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submitted by INAC
Nov 19/08

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Canadian Heritage
Parks Canada

Patrimoine Canadien
Parcs Canada

MEMORANDUM

NOTES DE SERVICE

TO/A

Scott Davidson
Acting District Manager
Indian and Northern Affairs
Fort Simpson, NWT

From/De

Rob Prosper
Chief Park Warden
Nahanni National Park Reserve

Date: January 25, 1995

Subject: Land Use Application N95F346
163 km All Weather Road
Liard Highway #7 to Prairie Creek Mine, NWT

I have reviewed the above land use application and am frankly disappointed in the level of detail of the project description, anticipated environmental impacts, mitigative measures and level of public consultation.

San Andreas Resources Corporation through ResCan requested that Nahanni National Park provide information regarding park concerns with the proposed all season road to the Prairie Creek Mine in August, 1994. The park responded with a very cursory list of issues which none the less amounted to a considerable number of significant concerns (see attachment). None of these concerns were adequately addressed in the land use application.

Also of significant concern, as I understand the RERC took the position that the all season access road would not be reviewed outside the context of the entire operation. This approach is consistent with a recent Supreme Court decision in the case of Quebec (Attorney General) vs. Canada (National Energy Board) (the "Hydro-Quebec" decision). Our Departmental position is that the entire Prairie Creek operation, including the access road must be considered as one as it applies to environmental assessment.

In light of the above, I would strongly recommend that the application be rejected pending a Level III screening under the Environmental Assessment and Review Guidelines Order (EARPGO) or a Comprehensive Study under The Canadian Environmental Assessment Act (CEAA).

Sincerely,

Rob Prosper, Chief Park Warden

cc. Josie Weringer, Erik Val, Ken East



Indian and Northern
Affairs Canada

Affaires indiennes
et du Nord Canada

EA0809-002 submitted by
DM INAC, Nov 19
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 CANADA REMEMBERS
LE CANADA SE SOUVIENT

P.O. Box 1500
Yellowknife, NT X1A 2R3

May 18, 1995

Your file Votre référence

Our file Notre référence

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David Algie, President
San Andreas Resources Corporation
Suite 900
595 Howe Street
Vancouver, B.C. V6C 2T5

RE: ENVIRONMENTAL ASSESSMENT OF THE PRAIRIE CREEK PROJECT

Dear Mr Algie:

On December 28, 1994, the Department of Indian Affairs and Northern Development (DIAND), received a land use permit application from San Andreas Resources Corporation for the construction of an all weather access road from the Liard Highway to the Prairie Creek mine site. As you know, the Fort Simpson District office has referred this particular application to the **Regional Environmental Review Committee (RERC)** to be included in a Level II environmental assessment of the entire Prairie Creek project.

On January 27, 1995, your company, in conjunction with Rescan Environmental Services Ltd. and Bruce Geotechnical Consultants Inc. made a presentation to the RERC regarding the Prairie Creek project and the associated infrastructure, including the 163 km all weather access road. The purpose of this meeting was to determine the adequacy of the project description submitted and the factors to be considered in an environmental assessment conducted. This would then enable the RERC to initiate an assessment. The RERC determined that the project description, as submitted, was deficient, but that an assessment could commence following the presentation of additional information at the January 27, 1995 meeting. Significant information gaps remain, however and these will be dealt with through the next phase of the assessment.

Other federal authorizations will be required for this project, which will trigger **Canadian Environmental Assessment Act (CEAA)**. assessments. Therefore, in order to avoid duplication, the RERC has determined that the assessment of the Prairie Creek project will proceed pursuant to the CEAA. This determination overrides a previous letter which was sent to Rescan on March 07, 1995, which indicated that the assessment could proceed under the **Environmental Assessment Review Process Guidelines Order (1984) (EARPGO)**.

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As an additional consideration, DIAND has received numerous letters pertaining to the proposed Prairie Creek project. Many of the letters requested that a full public review of the potential environmental effects related to this project be undertaken. The federal departments believe that by proceeding with a CEAA assessment, we can pre-empt further public objections regarding the process for the review, objections which we anticipate if we were to proceed under the EARPGO (1984).

On April 12, 1995, a meeting was held by the federal regulatory authorities that would be required to assess this project, to determine the next steps in the assessment process. Since the scope of the assessment includes all aspects of the proposed project (i.e. access, mine operation), it was necessary to ensure that all federal authorities were satisfied with the documentation presented thus far, and to ensure that the process established was sufficient to meet the needs of all authorities required to participate in the assessment.

