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March 3, 2011

Paul Mercredi, Environmental Assessment Officer Mackenzie Valley Environmental Impact Review Board 200 Scotia Centre P.O. Box #938 Yellowknife, NWT X1A 2N7

RE: Expected completion of Developers Assessment Report

Dear Paul,

As requested in your February 24, 2011, email correspondence Avalon is please to provide the Review Board an initial estimated delivery of our Developers Assessment Report (DAR).

Since the completion of the scoping sessions in Hay River on October 26, 2010, Avalon has been diligently working on all technical aspects required for the DAR. Upon receiving the draft terms of reference on November 26, 2010, Avalon has been developing the DAR template and has made significant progress prior to receiving the final terms of reference on February 15, 2011. Due to the extensive work already completed to date, Avalon estimates a completed DAR delivered to the Review Board near the end of April 2011.

Should you have any other inquiries or questions, please don't hesitate to contact me.

Thank you

David Swisher

VP Operations

Avalon Rare Metals