

## **Nechalacho Rare Earth Element Project – EA1011-001**

### **Community Scoping Session – Hay River Reserve**

**October 25<sup>th</sup> and 26<sup>th</sup>, 2010**

The following issues were identified from discussions during the scoping session as well as from comment cards at the session. The Review Board will consider these points when developing the Terms of Reference and in deciding what issues to consider in this environmental assessment.

While this meeting report is as comprehensive as Review Board staff could make it, this is not a verbatim document. It is based on notes by Review Board staff. Unlike the official statements made at Review Board hearings toward the end of the environmental assessment process, scoping sessions are less formal dialogues.

Review Board staff has organized the points, questions, comments and concerns and grouped them under general headings as follows:

#### **Water**

- Is there water flowing from the pit you propose to store tailings in?
- It looks like there will be a lot of water usage. Where is all this water coming from?
- What will the developer do with waste water?
- What is the developer's baseline water quality information?
- Will wastewater be disposed of in the same area as tailings?
- What happens to water that is used to clean out concentrate containers?
- What will be done with water that drains off the pile of coal?
- For water quality objectives – will a treatment plant be constructed?
- What are implications of tailings on drinking water if there is a tailings breach?
- Great Slave Lake important for drinking water for many communities. Transport of radioactive material across lake is a concern.
- Uranium and thorium are radioactive – what is the level of radioactivity in tailings?
- Is there enough capacity in facility for tailings and possible expansion?

- Would there be a chemical reaction between old Teck Cominco tailings and new tailings?
- With what happened at the Alberta Tar Sands with birds killed in tailings ponds - could this happen at Thor Lake?
- Is an outlying lake being used as base case or reference lake?
- Regarding tailings in pit - is there water in pit at Pine Point now?
- Baseline data available on public registry. Are the water management plans available there?

### **Traditional knowledge**

- We want to know how fish are now and how they will be in the future. Has the developer considered traditional knowledge for this?

### **Cultural Impacts**

- Socio-economic –First Nation land and values need to be respected and referenced in Developer’s Assessment Report. Also fact of traditional land use in the Pine Point area.

### **Social Impacts**

- Focus on social issues. Social issues should be a big focus because a lot of our people are abusing alcohol and drugs. Some people not very educated and do not have many skills. Should focus on social issues with this project. Need to look at learning new skills to live and work. Women know a lot about these issues – they should be involved and play a bigger part in these social issues. People will lose if they have alcohol and drug problems. For this reason we need to focus on these impacts. Also culture is important to consider, including families, generations and their cultural value.
- Socio-economic issues important. Anything on south side of Great Slave Lake we want to be fully informed and the issues have to be dealt with. Also cultural issues, everything on south side is relevant to us.
- Big issue is people working at Pine Point camp.
- One concern is social issues in community. There are issues on reserve and in town, alcohol and drugs issues going on. Major issue is social concerns, alcohol and drugs in

particular. Drugs be coming bigger problem than alcohol. A lot of money will be made. What measures will Avalon take to mitigate these social impacts? Combination of both activities at Pine Point and limestone quarry. Social impacts especially on this reserve?

- With the Mackenzie Gas Project one thing Canada committed to was money for social impacts. The government wants these projects for economic reasons. Government wants to increase economy of Northern Canada. What about communities? This development will impact this reserve and other communities. What is the Government of Canada doing? What is their responsibility? There is a federal responsibility to Aboriginal people. If project approved what will Canada do for people in communities?

## **Economic Impacts**

- Will Hay River First Nations have business opportunities?
- Will Avalon be negotiating Impact-Benefit Agreements?
- Various companies promise First Nations all kinds of things, but how many First Nations end up having jobs? Companies promised jobs and things for many years; Avalon has a lot of work to do.
- How many participating First Nations?
- What negotiations are occurring with GNWT and federal government on feasibility?

