



Akaitcho Interim Measures Agreement Implementation Office

NWT Treaty #8 Tribal Corporation

Stephen Ellis – Akaitcho IMA Implementation Coordinator
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July 12th, 2010

Shannon Hayden – Regulatory Officer
Mackenzie Valley Land and Water Board
4910 50th Avenue
P.O. Box 2130
Yellowknife, NT
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Fax: (867) 873-6610

RE: Clarification of communications between TNR Gold Corp. and the Akaitcho IMA Implementation Office, and concerns with the acceptance of MV2010C0015 as "complete"

Ms. Hayden:

I note that TNR Gold Corp.'s application for mineral exploration activities on the Moose claims has been accepted by the MVLWB as "complete" as of June 18th, 2010. Originally submitted on April 7th, 2010, this application was initially deemed "incomplete" by the MVLWB as the company had not provided details of any engagements with potentially affected aboriginal parties.

On June 15th, 2010, TNR Gold Corp. re-submitted its application, maintaining that it had communicated with some aboriginal parties and addressed some of their concerns. From the perspective of my office, the efforts of the company to meaningfully engage were inadequate, and the MVLWB should never have accepted the June 15th application as "complete".

This letter will serve to clarify the intent, scope, and nature of the communications between TNR Gold Corp. and my office, which represent the greater bulk of the all the company's engagement efforts. This letter will also outline the broader ramifications of the MVLWB's decision to accept MV2010C0015 as "complete", including why the very real concerns of the Akaitcho Dene First

Nations (AKFNs) cannot now be substantively addressed exclusively through the regulatory process.

Consultation Logs

In its June 15th resubmission, TNR Gold provides its version of a “communication log”, outlining some of its communications with aboriginal parties. My office maintains its own communication log, recording all communications with various companies. As TNR Gold's log is not accurate or complete, it is important to submit the Akaitcho IMA Office's log into the public record (See *Appendix A*). My office's log is explained in narrative form below.

2009

Upon learning from a short *News/North* article that TNR Gold had acquired the Moose claims, original contact with TNR Gold Corp. was initiated by my office over a year ago on May 15th, 2009 via email. The content of this email advised the company to follow the attached *Mineral Exploration Guidelines in the Akaitcho Territory*, which outline the AKFNs preferred engagement process (See *Appendix B*). Explicit in the *Guidelines* are the following:

- That my office's role in the engagement process is typically limited to a), making an initial assessment as to whether areas encompassed by claims might be sensitive to the AKFNs, and b), advising companies as to which AKFNs should be engaged and in what manner.
- That engagement must occur directly with the potentially affected AKFNs in a face-to-face manner.

On August 12th, 2009, the President of TNR Gold Corp. contacted me via email. In this email, it is stated that “...a comprehensive exploration plan for summer 2010 will be presented for your approval and comment prior to applying for a Land Use Permit” (emphasis added). The communication also indicated that “Once our program has been designed I will be happy to meet with you and interested members of your community to discuss our activities in your area”.

I responded to this email on August 17th. In my response, I indicate that the company should be aware that the Moose claims will likely contain AKFN heritage sites, given the proximity to Narrow Island to the immediate east (an area of heavy current and traditional use). I also specify that impacts upon AKFN heritage will need to be more thoroughly discussed once the exploration plan is further defined.

After August 17th, 2009, there was no further contact between my office and TNR Gold Corp. until April 14th, 2010.

It is important to note that the “communication log” provided by the company in its June 15, 2010 application to the MVLWB omits any record of the 2009 communications.

2010

On April 7th, 2010, TNR Gold Corp. applied to the MVLWB for a Land-Use Permit. In this application, the company asserts that “...it has consulted with potentially affected aboriginal groups...”, and that “...appended is a summary of communication to date.” However, no summary of communication was in fact appended to the application, nor was any other

evidence that might support the contention that consultation with potentially affected aboriginal groups had occurred.

On April 14th, Aurora Geosciences, on behalf of TNR Gold Corp., initiated contact with my office *after* the company had applied to the MVLWB for a Land-Use Permit. Nowhere in the April 14th form letter and accompanying project description did the company seek to fulfill its 2009 commitment or otherwise engage with the AKFNs. The letter, the same of which was forwarded to the individual AKFNs, served only to “notify” my office and the AKFNs of the proposed upcoming exploration program.

On April 15th, my office contacted Aurora Geosciences to get a better copy of the maps attached to the project description provided the previous day (the faxed copies were not legible). This was provided.

On April 21st, I emailed Aurora Geosciences, again providing the *Mineral Exploration Guidelines in the Akaitcho Territory*. A copy of the *Akaitcho Exploration Agreement*, referenced in the *Guidelines* as the AKFN preferred mechanism for engagement, was also provided. I encouraged TNR Gold Corp. to apply the *Guidelines* and the *Exploration Agreement* in their engagement efforts with the AKFNs. I also repeatedly stated that the AKFNs were flexible, and were amenable to the specific circumstances of the company in the implementation of the *Guidelines* and the *Exploration Agreement*.

In the April 21st email, I also indicated that the Moose claims were located in an area of triple overlap amongst the Lutsel K'e Dene First Nation, the Deninu Kue First Nation, and the Yellowknives Dene First Nation, all who engage in significant activity in the region. I advised that my office would be working directly with the three First Nations to potentially come up with some efficiencies for an engagement process, and that I would provide guidance shortly.

The MVLWB rejected TNR Gold Corp.'s application as “incomplete” on April 23^d, 2010, as the company had not provided any evidence of engagement with a number of aboriginal organizations, including the AKFNs.

On April 28th, I emailed Aurora Geosciences with explicit direction on my specific role in any engagement process between TNR Gold Corp. and the AKFNs. Specifically, the email stated that “*If TNR Gold opts to pursue the Akaitcho Exploration Agreement with the AKFNs (and we strongly encourage this – it makes it less onerous and more certain for us all), I will serve as the one point of contact for TNR Gold on behalf of all three of the First Nations.*” The email also explained “*If TNR Gold is not willing to entertain the Akaitcho Exploration Agreement approach to dispense of consultative obligations, consultation and accommodation as mandated by various Supreme Court cases must occur nonetheless, in some other form. In the case of TNR Gold, it would require the company to engage independently with each of the Akaitcho Dene First Nations, meaning at the very least three separate engagements within the First Nation communities themselves (and the associated expense).*”

This communication made it abundantly clear that my role was restricted to advancing a dialogue should the company choose to pursue an *Exploration Agreement*. This arrangement was possible as the AKFNs have, with significant investment and effort, undergone an internal process whereby they mutually agreed that the content of the *Exploration Agreement* generally accommodated their concerns and interests in relation to mineral exploration. I therefore did not have to represent or articulate AKFN interests, as they were already explicitly laid out within the

agreement itself. My role was simply to facilitate a process for the execution of the *Exploration Agreement*.