Under the CEAA, federal authorities are required to undertake a screening of a project or, if projects surpass specific thresholds, such as those defined in the Comprehensive Study Regulation, can require that a comprehensive study be undertaken. With regard to this project, the only comprehensive study trigger which may exist pertains to the 163 km all weather access road, as a comprehensive study is required for "an all-season public highway more than 50 km in length on a new right of way or leading to a community that lacks all-season public access". The description of the access San Andreas is proposing for the Prairie Creek Project is unclear and we have requested a legal opinion in this regard. The scope of the assessment however, will remain consistent irrespective of whether we proceed pursuant to the comprehensive study regulation.

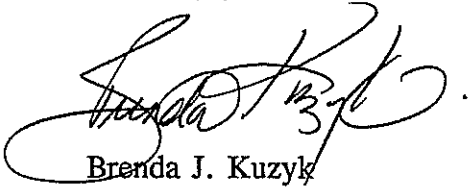
I wish to take this opportunity to remind San Andreas, that at any time throughout the assessment, DIAND can refer this project to the Minister of the Environment for a CEAA Panel review, should the level of public concern or environmental effects be significant enough to warrant such a referral.

DIAND is currently preparing DRAFT guidelines for an **Environmental Evaluation (EE)** which will be circulated to RERC members by May 30, 1995. It is proposed that RERC will convene to review the DRAFT guidelines and provide suggestions for revision by June 21, 1995. After the guidelines are finalized, they will be forwarded to San Andreas Corporation for response. In addition, at that time, I would be able to provide San Andreas with a definitive answer regarding the comprehensive study question.

Anticipating that your company will require some time to compile the information requested prior to the submission of the EE, I will not schedule a RERC review meeting until DIAND receives notification from San Andreas regarding the estimated date of EE completion.

Further to our conversation on May 08, 1995, I look forward to meeting with you in early June when you travel through Yellowknife for your community consultation meetings. I expect to work very closely with San Andreas throughout the environmental assessment of the Prairie Creek project and urge you to contact me any time at (403) 920-6709, if you have any questions or require clarification.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Brenda J. Kuzyl". The signature is fluid and cursive, with a large loop at the end.

Brenda J. Kuzyl
Chair
Regional Environmental Review Committee

cc RERC Members (San Andreas)

REGIONAL ENVIRONMENTAL REVIEW COMMITTEE (RERC) (List of Members) SAN ANDREAS/PRAIRIE CREEK

FILE COPY

- ✕ Brenda Kuzyk Chair, RERC
Regional Manager, Env. & Cons., DIAND (403 920-6709)
Fax 403-920-7809
- ✕ R. Soniassy Environmental Scientist, Env. & Cons., DIAND(920-8246)
Fax 403 920-7809
- ✕ R. Walker Environmental Scientist, Env. & Cons., DIAND (403 920-8255)
Fax 403 920-7809
- ✕ G. Stewart Environmental Scientist, Env. & Cons., DIAND (403 920-6606)
Fax 403 920-7809
- ✕ Jim Umpherson Regional Manager, Land Resources, DIAND (403 920-8165)
Fax 403 920-4669
- ✕ J. Witteman Regional Manager, Water Resources, DIAND (403 920-8240)
Fax 403 873-9318
- ✕ D. Nutter Director, Policy & Communications, DIAND (403 920-8263)
✕ (Carol Ellis) Fax 403 873-3661
- Grant Pryznyk N.W.T. District, DFO (403 920-6640)
Fax 403 873-8871
- Steve Harbicht NWT District Manager, EP, DOE (403 873-3456)
Fax 403 873-8185
- C. Ogilvie (V.Ch.) Senior Policy Analyst, Renewable Resources, GNWT (403 873-0114) ph:
Fax 403 873-0114
- T. Andrews Senior Archeologist, PWNHC, Culture & Communications, GNWT FAX (873-0205)
Prince of Wales Northern Heritage Centre (403 873-7551)
Fax 403 873-0205
- E. Yaxley Economic Dev. & Tourism, GNWT. (403 920-8969)
FAX 403 873-0101
- M. Cunningham E.M. & Petro. Resources, GNWT. Ph (403 873-7086)
FAX 403 873-0254
- B. Erasmus President, Dene Nation (403 873-4081)
Carole Mills FAX 403 920-2254
- G. Bohnet President, Metis Association (403 873-3505)
B. Carpenter FAX 403 873 3395
- R. Watkins Canadian Coast Guard, Western Region (604 631 3737)
Fax 604-631-3747
- ✕ Howard Madill District Manager, Yellowknife District (403 920 8257)
Fax 403-873-4114
- Bruce Gillies Nunavut Tunngavit, Ottawa (613-238-1096)
Fax 613-238-4131
- F. Sangris Land & Environment Co-ordinator, Chief Yellowknives Dene First Nation, (403-873-4307)
Fax 403-873-5969
- J. Wah-Shee Senior Self Government Negotiator
Dogrib Treaty 11 Council (403-873-6680)
Fax 403-873-8670
- Gerald Antoine Grand Chief
Deh Cho First Nation (403) 695 2355
Fax: (403) 695-2038
- Leslie Green GNWT Department of Transportation , (403) 873-7063
Fax: 403 873-7063



