

Mandell Pinder
Barristers & Solicitors

500 - 1080 MAINLAND STREET, VANCOUVER BC V6B 2T4
TEL: (604) 681-4146 FAX: (604) 681-0959

FAX COVER SHEET

DATE: November 19, 2004 **CLIENT #:** 216-00.4

To: House of Commons **FAX:** 1-613-953-4941
Indian Affairs and Northern Development
Attn.: The Honourable Andy Scott, Minister

CC: Ka'a'Gee Tu First Nation **FAX:** 1-867-825-2002
Attn.: Allan Landry

CC: Joe Acorn **FAX:** 1-867-873-9190

CC: Mackenzie Valley Environmental Impact Review Board **FAX:** 1-867-766-7074
Attn.: Kimberley Cliffe-Phillips
Environmental Assessment Officer

CC: Indian and Northern Affairs **FAX:** 1-867-669-2707
Renewable Resources and
Environment Directorate
Attn.: David Livingstone, Director

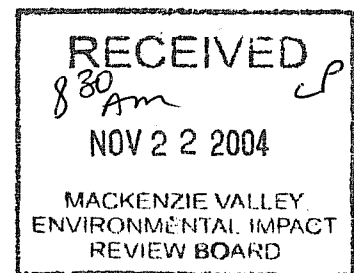
FROM: Louise Mandell, Q.C.

RE: **INAC's Proposed Modifications –**
Paramount Resources Ltd. – Cameron Hills Extension Project

NUMBER OF PAGES INCLUDING COVER SHEET: 3

ORIGINAL BEING SENT BY MAIL: No

Please see attached our letter to you of today's date.
Thank you.



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Mandell Pinder
Barristers & Solicitors

500 - 1080 MAINLAND STREET, VANCOUVER BC V6B 2T4
TEL: (604) 681-4146 FAX: (604) 681-0959

M. LOUISE MANDELL, Q.C.*† CLARINE OSTROVE*
BRENDA GAERTNER* MARY LOCKE MACAULAY††
BRUCE ELWOOD ROSHAN DANESH
LINDSAY WADDELL

* Personal Law Corporation
† Also of the Alberta Bar
†† Also of the Ontario Bar

November 19, 2004

Via Fax: 1-613-953-4941

House of Commons
Indian Affairs and Northern Development
Wellington Street
Ottawa, ON K1A 0A6

**Attention: The Honourable Andy Scott
Minister**

Dear Honourable Andy Scott:

**Re: INAC's Proposed Modifications –
Paramount Resources Ltd. – Cameron Hills Extension Project**

We are writing on behalf of the Ka'a'Gee Tu First Nation in regards to your letter of November 17, 2004 addressed to the Mackenzie Valley Environmental Impact Review Board (the "Board") in which INAC proposes modifications to delete recommendations which are of benefit to the Ka'a'Gee Tu and were included following submissions made by them to the Board. These are provisions for information sharing, a Compensation Harvesting Plan (recommendation 15), and a socio-economic agreement (recommendation 16).

Since the Project began, and at great expense to them, the Ka'a'Gee Tu have participated to ensure that the Project, which is within their traditional territory, provides benefits to their community, and also addresses the impacts to their territory, economy and culture. You should be aware that to date no impact study has ever been undertaken with the involvement of the Ka'a'Gee Tu to assess the Project's impacts on the way of life of the Ka'a'Gee Tu, although the Ka'a'Gee Tu have fought hard at every stage of the Project's review and negotiated directly with Paramount for such a study to be completed. The Ka'a'Gee Tu have been without funds to complete such a study, and funding was refused them by Canada. Paramount has agreed to cooperate in the completion of a joint study, but the company has been dragging its feet. This study is a step to enable good faith negotiations to reach an agreement addressing impacts and providing benefits from the Project. The recommendations enable this objective.

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In its letters of July 20 and August 10, 2004, the Ka'a'Gee Tu stated its concerns to INAC about the post-report decision-making process in this environmental assessment, and the responsibility of Canada to meet its constitutional obligations of consultation and accommodation. INAC has not responded, or even acknowledged, those letters. INAC's proposed modifications are unacceptable, frankly puzzling, and in the words of the Supreme Court of Canada, they present "an impoverished vision of the honour of the Crown".

Please be advised that the Ka'a'Gee Tu are exploring the options open to them to ensure that Canada acts in an honourable manner.

Yours truly,

MANDELL PINDER



Louise Mandell, Q.C.
Barrister and Solicitor

LM/djg:lu

ccs: Clients
Joe Acorn
MVEIRB
David Livingstone, Director, INAC Yellowknife, NT