Companies that choose to forego the *Exploration Agreement* are therefore also choosing an engagement approach whereby the AKFNs have not explicitly laid out their concerns. Understanding and considering these concerns in a serious manner therefore requires face-to-face engagement with First Nation leaders and associated resource people.

It is important to note that this key April 28th email is absent from the "communication log" provided by TNR Gold Corp. to the MVLWB (the communication the company has associated with April 28th is actually from April 21st).

On May 21st, Aurora Geosciences emailed a letter to me (the letter is dated May 18th). The associated message indicated that TNR Gold Corp. was considering whether to pursue an *Exploration Agreement* or not, and that they wished to meet with the AKFNs regardless of their decision in this matter. The letter acknowledges that the exploration program may have impacts upon the AKFNs, and states that the company would like to meet with the AKFNs together or separately. In concluding the letter, Aurora Geosciences indicated that it would be in touch within two weeks to discuss when meetings could be arranged. There was no follow-up on this commitment either with my office or with the AKFNs.

On May 28th, I called Aurora Geosciences. I was going to be in Yellowknife on other meetings the next week, and proposed that I drop by to have a conversation about engagement with the AKFNs. Aurora Geosciences confirmed their availability, and I indicated that I would drop by the morning of June 2nd. From my perspective, this meeting was to be a casual, informal discussion about how to best engage with the First Nations, as well as how to best prepare for the concerns that would probably be raised during face-to-face meetings.

The morning of June 2nd, I dropped by the Yellowknife offices of Aurora Geosciences. My role in this meeting was purely to advocate the *Exploration Agreement* as an effective and efficient mechanism for consulting with the AKFNs, and to provide advice to TNR Gold Corp. on the concerns they should be prepared to discuss when they meet with the AKFNs directly.

It is important at this time to offer some clarifications of the conversation that ensued, as the notes provided by Aurora Geosciences in their June 15th application differ from my recollection:

- Initially, Aurora Geosciences characterized their May 18th letter as a request for feedback on their exploration program. In fact, the letter was an expression of interest in meeting with the AKFNs.
- I indicated during the discussion that this was to be an informal dialogue whereby I could potentially help the company better understand the engagement approach of the AKFNs so as to be prepared for eventual meetings. The conversation was never characterized as an engagement meeting between TNR Gold Corp. and the AKFNs, where my role was to communicate the First Nation concerns in lieu of actual face-to-face meetings with the AKFNs themselves.
- Aurora Geosciences indicated that TNR Gold Corp. would like to start its exploration program as soon as possible, and that taking advantage of the open water season was critical to move equipment to the Moose claims.
- When discussing the potential concerns of the AKFNs, my comments were restricted to advising Aurora Geosciences on likely topics to be raised during further engagement. My

advice was given purely to assist the company in properly preparing for their proposed face-to-face meetings.

- At no time did I indicate that the historic impacts of mineral exploration to the area have been small. I did say that the company should be prepared to show the AKFNs pictures of the existing "brownfield" sites on the Moose claims, and explain that the proposed exploration would primarily occur on these "brownfield" sites. This might assuage some concern as the "damage had already been done".
- Aurora Geosciences' notes fail to mention that at this meeting, it was indicated to me for the first time that TNR Gold Corp. did not want to pursue an *Exploration Agreement* with the AKFNs. The rationale given for the rejection of this mechanism was that it was considered by the company to be outside the existing regulatory framework.
- Aurora Geosciences mentioned that the provisions of the *Exploration Agreement* were largely things that the company would be prepared to do anyways.
- I did not state that the *Exploration Agreement* was not accepted by government – I do not know this to be the case or not, as the federal government has not articulated a public position on the approach. Rather, I stated that the agreement is not a legal requirement.
- I also stated that though the *Exploration Agreement* is not a legal requirement, nor are engagement meetings with the AKFNs, which TNR Gold Corp. had indicated it was willing to do.
- Given that TNR Gold Corp. was not interested in the *Exploration Agreement*, I indicated that the company should prepare for upcoming face-to-face engagements by providing a letter that addressed the substantive elements of the agreement nonetheless (as per a recent Diavik application). This letter could serve as a starting point for dialogue with the AKFNs.

Upon leaving the conversation with Aurora Geosciences, I left with the understanding that the company would be following up on its commitment to address the substantive elements of the *Exploration Agreement* in preparation for upcoming face-to-face meetings with the AKFNs.

On June 3^d, I sent an email to Aurora Geosciences as a follow-up to the June 2nd conversation. In this email, I stated that I was concerned that TNR Gold Corp. would have difficulty achieving its tight exploration timelines prior to meeting with the AKFNs. I stressed that the company reconsider its refusal of the *Exploration Agreement*, and I indicated that executing the agreement with the AKFNs would be the surest manner in which to insure that the exploration program proceeded in a timely manner with First Nation concerns being addressed. In this email, I reiterated the message that should the company maintain its position regarding the agreement, it should prepare for upcoming engagements with the AKFNs by addressing the substantive elements of the agreement itself.

On June 15th, Aurora Geosciences forwarded a letter to my office and to the AKFNs. This letter contained some measures proposed by TNR Gold Corp. to address some of the substantive elements of the *Exploration Agreement*, and indicated that they were again interested in meeting with the AKFNs. On the same day, TNR Gold Corp. re-submitted its application to the MVLWB. Neither my office nor the AKFNs were advised of this fact at the time.

On June 17th, I emailed Aurora Geosciences in response to the June 15th letter. I indicated that I did not believe that their proposed accommodation measures would be adequate for the AKFNs. I also indicated that as it was expressly clear at this point that TNR Gold Corp. would not pursue an *Exploration Agreement*, my role in facilitating the execution of an agreement

would now come to a close. I provided contact information for point people with the AKFNs, and indicated that the company should now seek to organize face-to-face meetings with the individual First Nations.