Indian and Northern
Affairs Canada

Affaires indiennes
et du Nord Canada

EAO809-002 submitted by INAC
DM
Nov 19/08



CANADA REMEMBERS
LE CANADA SE SOUVIEN

P.O. Box 1500
Yellowknife, NT X1A 2R3

June 22, 1995

Your file Votre référence

Our file Notre référence

(C)

David Elgee, President
San Andreas Resources Corporation
Suite 900
595 Howe Street
Vancouver, B.C. V6C 2T5

RE: ENVIRONMENTAL ASSESSMENT OF THE PRAIRIE CREEK PROJECT

Dear Mr Elgee:

As per our conversation of June 14, 1995, during your brief stopover in Yellowknife, I would like to take this opportunity to follow-up with a Regional Environmental Review Committee (RERC) request for additional information specifically regarding the all weather access road.

As you know, under the Canadian Environmental Assessment Act (CEAA), there are two possible self assessment streams that the Prairie Creek Project could fit into: a screening or a comprehensive study. As a federal authority under CEAA, and as the lead responsible authority for this project, the Department of Indian Affairs and Northern Development (DIAND) has a responsibility to coordinate the environmental assessment of this project with other responsible authorities (RAs) including the Department of Fisheries and Oceans (DFO), Transport Canada (Coast Guard), and DIAND Water Resources and Land Administration Divisions. Other federal authorities involved in the process are the Departments of Environment and Heritage Canada. Jointly, the responsible authorities must decide on the most appropriate environmental assessment stream for this project.

For the Prairie Creek project, the only possible trigger described in the comprehensive study regulation is s.s. 29 (b) the proposed construction of an all season public highway more than 50 km in length on a new right of way. Presently an insufficient amount of information is available regarding the proposed all weather access road. In order for responsible authorities to determine whether or not the Prairie Creek project would be assessed under the comprehensive study regulation, the following information is required:

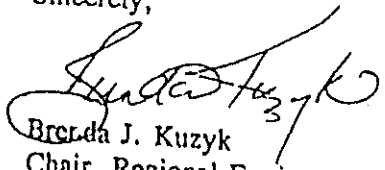
- a) any additional information regarding the proposed alignment, including any stream crossings;
- b) the estimated road dimensions;
- c) engineering specifications (i.e. terrain analysis, weight requirements);
- d) proposed operation of the road (i.e. hours of operation, type of haul trucks);
- e) proposed methods of controlling public access, if any;
- f) proposed maintenance requirements;
- g) requirement for public funds to build the road, if applicable;
- h) justification for an all weather access road.

DIAND has drafted guidelines for an Environmental Assessment Report (EA Report) under CEAA, (formerly referred to as an Initial Environmental Evaluation (IEE) under the Environmental Assessment Review Process Guidelines Order) for the Prairie Creek project. Since the information required under the different streams of assessment is slightly different, the process needs to be determined prior to finalizing these guidelines.

Please provide the information to DIAND at your earliest convenience, to enable us to continue with the environmental assessment of this project. If you have any questions, or require clarification, please call Ranjit Soniassy, Environmental Scientist, at (403) 920-8246.

I look forward to working with San Andreas Corporation throughout the assessment of the Prairie Creek Project.

Sincerely,



Brenda J. Kuzyk
Chair, Regional Environmental Review Committee

cc RERC Members.



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et du Nord Canada

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submitted by INAC
Nov 19/08

P.O. Box 1500
Yellowknife, N.W.T.
X1A 2R3

Your file Votre référence

August 8, 1995

Our file Notre référence

(H)

DISTRIBUTION
RERC

RE: Draft Guidelines for an Environmental Assessment Report, Prairie Creek Project, San Andreas Resources Corporation Ltd. (June 1995)

This is a follow-up on my letter of June 22, 1995, requesting comments on the above-mentioned subject. As I have received a letter from Carey Ogilvie, requesting clarification on a number of issues on the project (screening paths, information requirements under CEAA, process for developing the guidelines and role of RERC members), I am providing you with the following clarification.

