Ni Hadi Xa and the programs delivered, please feel free to contact Ms. Rosy Bjornson, NHX Environment Manager at (867)688-9881 or Rosy.Bjornson@nihadixa.ca. Our business hours are Monday to Friday 8:30am to 5:00pm located at the Deninu Kue First Nation Administration Office Complex.





COMMITTEE MEMBERS

Top, left to right:

Tom Unka, Northwest Territories Métis Nation

Stephanie Poole, Lutsel K'e Dene First Nation

Jessica Hurtubise, North Slave Métis Alliance

Robert Sayine, Deninu Kue First Nation

Bottom, left to right:

Joline Huskey, Tłıchǫ Government

Machel Thomas, Yellowknives Dene First Nation

William Liu, De Beers Canada Inc.