On June 18th, my office and the AKFNs were notified by the MVLWB that the TNR Gold Corp. application had been accepted as “complete”, and that the pre-screening process had commenced.

On June 22nd, I received an email from Aurora Geosciences indicating that they would follow-up with the three point people identified in my June 17th letter, and would seek to have meetings directly with the AKFNs. This is the final communication between TNR Gold Corp. and my office.

From the 2009-2010 communications, the following conclusions can be made:

- TNR Gold Corp. was aware over a year ago that the individual AKFNs required face-to-face community engagements.
- The company committed ten months ago to meet directly with the AKFNs prior to applying for any Land-Use Permit.
- The company was aware ten months ago that the Moose claims are uniquely sensitive as they are in an area of heavy traditional and current use (around Narrow Island).
- The company did not make any attempt to fulfill its commitment to meet with any of the Akaitcho Dene First Nations. In fact, the company:
 - applied to the MVLWB without any communications with my office or the AKFNs (save those from 2010), and initiated “notification” only after they were likely aware that the MVLWB was going to deem their application to be “incomplete”.
 - failed to initiate preparations for meetings with the AKFNs, despite repeated guidance from my office on how to engage effectively.
- The company has characterized the casual June 2nd conversation between myself and Aurora Geosciences as fulfillment of any responsibility that they may have for engagement with the AKFNs.
- The “communication log” and associated documents provided by TNR Gold Corp. to the MVLWB are both incomplete and misleading (wittingly or unwittingly).

Ramifications of MVLWB acceptance of the TNR Gold Corp. application as “complete”

The fact that the MVLWB accepted the TNR Gold Corp. application as “complete” on June 18th, 2010 is troubling for a number of reasons. These are discussed in some detail below.

In its April 23^d, 2010 letter to TNR Gold Corp. indicating that the initial application was “incomplete”, the MVLWB required of the company a community involvement log. It was further expressed that this log should include detailed minutes of all meetings and all other correspondence with sixteen independent aboriginal organizations and communities (my office and the AKFNs were included in this list). Details of the meetings were to include the nature, dates, and locations of meetings held, as well as a discussion on how issues raised by the organizations were considered by the company. The MVLWB also indicated that it required the company to provide information on how traditional knowledge had been considered.

In its resubmitted application of June 15th, TNR Gold Corp. provided the following information in response to the MVLWB requirements:

- Copies of an April 14th form letter that was forwarded to the bulk of the organizations listed by the MVLWB in their letter of April 23^d.
- A “communication log” detailing some communications between the company and some of the listed organizations, the substantive bulk of which consisted of communications between my office and Aurora Geosciences.

The April 14th letter merits some discussion. This letter of “notification” briefly describes TNR Gold Corp.’s proposed exploration program. Nowhere in the letter does the company express an interest in meeting with any of the recipients. The letter cannot be construed as an attempt by the company to engage and dialogue with any of the recipients, as no mention of any potential engagement is made at all. It follows that any lack of indication from the recipients as to whether or not they wish to meet with the company in response to this letter cannot be interpreted as lack of interest in engagement. For their part, the AKFNs and my office have been abundantly clear long before this letter was even received – the AKFNs want to have meetings with TNR Gold Corp for the purpose of mitigating real impacts.

Nonetheless, according to TNR Gold’s “communication log”, the MVLWB specifically advised the company that as long as they forwarded the April 14th form letter to the complete list of required recipients, they would be in compliance. This can only be taken to mean that the MVLWB would then accept the application as “complete”. This is in direct contravention of the requirements outlined in the April 23^d letter, where the MVLWB explicitly outlines that either actual meetings must occur with the listed organizations, or failing that, the company must demonstrate best efforts to engage. Despite doing neither of these things, TNR Gold Corp. still had its application accepted as “complete”.

As a result, the MVLWB has not provided the opportunity for the company or the recipient organizations to dialogue and resolve issues and concerns that cannot be dealt with through the regulatory process. From the AKFN perspective, such items include rights-based concerns, socio-economic interests, and First Nation involvement in wildlife and aquatics monitoring, to name a few. The end result is that the AKFNs are forced to represent these interests through other avenues – either through direct consultation with the Crown, through environmental assessments, or through litigation. None of these options are attractive, but must be employed if the MVLWB is not going to compel companies to engage in a serious manner.

The MVLWB has seriously mismanaged the communication, implementation, and enforcement of its engagement requirements. Expectations seem to be raised and lowered in an ad hoc fashion that smacks of administrative unfairness and outright error. In this case, the end result is that the required "community involvement log" is absolutely devoid of the very thing it is supposed to contain – *demonstration of the meaningful involvement of the communities*.

Another element of administrative unfairness is the MVLWB's full acceptance of TNR Gold Corp.'s "communication log" without question or investigation. This letter has provided ample evidence that the "communication log" is neither a complete nor an accurate representation of the actual dialogue between my office and TNR Gold Corp. It is incumbent upon the MVLWB, as an independent administrative tribunal, to conduct its own investigations in order to evaluate the submissions that it receives. In this instance, such an investigation would at the very least involve some solicitation of comment as to my office's perspective on the nature and substance of our communications with TNR Gold Corp. This information could have been easily provided by my office (it is here attached as *Appendix A*), and perhaps would have informed the MVLWB's consideration as to whether the application was "complete" or not.

AKFN options going forward

In accepting MV2010C0015 as "complete", the MVLWB has effectively removed the option for TNR Gold Corp. and the AKFNs to mutually and satisfactorily address issues and concerns in a collaborative manner prior to MVLWB decision. These issues and concerns typically fall outside of the narrow regulatory process, but are nonetheless critical to address from a legal and moral perspective. Unfortunately, the "train has now left the building", and time is ticking on the forty-two days that the MVLWB has to make one of four specific decisions.