## **Public and worker safety**

- What is a safe level of radiation exposure?
- Mentioned uranium and thorium, this is a concern for us. Remember in past a company that wanted to produce beryllium in that area. At the time concern was the high concentration of radioactive material. We are wondering about that. Are there radioactive materials in rare earth elements?
- When you say human exposure what do you mean?
- Want to hear from people who really know about radiation.
- Would like to see a list of materials because this is a big concern for us. What is a safe exposure of radiation?
- Concern with the shipping of material and contamination that can happen. Want the Board to look at the radiation part of project. Concern with transport of material across Great Slave Lake. Do the containers float or sink?

- Concern for people working at the mine. Wondering if that happens if a person touches or breathes in the product?
- Do light and/or heavy rare earth elements cause cancer?
- Are rare earth elements hazardous?
- Remember as a kid toxic material. Limestone, is it toxic?
- End product valuable. How will security and safety of workers be protected?
- What are the risks of acid plant?
- Is molten sulphur explosive?

## Wildlife

- What are raptors?
- Woodland caribou are *Species at Risk Act* species?
- Wildlife – question is how will wildlife be affected. We can deal with social issues at community level.
- How much forest has to be cleared for proposed plant site? How much wildlife habitat destroyed? How will you clear the area? Will you use bulldozers or chainsaws? Will you harvest wood prior to clearing?

## Accidents and malfunctions

- Will employees learn how to take spill response training?
- Accidents can happen on Great Slave Lake, barge sinking issue should be discussed more. Mitigation is good but still things can happen. What kind of plans are in place in case a barge is lost? Because you never know when accidents occur, human error will happen. For example, the accident such as the oil rig disaster in the Gulf this spring/summer. Need to make sure that plans are in place in the event that barge sinks and containers are lost. Is there a recovery plan? What is the recovery plan?
- What are worst case scenarios for transport of reagents along highways?
- What are the company's spill response plans?
- Need for upgrades to railway? Can it handle the concentrate?
- Concentrate trucking from Pine Point to Hay River increases risk of contaminant exposure.

- We are having problems with water level, level has dropped. We are concerned with problems related to low water in Great Slave Lake. What about monitoring? Mess left behind by Pine Point mining site.
- Runoff can go into the lake. If there is a little spill it could contaminate lake. The spills could be hazardous to environment and fish and aquatic life.
- Concerned with trucking material and shipping material, boxcars in past not covered properly in Pine Point. Contaminants were on gravel along railroad bed. Want a report of contaminants.

## Alternatives

- What are the alternatives for the hydrometallurgical plant location?
- How much of Taltson power after expansion will be available to Avalon?
- Is the 7.4 MW of power that Taltson currently outputs available for Avalon now?
- Looking at map – have had low water this year. Heard there are difficulties this year because of low water. Will dredging be required? Did you plan for an alternate landing location?
- Does the company have one or more options for what they are looking at? What happens then if they change their plan?
- What is the developer's estimate for use of biomass?

## Scope of Assessment and Development

- Are there project-related docks at either site now?
- How long is barging route?
- Regarding molten sulphur: where will acid plant be?
- For seasonal barging, are concentrates in water proof containers?
- What will the developer keep the material in when barging across the lake?
- Will there be site summer barging to Pine Point?
- In the Pine Point tailings area the developer will add limestone. What are you going to neutralize?
- Tailings are fine powder?
- What are the products that you need?
- Will fuel be transported in double hulled barges?

- Gas station issues here on reserve - need to ensure storage tanks safe. Is diesel fuel used? How will this fuel be stored?
- Will fuel be stored on barges or on ice?
- What is trucking method?

## Monitoring

- Environmental baseline work completed. We would like access to this data so that parties can ask questions on it. Access to past studies would also be useful in particular for water, wildlife and environment. Why was water management plan not in this presentation (i.e. quantity of water, placement of waste water)? We want more baseline information.
- What are the developer's monitoring and management plans?

