



Wildlife, Lands and Environment Department

Lutsel K'e Dene First Nation
P.O. Box 28
Lutsel K'e, N.T.
X0E 1A0

Telephone: (867) 370-3197
Fax: (867) 370-3143

January 7, 2011

Mr. Paul Mercredi
Environmental Assessment Officer
Mackenzie Valley Environmental Impact Review Board
P.O. Box 983
YELLOWKNIFE, NWT X1A 2N6

Phone 766-7050
Fax 766-7074

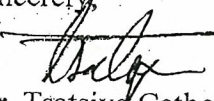
Dear Mr. Mercredi,

Re: Comments on the Draft Terms of Reference for the Environmental Assessment of Avalon Rare Metals Inc.,'s Nechalacho Rare Earth Element Project EA 1011-001.

Please find attached the Lutselk'e Dene 1st Nation comments on the Draft Terms of Reference for the Environmental Assessment of Avalon Rare Metals Inc., project.

Please contact Mr. Tsatsiye Catholique, LKDFN Wildlife, Lands & Environmental Committee Manager at 867-370-3197, if you have any questions concerning this submission.

Sincerely,


Mr. Tsatsiye Catholique
LKFDN - WLEC Manager

c.c. file
Mr. Ray Griffith, LKDFN SAQ

Lutselk'e Dene 1st Nations' comments on Draft Terms of Reference

Section 2.1 – Scope of Development

We feel that any amending the scope of development at any time during the environmental assessment if the proposed development changes involve us.

Section 2.2.2 – Geographic scope

The use of the word “reasonable” as it refers to the impact footprint radius centered on the mine site be more defined as the word when used in Denesoline could be very general and may lead to no limitation or limitation that may not be acceptable.

The exact deposit of the mineral “beryllium ore” needs to be identified as it will lead to decisions on how operations should occur.

The exact range of wildlife that are migratory needs to be accommodated in a different way so that their areas are not limited to a limited area and lead to not be take into consideration the impact they will have on our way of life.

The Pine Point processing site as the center of the radius may not be the appropriate site since we are unclear as to the other infrastructures that may have a more environmental bearing on the operations.

Section 2.2.4 – Other scope of assessment considerations

Several project components still being undefined seems to related to things that are unforeseen presently but may have a bearing later on allows us some comfort to think it can be dealt with later such as the use of hydro energy from the Taltson Dam. This alternate source of energy is a preferred option for us.

Section 3.1.1 – Issues prioritization

Prioritization must be given in a key line of inquiry on the Bathurst Caribou herd cumulatively as this site will have and does have an impact. We understand that a recovery plan has been imposed in a said restricted area and it has a bearing on our harvesting exercises and especially on our continued way of life.

Another area of prioritization must be in a key line of inquiry on the drinking water monitoring on the Great Slave Lake. We travel intensively by boat and skidoo to Yellowknife and drink the water directly from the lake.

Section 3.1.2 Incorporation of traditional knowledge

Definition of the valley needs to be defined.

Again the word “reasonably” and “consideration” is used to outline what is expected from the company to assist us in the collection and consideration of traditional knowledge needs to put into a monetary sum or accomplishments of deliverables.

2/

Traditional knowledge is held by the community and requires authorization for releasing plus a whole process of collecting, ratifying etc., Traditional knowledge data can only be collected by the community and must have the funds available to do so. The how to apply the use of the knowledge must also be carried out the knowledge group holders as they are the only ones that can determine the use of the knowledge.

Section 3.1.4 – Use of appropriate media

Terminology use in the English language needs to be cross checked to the correct word within an aboriginal language. Some words may not be translatable or depending on the sentence content give a different meaning to the intended word. Simplicity of technical words must be kept at all times.

Section 3.3.2 – Key line of inquiry – water quality

The subject of temporary shutdown needs to be further discussed and under what conditions and terms this can happen. Certain measures need be to be considered such as monitoring environmentally continuously.

The Thor Lake discharges into the Great Slave Lake needs further work as the site is at a higher level than the lake such speed of discharge, content of discharge, treated or not, impact to the water, fish, other water species and vegetations, volume, path and seasonal affects. Whether or not the elevation is being taken into consideration or will be taken into consideration isn't clear to us.

The matter of dust in the discharge needs to be work on.

The matter of southern standards and measures have been applied to our northern waters and are not appropriate, other standards must be considered.

Drinking water protection on the Great Slave Lake need to be monitored. How will this be done?

The alternate to barging for us is the road to be build to connect the site to the Yellowknife eastern road. This is preferred by us.

Section 3.3.3 – Cumulative effects at the Pine Point site area

We feel the Thor Lake site be under this section also as it has a more important bearing to us as it relates to the Bathurst Caribou herd.

What studies on cumulative effects will the developer be conducting?

3/

Section 3.3.4/5 – Water quantity/Fish & aquatic habitat

How will the No Net Loss and Fish Compensation be dealt with as per the Dept. of Fisheries and Oceans' mandate in regards to habitat loss?

Section 3.3.7 – Terrain

How stable will the rock be through the path of discharge and land route usage?

Section 3.3.8 – Air quality, including noise, light and view shed

Will the use of explosives underground and over ground include land tremors affects on wildlife and stability of various environmentally sensitive infrastructures?

Fossil fuel emissions alternatives need to be sought.

Will air quality be looked upon for animals also?

Section 3.3.9 – Vegetation

Well being of all species of wildlife depends on vegetation in one form or another and alternative energy source must be considered.

Section 3.3.10 – Biophysical environmental monitoring and management plans

We expect an Environmental Agreement which will clearly outline how monitoring plans and programs are to be carried with our involvement. We expect to be involved in the monitors and use our Traditional Knowledge along side Western Scientific Knowledge. When will this process start?

Section 3.4 – Impacts on human environment

Change will occur therefore the need to prepare of change which will not impact us negatively needs further work. What degree of change is happening? When does change occur? What degree of change is non destructive? How do we prepare for change? How do we hold on to the things we don't want to change? Will these be standardized for all groups? Can change be not just for training, education and employment for the mines work force? How do we keep out values, language, culture and morals?

Section 3.5 – Accidents and malfunctions

Will there be a security bond associated to this project and if so how will it be access? We must be involved in the accessing of the security bond and clear guidelines need to be developed as to how, when and with whom.

4/

Section 3.7 – Closure and Reclamation

We are to be involved in this progressive closure and reclamation phase as we see it as adaptative due to northern conditions that may not have been dealt with elsewhere in the world. The area must be return for future generation use in order to carry on with our traditional way of life with nature.

All structures are to be removed from site.

Closure will only be when the land can maintain itself and therefore monitoring programs need to be set up. How does the company see this happening?

General comments/questions?

Based on the possible military uses for rare earth elements, has Avalon reached an agreement with US military? This community does not support war or anything that might support war.

Would like more information on the nature of the radioactive material that will be coming from this mine.

This community wants to make informed decisions on this project and to participate in this process. To do so this community needs intervener funding.

What kind of mandate does the Review Board have to make socio-economic mitigation measures?

What sort of research will be conducted to study effects after the mine is in operation?

What authority does the Review Board have for mitigation after project approval?

How will Avalon be handling hazardous waste?

Will there be two tailings ponds releasing two different kinds of chemicals?

Workers must reside in the NWT.