The AKFNs will be submitting their independent representations on which of these decisions they believe the MVLWB must make. In considering this question, I expect that the AKFNs will be mindful of the following:

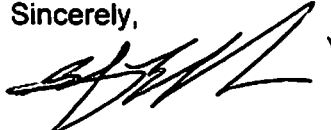
- The Moose claims are in a focal, heavy-use area for all three AKFNs, where treaty and aboriginal rights are practiced, both traditionally and currently.
- All three AKFNs possess oral history and land-use/occupancy studies that detail rights-based usage in the vicinity of the Moose claims, as well as within the claims themselves.
- There has been no heritage or archaeological assessment of the Moose claims, and therefore there are no *known* sites that would be offered protection under the *Territorial Lands Act* and its associated regulations.
- TNR Gold Corp. has not met with any of the AKFNs to discuss the proposed project, listen to concerns, and develop accommodating measures, despite the company's own assertions that it wants to meet with the AKFNs.
- TNR Gold Corp. has repeatedly misrepresented its engagement efforts to the MVLWB.
- The AKFNs did not in any way erect unreasonable barriers that could be construed as "frustrating" attempts by TNR Gold Corp. to meaningfully engage. Meetings did not

happen because the company did not follow-up on explicit directions from both the MVLWB and my office.

- TNR Gold Corp. did the bare minimum that it could to get its application accepted by the MVLWB, and the MVLWB facilitated this process despite its own guidance to the contrary.

If you have any questions on the specifics of my office's communication log or any other matter addressed in this letter, please get in touch.

Sincerely,



Stephen Ellis – Akaitcho IMA Implementation Coordinator
NWT Treaty #8 Tribal Corporation

- c. Chief Antoine Michel – LKDFN
A/Chief Louis Balsillie – DKFN
Chief Edward Sangris – YKDFN (Dettah)
Chief Ted Tsetta – YKDFN (Ndilo)
Todd Slack – Land and Environment, YKDFN
Ray Griffith – Wildlife, Land and Environment Manager, LKDFN
Rosie Bjornson – IMA Community Coordinator, DKFN
Julie Jackson – Manager, Consultation Support Unit, INAC
James Lawrance – Director, Aboriginal and Territorial Relations, INAC
Zabey Nevitt – Executive Director, MVLWB
Marc Cliffe-Phillips – Executive Director, WLWB

TNR Timeline for AIMA *external communication

<u>Date:</u>	<u>Type:</u>	<u>From:</u>	<u>To:</u>	<u>Link:</u>
May 14, 2009	email	Avalon REE - D.Connelly	AIMA - S.Ellis	C:\Users\Sc
May 15, 2009	email	AIMA - S.Ellis	TNR - G.Schellenberg	C:\Users\Sc
August 12, 2009	email	TNR - G.Schellenberg	AIMA - S.Ellis	C:\Users\Sc
August 17, 2009	email	AIMA - S.Ellis	TNR - G.Schellenberg	C:\Users\Sc
April 14, 2010	fax	Aurora Geoscience - C.Segboer	AIMA - S.Ellis	C:\Users\Sc
April 15, 2010	phone	AIMA - S.Poole	AG - C.Segboer	C:\Users\Sc
April 21, 2010	phone	AIMA - S.Ellis	AG - C.Segboer	
April 21, 2010	email	AIMA - S.Ellis	AG - C.Segboer	C:\Users\Sc
April 28, 2010	email	AIMA - S.Ellis	AG - C.Segboer	C:\Users\Sc
May 21, 2010	email	AG - C.Segboer	AIMA - S.Ellis	C:\Users\Sc
June 2, 2010	meeting	AIMA - S.Ellis	AG - C.Segboer	
June 3, 2010	email	AIMA - S.Ellis	AG - C.Segboer	C:\Users\Sc
June 15, 2010	email	AG - C.Segboer	AIMA - S.Ellis	C:\Users\Sc
June 17, 2010	email	AIMA - S.Ellis	AG - C.Segboer	June 17, 20
June 18, 2010	email	MVLWB - E.Briere	AIMA - S.Poole	..\..\Docum
June 22, 2010	email	AG - C.Segboer	AIMA - S.Ellis	June 22, 20

AK(WP)2009-65

From: scellis@eastarm.com ()
To: screeningofficer@eastarm.com
Date: Thursday, May 14, 2009 11:03:04 AM
Subject: Fw: TNR Rare Metals Project

STEPHEN ELLIS

Box 15
Lutsel K'e, NT X0E 1A0
Tel: (867) 370-3217
Fax: (867) 370-3209

--- On Thu, 5/14/09, David Connelly <dconnelly@ileroyale.com> wrote:

From: David Connelly <dconnelly@ileroyale.com>
Subject: TNR Rare Metals Project
To: "Steve Ellis" <scellis@eastarm.com>, "steven nitah" <stevennitah@yahoo.ca>
Date: Thursday, May 14, 2009, 6:36 AM

Steve I tried to call you today. If you get a hard copy of the Yellowknifer there is a map. The TNR project looks to be on the North side of the Hearn Channel about 15 east miles of the Thor Lake project. Regards David

Rare metals snag more exploration

Guy Quenneville

Northern News Services
Published Wednesday, May 13, 2009

SOMBA K'E/YELLOWKNIFE - Another junior exploration company has joined in the search for rare metals near Yellowknife.

Vancouver-based TNR Gold Corp. has staked and acquired what it's calling the Moose 2 project, a small site host to rare metals, principally like lithium and tantalum, located 115 km east-southeast of Yellowknife.



Rare metal and rare earth core samples collected at the Thor Lake site being developed by Avalon Rare Metals. The company could have competition in its vicinity: another junior exploration company, TNR Gold Corp., has staked and purchased a smaller site 15 to 20 miles away, where it is looking for tantalum and lithium, both rare metals. - Guy Quenneville/NNSL photo

Moose 2 was once a producing mine churning out tantalum in the 1950s, and though it was host to some further exploration in the 1980s, it was allowed to lapse by its owners, ultimately landing in the lap of the federal government.

In came TNR. Last February, the company purchased a series of 14 rare metal projects around the world: the Moose project in the NWT, plus three in Ontario, two in Nevada and eight in Ireland.

"We've been doing research on acquiring rare earth elements over the past six to eight months," Gary Schellenberg, president of TNR. "We have a team of geologists that have been working primarily on that, and I've been basing our acquisitions on their recommendations."

The company's interest in lithium is chiefly due to the growing demands placed on car companies to adopt greener manufacturing practices, said Schellenberg.

"A lithium battery is rapidly replacing the nickel-cadmium car batteries because (mainly), they're much lighter than the old standard batteries," he said.

According to Schellenberg, approximately 30 per cent of lithium produced in the world is used in batteries, and that number could grow along with the popularity of electric cars.

"It's a sought-after commodity, so a lot of the juniors are looking for lithium ground," said Gary Vivian, president of Aurora Geosciences, which was contracted by TNR to stake Moose 2 in February.