Potential Environmental Screening Paths for the Prairie Creek project:

As you may know, the first phase of the environmental assessment process includes screening or comprehensive study. The information provided so far by San Andreas, on their proposed 163 km all weather access road, is insufficient to decide whether the most appropriate path is environmental screening or comprehensive study. This decision will be made after San Andreas provides the information, requested in our letter of June 22, 1995 (distributed to RERC members).

While awaiting the additional information, it is prudent to proceed as if this could be a comprehensive study. This approach would give some flexibility and ensure that there would be no surprises should the proposal be reviewed by either pathway. The two environmental assessment possibilities should not however be a major impediment on RERC members to provide their comments on the first draft guidelines at this time. Any additional information received from San Andreas will be distributed to the RERC for any adjustments and before the final guidelines are prepared.

Information Requirements under CEAA:

The Comprehensive Study List Regulations of the Canadian Environmental Assessment Act (CEAA) require that the proposed construction of an all-season public highway more than 50 km long on a new right of way or leading to a community that lacks all-season public highway access [s. 29 (b)] requires a comprehensive study. As indicated above, the information requested of San Andreas is crucial in this determination.

Since the meaning of the wording "all-season public highway" is critical, this office will continue to work with the Agency and the GNWT to obtain clarification on what this is deemed to mean in the N.W.T. An invitation has been extended to GNWT Transportation Planning to provide representation on the RERC and assist on this and other issues relating to the Prairie Creek project.

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Process for Developing the Prairie Creek Guidelines:

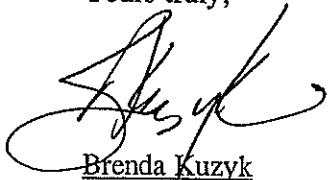
Following receipt of RERC comments on the above mentioned draft guidelines, this office will prepare a second draft of the guidelines. As indicated earlier in this letter, any information received from San Andreas will be distributed to the RERC for any adjustments that may be required to finalize the guidelines. We anticipate that by the time the final guidelines are prepared it will be clear whether we will proceed through the screening or comprehensive study route. San Andreas will then be given as much time as they require to submit an environmental assessment report in response to the guidelines.

Role of RERC Members:

For this project, I do not anticipate any changes in the ongoing role of RERC members. As you are aware, the long term role of the RERC will be dictated by federal legislation resulting from the implementation of land claim agreements. For the short term, some operational changes could be implemented when a decision is made with respect to the recommendations in the Comprehensive Consulting Group's (David Coffey) RERC review report, expected some time this fall. RERC members will be informed of any potential changes as soon as any decisions are made.

I trust that these comments are helpful in your review of the draft guidelines.

Yours truly,



Brenda Kuzyk
Regional Manager
Environment & Conservation



Indian and Northern
Affairs Canada

Affaires indiennes
et du Nord Canada

P. O. Box 1500
YELLOWKNIFE, NT X1A 2R3
Phone: 920-8165 Fax 920-4669

January 4, 1996

San Andreas Resources Corporation.
Suite 9500, 595 Howe Street
Vancouver, B.C. V6C 2T5

Attention: President.

Dear Sir:

Re: Land Use Application N95F346
163 km All Weather Road
Liard Hwy #7 to Prairie Creek Mine, N.W.T.

In order for us to comply with section 23(3) of the Territorial Land Use Regulations I regret to inform you that we cannot issue a land use permit for your All Weather Road.

When section 25(1)(c) of the Regulations was invoked, to allow more time for environmental studies and investigations to assess your project, it gave us one year from the date of receipt of your application to either issue a land use permit under section 25(1)(a) or refuse your application under section 25(1)(d). The one year deadline is up as of this date.

As stated in our letter to you dated January 19, 1995, copy enclosed, your application was submitted to the Regional Environmental Review Committee (RERC) for assessment. Since RERC's assessment of your project has been placed on hold pending more information from you and the 1 year deadline to issue the land use permit is now due, we have no alternative but to refuse your application.

We apologize for any inconveniences and are returning your application. A cheque requisition has been forwarded to our Finance section to refund you \$4700.00 for the Land Use fees that were submitted with your application. You will receive the refund under separate cover.

If you wish to re-apply please re-submit your application and provide the additional information requested in the June 22, 1995 letter, copy enclosed, from the RERC.

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Your file Votre référence
Our file Notre référence
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Canada



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If you have any questions, please do not hesitate to contact me at 920-8165 or Ken Leishman at 920-8174.

Yours truly,



Sandra Bradbury
Land Administrator
Land administration

cc: Fort Simpson District Manager
Brenda Kuzyk, Chair RERC

LEISHMAN/kdl

