

Corey:

Thanks for your time yesterday. As a follow-up, I'd just like to mention the following:

1. Given that TNR Gold would like to begin its exploration activities early this summer, and that it takes in the neighbourhood of 42 days from application submission to receive a regulatory outcome from the MVLWB, the timelines facing us are not favourable. You have indicated to me that TNR Gold does not want to pursue an Exploration Agreement, which would relatively quickly dispense of the company's engagement obligations (which are a requirement of the MVLWB application process). Given this choice, TNR Gold will need to demonstrate community engagement in some other fashion.

It will be quite challenging completing engagement meetings with the three Akaitcho Dene First Nations within TNR Gold's tight time constraints. The First Nations are typically exceptionally busy in the summer, and one First Nation staff person mentioned to me that they are already scheduling September engagements as the agendas of their regular summer meetings are largely booked up. If it is not possible to schedule meetings soon to accommodate TNR Gold's timelines and satisfy the engagement requirement, the road forward could be difficult.

On the one hand, waiting to apply until the requisite engagement meetings are complete may delay the company's plans. On the other, proceeding with an application to the MVLWB without fulfilling the engagement requirement could result in the application being returned by the MVLWB as incomplete or the First Nations asserting that the duty to consult has not been fulfilled. These scenarios would also result in substantial delays.

I encourage TNR Gold to reconsider the Exploration Agreement option. It was designed to afford some clarity and efficiency to the issue of First Nation engagement, laying out some specific terms that you mentioned TNR Gold does not believe are onerous or outside the realm of what they would normally do anyways. Signing an exploration agreement disposes of the need for pre-application engagement meetings, as the communication responsibilities of the parties are explicit within the agreement itself. I maintain that signing this agreement with the First Nations is the most certain method for TNR Gold to fulfill its impending program timelines.

Certainly the agreement is "extra-regulatory". However, we are in a time of significant regulatory and legislative evolution in the NWT, and unfortunately there is no way around doing things that are outside the specific legislative framework of the MVRMA. The fact that TNR Gold is looking to directly engage the First Nations at all is indicative of this reality, as is the INAC Minister's recent regulatory reform initiative. I submit that the Exploration Agreement injects a measure of certainty into what can be a nebulous process for both companies and First Nations, and that the savings in cost, time, and confusion offered by the Exploration Agreement make it in the best business interest of the company to pursue. Again, the First Nations are amenable to changes to the agreement template that might be required by TNR Gold, should the company choose to pursue this avenue.

2. If, in the end, TNR Gold is adamant that it does not want to reconsider the Exploration Agreement approach, it is critical that the company prepare for engagement meetings by addressing the substantive elements outlined in the Exploration Agreement. Articulated in the agreement are the specific concerns of the First Nations as they relate to mineral exploration, and TNR Gold should be prepared to indicate in writing to the First Nations how it will address those concerns outside the Exploration Agreement framework. Diavik Diamond Mines took this approach recently when they were in process to get an exploration permit approved, and I suggest that you refer to the Wek'eezhi Land and Water Board public registry for a record of the correspondence between the company and the Yellowknives Dene First Nation. It is an example of how to proceed down this path.

If you have problems retrieving the relevant documents from the WLWB site, let me know and I can be of assistance.

Steve

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