With the aid of two others, Vivian spent a full day marking the ground with posts.

He said requests for work on rare metals sites are increasing; this summer, his company will be visiting a rare metal site east of the Rio Tinto Diavik Diamond Mine and another southwest of Rankin Inlet.

Vivian declined to say what companies have hired him on, but TNR will be sending Aurora back to the Moose site this summer for what Schellenberg called "a thorough initial investigation" that will involve taking samples and possibly conducting geophysical work to extend the current showings.

The work will last one week and require between two to four workers, said Schellenberg.

The Moose site is approximately 15 to 20 miles away from Thor Lake, the site of a rare metals and rare earth deposit currently being developed by Avalon Rare Metals.

The Thor Lake project is host to "a substantial amount of tantalum" and is much larger than the Moose 2 project, said Chris Pedersen, senior geologist with Avalon.

"There is no comparison whatsoever" between the two projects, he said.

"Lithium and tantalum are in the news and lots of companies are trying to pick up properties that contain (them)," added Pedersen. "But to make a go of any lithium or tantalum deposit, you need a really substantial tonnage and good grades."

According to Schellenberg, the tantalum present at Moose 2 could be mined at a rate of two kg per tonne, which he said "ranks fairly high."

After this summer's work, "we can determine how to proceed in developing the project," he added.



David Connelly, Principal
Ile Royale Enterprises Ltd.
Cell (867) 445-2700
Phone/Fax (867) 920-2375
dconnelly@ileroyale.com

AK(WP)2009-65

From: scellis@eastarm.com ()
To: info@tnrgoldcorp.com; jerryhuang@tnrgoldcorp.com
Date: Friday, May 15, 2009 2:14:26 PM
Cc: screeningofficer@eastarm.com; Rosie Bjornson; sonyalmond@hotmail.com; jennifer@ykdene.com; tslack@ykdene.com
Subject: Moose 2 claims in the Akaitcho Territory of the NWT

Please pass this message on to the appropriate person.

I have been made aware that you have recently staked claims ("Moose 2") near the shore of Great Slave Lake, NT.

These claims are within the Akaitcho Territory, which is the territory of the Akaitcho Dene First Nations (comprised of the Yellowknives Dene First Nation, the Deninu Kue First Nation, and the Lutsel K'e Dene First Nation).

You may be aware that consultation with First Nations, and accommodation of their concerns, is now a legal duty and standard practice prior to advancing projects in their territories. In the interest of facilitating this process, the AKFNs have developed the attached Guidelines for Mineral Exploration in the Akaitcho Territory. I suggest that when you prepare to enter the permitting process for potential exploration at Moose 2, you follow these guidelines to facilitate your engagement with the First Nations, and expedite the regulatory process.

Please get in touch with any questions that you might have.

STEPHEN ELLIS
Box 15
Lutsel K'e, NT X0E 1A0
Tel: (867) 370-3217
Fax: (867) 370-3209

AK(WP)2009-65

From: Gary Schellenberg (cmggary@gmail.com)
To: scellis@eastarm.com
Date: Wednesday, August 12, 2009 12:27:49 PM
Cc: screeningofficer@eastarm.com
Subject: Mineral property acquisition within your territory

Dear Mr. Ellis

TNR Gold Corp. and its subsidiary International Lithium recently staked mineral claims within your territory, 115 km south east of Yellowknife on the shores of Great Slave Lake. Yesterday we announced that we have acquired the surrounding claims through an option agreement with the current title holder. (see the attached map). Upon review of your Mineral Exploration Guidelines I realised that notification is required prior to or immediately following such staking. I apologise for this oversight and late notification. We are at a very early stage in our project evaluation and plan to compile all the historical data available and attempt to have a geologist locate and sample the historical showings this summer/fall. The field portion of the planned program will take 3-5 days and will involve no land disturbance.

This work will enable us to prepare a comprehensive exploration plan for summer 2010 that will be presented for your approval and comment prior to applying for a Land Use Permit. Once our program has been designed I will be happy to meet with you and interested members of your community to discuss our activities in your area.

I would appreciate knowing if there is any known archaeological , cultural or environmental sensitivities on or near our project site.

I look forward to building a strong mutually beneficial relationship with your community.

Sincerely,
Gary Schellenberg
President
TNR Gold Corp.