## Cumulative Effects

- Pine Point is still being cleaned up today. That should be cleaned up before more activity is done there. This is an issue for government as it is an existing problem. If it is not dealt with how can we trust this whole process? We are concerned that what happened in the past at Pine Point will just be added to by this development.
- Cumulative effects – clear process needed to understand how Avalon and Tamerlane effects may interact.

## Fish

- Fish need water – linkage between water quality and fish health.
- We want to know how fish are now and how they will be. What about traditional knowledge?
- Based on past work there are existing problems with fish near Pine Point. We want to do our own scientific study on fish in that area so that we have an idea what the problems are. Want our own study.
- More information required regarding water withdrawal at Pine Point, will it be subject to Fisheries and Oceans Canada guidelines? Will it require treatment? Will pit be the only water source?

- Key thing is water, everything in world relies on water - tar sands example. Also fish are really important to us. People depend on fish a lot.

## Air Quality

- Coal is a dirty form of energy.
- How will dust be minimized in all phases of the project?

## Other – EA process

- How long does the environmental assessment process take? How long will this one take?
- Will there be a scoping session on the Hay River town side?
- Will there be community meetings during each step?
- Why are there no Review Board members here?
- Where will the hearings take place? Hearings often happen close to where project is.
- How many hearings will there be?
- What about other communities? Do they get scoping sessions too?
- Does same process occur for a land use permit?
- Review Board has entrusted staff at these scoping meetings. Are we recording these concerns? How can we trust that you are recording these comments?
- Will there be a public hearing?
- This is last community to go through community meetings. Will our meeting summary be posted?
- One of the problems we have is capacity. Time needed to respond, for example information requests, technical reports. We cannot always respond at the correct time. What about participant funding?

## General

- Does Avalon have a license or permit at this point in time?
- What activities are now going on at site?
- What kind of license for exploration does Avalon have?
- Rare Earth Elements, are these on our land?

- Current land use permit is at Thor Lake only?
  - I have an Aboriginal right here. Even though I am from Fort Resolution, my kids are born here in Hay River.
  - Do employees need certificates to work for the company at the mine, i.e. H2S Alive?
  - How will you transport product to railhead from Pine Point? Containers?
  - Regarding transportation and barges: would be good to know what kind of equipment will be used for transportation, like what kind of truck will be used?
  - How will you clean up Pine Point area?
  - What is lutetium?
  - Gypsum is a powder?
  - Why are you using Pine Point for the hydrometallurgical processing site?
  - We hear that Avalon is considering putting hydrometallurgical facility down south. Is this true?
  - How much will price be for the metal per day?
  - We as First Nation are concerned about project and some of the impacts of the project. Difficult for us sometimes as some issues are too technical and we need help. Deh Cho First Nations have assigned a consultant for us to review what is on the website and our consultant has raised some questions for us. Understand that later on we will get to know more about the project.
  - In what areas were drill holes completed? Any rare earth elements in these drilled areas
  - Where are meteorological stations?
  - Drilling at Thor Lake in future – where?
  - Training? Will it be provided?
  - Limestone, what was outcome of limestone investigation?
  - Will Avalon be using existing structures at Pine Point for its hydrometallurgical facilities?
  - How many years mine life?
  - What are the power needs for the project?
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- Statement: One big issue is Indian and Northern Affairs Canada (INAC) consultation. INAC sends us information – process for consulting with Aboriginal people. Consent vs. consultation: sending emails and letters not good enough – don't have capacity or people to respond to all of this information. Material on MVEIRB website is highly professional and technical. It is difficult for us to make heads or tails of that information. INAC consultation with us has to be prior, informed consent. Paramount doing work as well as Tamerlane a few years ago – INAC form of consultation not good



enough. We want to make sure we are involved, fully informed so that we can respond professionally. Need capacity to respond. Need right people to help us with this. We are going to engage a lawyer because we don't like the way INAC has dealt with consultation with us. Have not done "prior informed consent" definition of consultation. Disagree with INAC passing on consultation role to MVERIB or to the developer – this is not good enough. INAC needs to retain and take on that consultation responsibility.