112°20'0"W

112°10'0"W

112°0'0"W

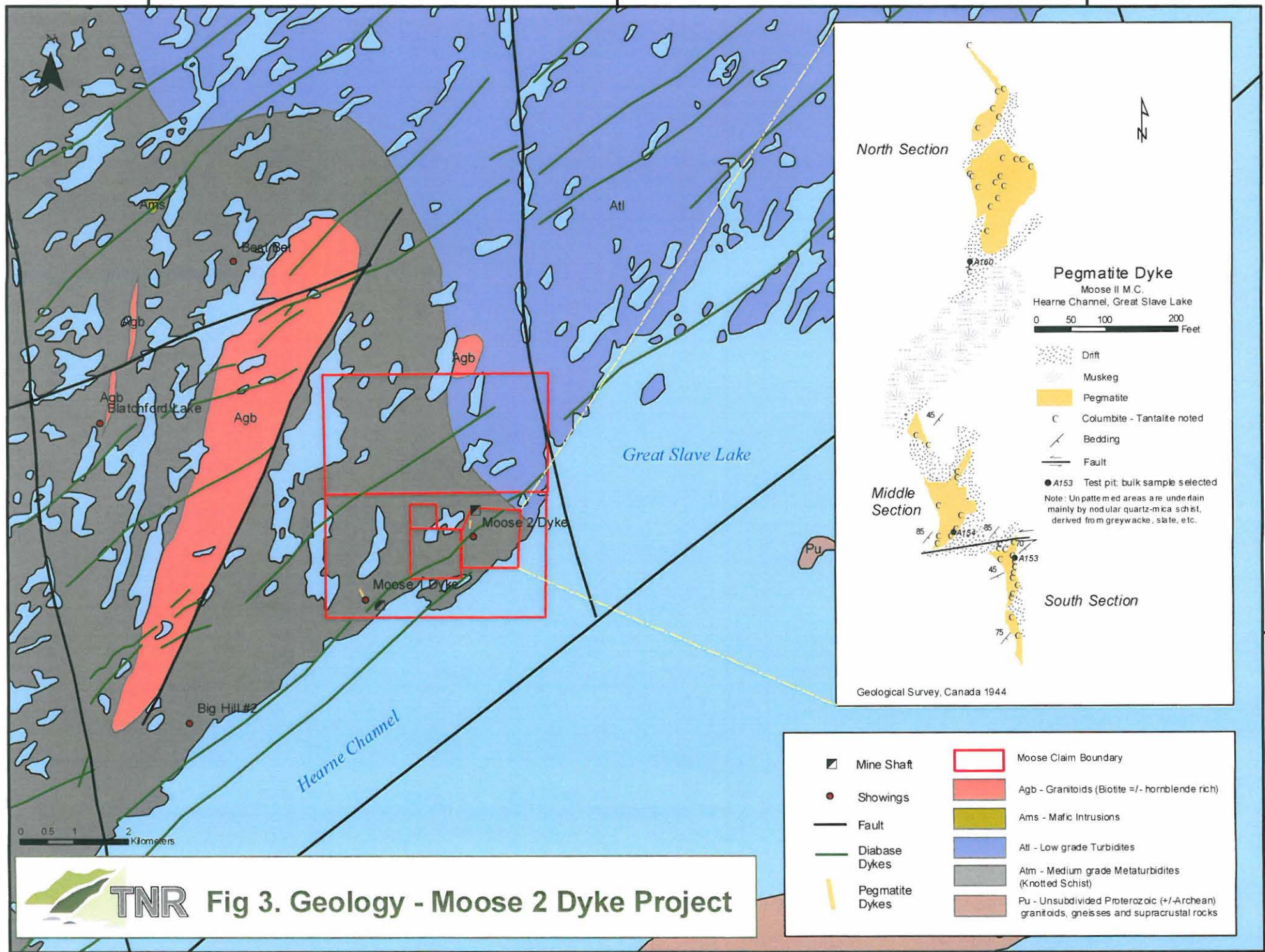


Fig 3. Geology - Moose 2 Dyke Project

— Forwarded Message —

From: "scellis@eastarm.com" <scellis@eastarm.com>

To: Gary Schellenberg <cmggary@gmail.com>

Cc: screeningofficer@eastarm.com; sonyalmond@hotmail.com; tslack@ykdene.com; jennifer@ykdene.com;

Rosie Bjornson <imadenegurl@hotmail.com>

Sent: Mon, August 17, 2009 9:21:48 AM

Subject: Re: Mineral property acquisition within your territory

Gary,

Thanks a lot for the notification. Please get in touch as your plans for a 2010 exploration program firm up, and we can organize ourselves to meet sometime over the winter.

As for archaeological sites, I would suggest contacting the Prince of Wales Heritage Center in Yellowknife. They could provide you with some idea of the extent of known sites in the area. As for cultural and environmental sensitivities, it is likely that the First Nations will have some heritage areas within the claim blocks, given that members of the Akaitcho Dene First Nations spent considerable time in the Narrow Island area immediately to the east of the claims. These can be more thoroughly discussed once your exploration plans begin to evolve.

In the meantime, keep in touch, and I look forward to meeting you over the next year....Steve

STEPHEN ELLIS

Box 15

LutselK'e, NT X0E1A0

Tel: (867) 370-3217

Fax: (867) 370-3209



AURORA GEOSCIENCES

Yellowknife Office
3506 McDonald Drive
Yellowknife, NT
X1A 2H1

Phone: (867) 920-2729
Fax: (867) 920-2739
yellowknife@aurorageosciences.com

FAX TRANSMISSION

To: Steve Ellis

Fax #: 888-714-3209

From: Corey Segboer

Date: April 14, 2010

Subject: Project Notification

CC: MVLWB

Number of pages including cover sheet: 5

Please find letter attached. Thank you.

**AURORA GEOSCIENCES****Head Office**

3506 McDonald Drive
Yellowknife, NT X1A 2H1

Phone: 867-920-2739

Fax: 867-920-2739

Yellowknife@auroraesciences.com

Steve Ellis
IMA Co-ordinator

April 14, 2010

Dear Mr. Ellis,

TNR Gold Corp. is a junior mining company with a project referred to as the "Moose Property" located approximately 115km east-southeast of Yellowknife. Aurora Geosciences Ltd., a Yellowknife based exploration company, has been contracted to conduct the permitting process and exploration work on behalf of TNR Gold Corp. At this time the property consists of 5 mineral claims. The property is centred at approximately 62°10'31"N 112°13'58"W. The attached maps illustrate the regional property location and the mineral claim locations.

Previous work by TNR Gold Corp and other mining companies has identified the occurrence of Lithium and Tantalum on the property. Lithium and Tantalum are eco-friendly rare earth elements similar to those discovered at Avalon Rare Metals Nechalacho deposit. These elements are used in clean energy, electronics, computers and healthcare technologies.

TNR Gold Corp. and Aurora Geosciences Ltd. would like to notify you of their plans to carry out work related to this project. TNR Gold Corp. will be applying to the Mackenzie Valley Land and Water board for a permit to allow for prospecting, mapping, ground geophysics, diamond drilling and a 10 man exploration camp on this property. If you have any comments or questions please feel free to contact me.

Respectfully submitted,

Corey Segboer
Operations Manager
Aurora Geosciences Ltd.
On behalf of TNR Gold Corp.

Project Description

Moose Property Northwest Territories

Introduction

TNR Gold Corp. is a Canadian company with its corporate office in Vancouver, BC. The company is listed on the TSX under the symbol TNR.

International Lithium acquired the Moose 2 and Moose 1 pegmatite veins in April of 2009 when Aurora Geosciences of Yellowknife, NT, were contracted to stake the old mining leases which had just lapsed. The Moose 2 pegmatite is a historic lithium and tantalum showing which was worked mostly in the early 1940's to the mid-1950's. With the recent demand for lithium, International Lithium acquired the three old mining leases and has optioned additional ground around the mining leases.

Aurora Geosciences Ltd., a Yellowknife-based geological and geophysical consulting company, was retained by TNR Gold Corp. to conduct prospecting and sampling over the property in the summer of 2009 and prepare a NI 43-101 compliant technical report on the Moose 2 Dyke (Moose) property in the fall of 2009. The results have been encouraging and TNR Gold Corp. would like to continue exploration activities on this property.

Property Description and Location

The Moose property (Moose) is located on the north shore of Great Slave Lake in the NWT (Figure 1), approximately 115 km east-southeast of the capital Yellowknife. The property occurs within the MacKenzie Mining District and is shown on National Topographic System (NTS) map sheet 85I/01. It is bounded in a general sense by the following minimum and maximum latitudes/longitudes:

MIN Latitude 62° 10' 02" N	MAX Latitude 62° 12' 39" N
MIN Longitude 112° 10' 10" W	MAX Longitude 112° 11' 59" W

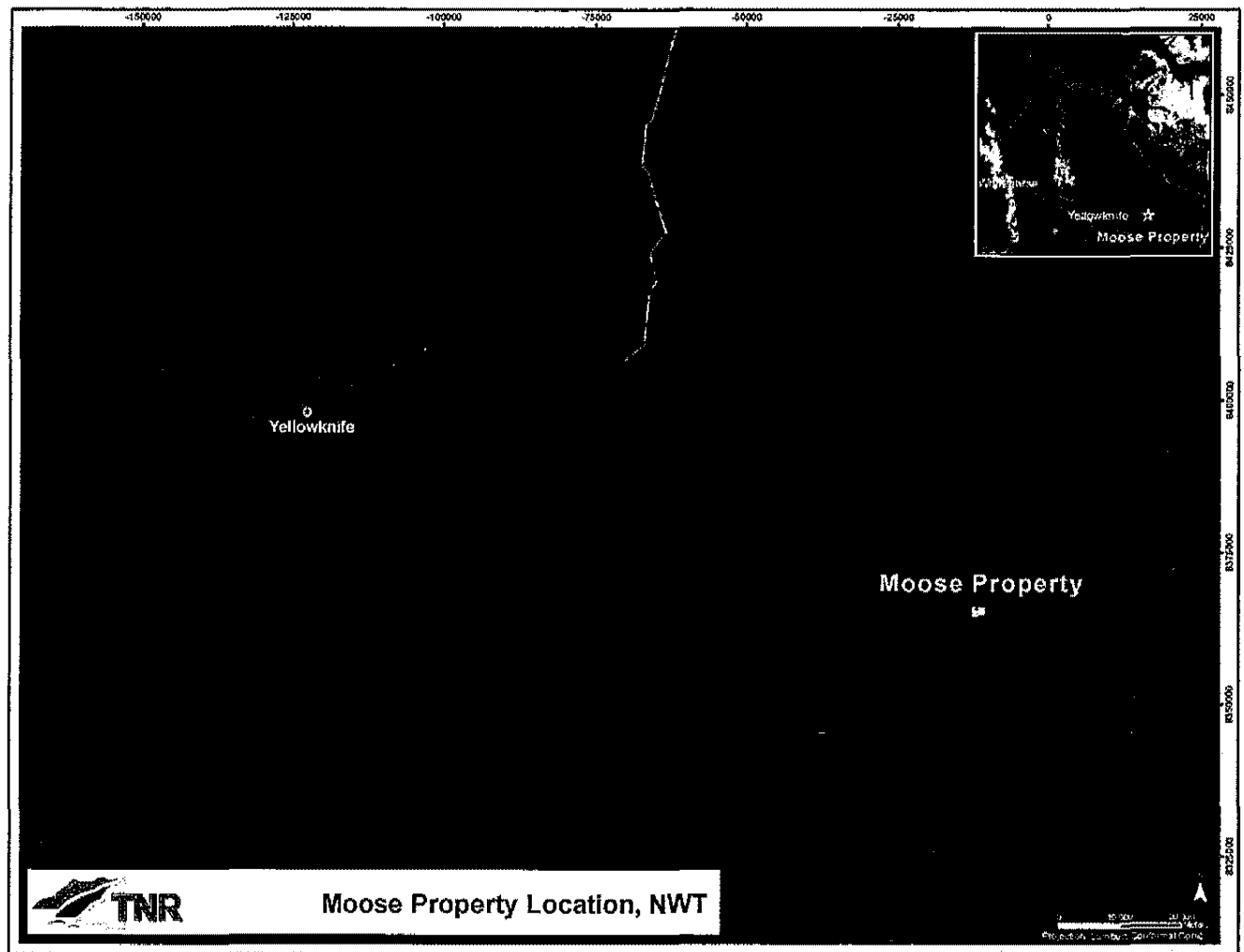


Figure 1 Moose Property Location Map

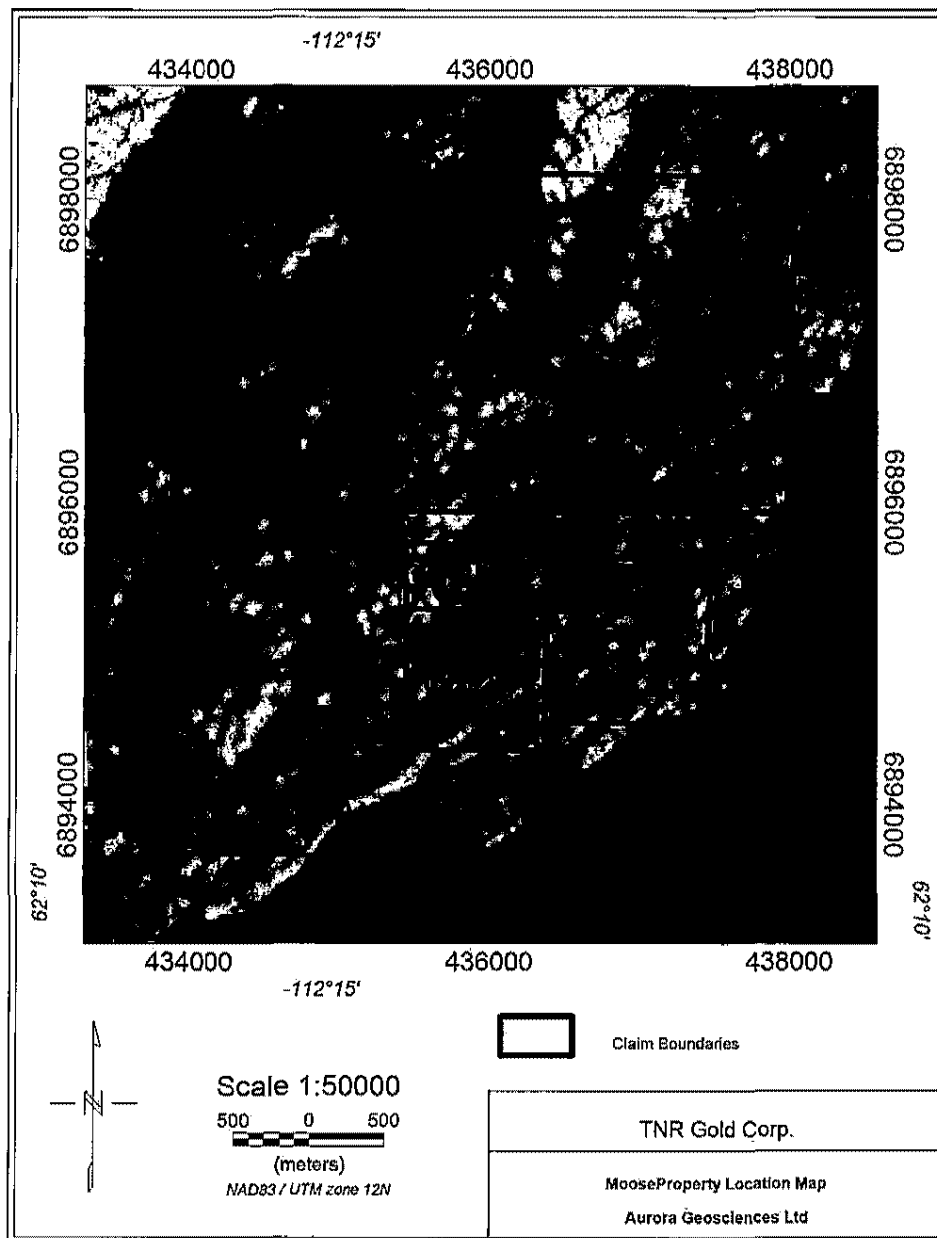


Figure 2 Moose Property Claims

The Moose property is accessible seasonally by boat, winter road and/or by float or ski-equipped aircraft from either Yellowknife or Hay River. During the ice-free summer