- Statement: Cumulative Effects – water issues. We are working on business opportunities. INAC has consultation responsibilities. Concerned that we are being brushed off as far as business opportunities go. Long term effects of this project – trying to envision this project over next number of years. What we have heard so far is not good enough. There has to be an impacts-benefit agreement (IBA) here to take advantage of business opportunities as much as we can. IBA is more than just business opportunities – those are too limiting – long term effects are too great a risk especially to water. Cited example of tar sands and water issues there. Avalon cannot brush off impacts of mine with just a few benefits from business opportunities. We are a Treaty 8 First Nation – signed in this area. We are the only First Nation group here that has jurisdiction in Hay River area. We are the beneficiaries – Avalon needs to clarify who they are negotiating with. Want IBA for people here. Government cannot give away our rights in our traditional territory. No problem with First Nations overlap issues. IBA important for us – Avalon needs to be responsible to us. Others may claim Aboriginal rights here but they come from other places. Treaty rights issues need to be dealt with – overlap between Hay River and Fort Resolution.
- Statement: People still depend on wildlife for food. These projects impact wildlife. Young people need training, education. Social issues have to be dealt with in order for people to be able to participate. These are real issues that people need to address. How do we enable people to get those jobs? What kind of education and training do they need? Need to know what kind of education to get. We want to address all the issues we can for people as well who are not here. Government needs to do right thing. Review Board gives opportunity for communities to raise issues that will impact them. For Pine Point community was never involved in the process, now we want to participate in this process. We are going to participate in what goes on. Grandchildren will have the education so that they can take the jobs available. Community is responsible for raising children so that they can participate. Community has lots of work to do but cannot do it on their own – government needs to participate and company (Avalon) as well. Developer has stated what they want in their presentation. First

Nations need to state – what do we need? Avalon is making economic demands. What demands can our First Nation make? Need to state what we need. If government is giving Avalon incentives, what incentives are being given to First Nations?

Hydrometallurgical plant will be on our land. Important that developer states concerns, social issues are raised, First Nations state concerns. Need to stand up and say we need capacity, training, education, jobs so we can benefit. That's what the Review Board is about, addressing our questions. I think this is a good process (MVEIRB). Issues get stated and we participate. Review Board will need to develop Terms of Reference and to tell developer what to do to meet needs of people in community. This is our opportunity to raise issues. That is what this is about. Appreciate that social concerns were raised. More issues will be raised as time goes on. We are still concerned about Great Slave Lake crossing, still concerned about sulphuric acid-making and storage. If elders have something to contribute we will get them to put words on the cards.

- Statement: Barging, boats, tugs and barges have sunk in the past in Great Slave Lake. Have seen storms on Great Slave Lake that NTCL barges could not handle. One long weekend in September a sailboat could not make it across, sent out a tugboat to help but waves were so high that Tug was 30 feet below sailboat in a wave trough. People jumped for sailboat to tug when they met in the middle. Barges are not completely safe as waves can get to 30 feet. How would you recover a 40 tonne container from bottom of Great Slave Lake? Each barge holds how many containers?
- Statement: Fish have been caught near shore of Pine Point that were abnormal. Want to mention this because it is an existing problem based on what happened in the past. Some people will not eat fish from that area anymore. Water quality is therefore an important issue. Water flows in Great Slave Lake from east to west – comes right past Hay River. There is already an existing problem at Pine Point – Avalon will only make it worse. Pine Point shut down because of water quality is my understanding? Concern that water quality at Pine Point will become more of an issue as flow goes in this direction. Review Board needs to know that we are really concerned with water quality. Adding to the existing Pine Point water quality problem will make things worse. Need to make sure water issue is dealt with. Avalon should do a fish study and then monitor to determine impact of this additional development.