period, equipment can be barged to a landing site on the Hearne Channel on Great Slave Lake and then transported by existing access roads. During the winter months, winter roads on the ice can be used to haul the bulk of materials across Great Slave Lake to the property.

A camp has not yet been constructed on the property. This permit application will include the construction of an exploration tent camp suitable for up to 10 personnel. This would include 2 sleep tents, combination cook tent/First aid station, kitchen, dry, core shack, outhouse, generator shack and a fuel cache.

**Head Office**

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m

Steve Ellis
IMA Co-ordinator

April 14, 2010

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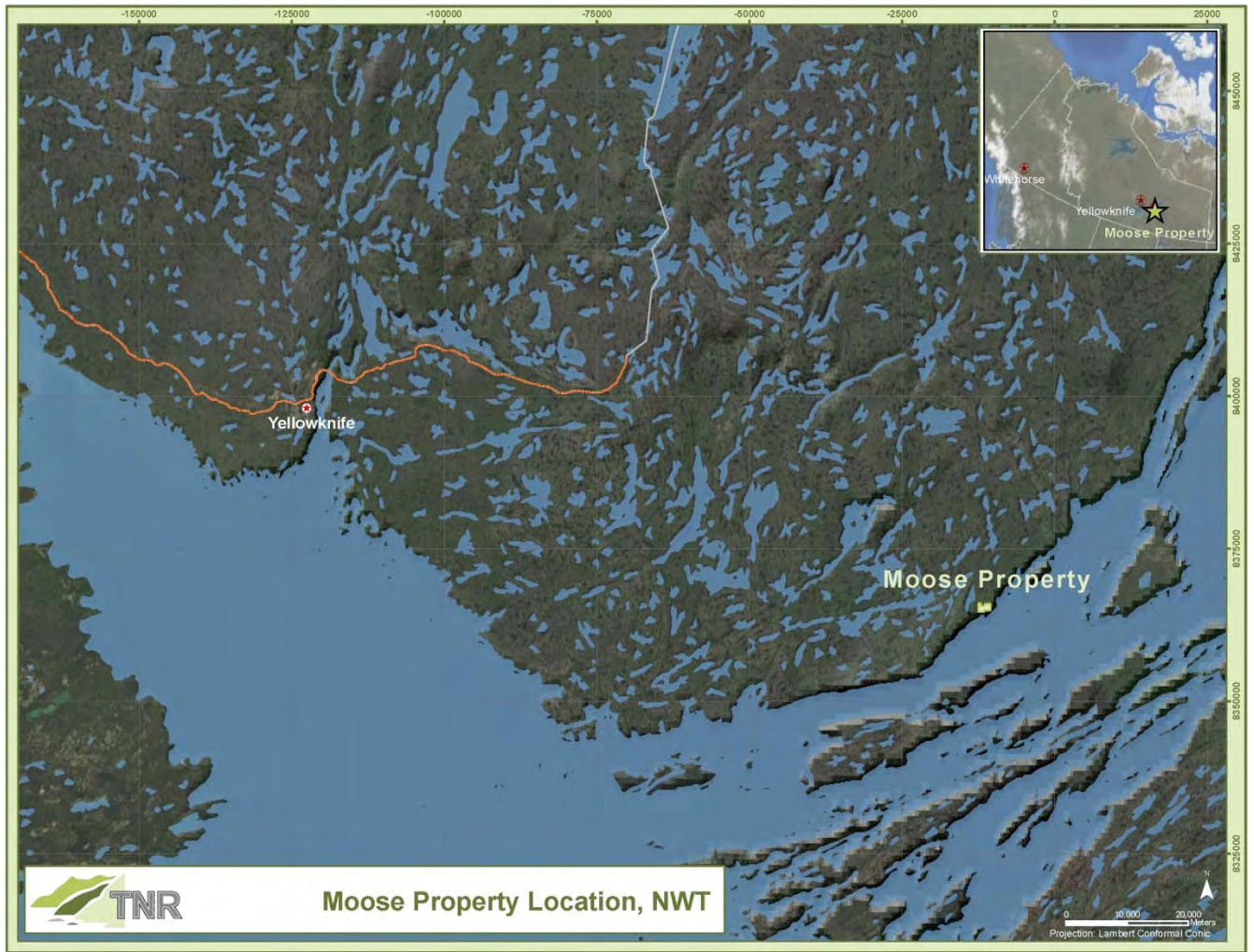


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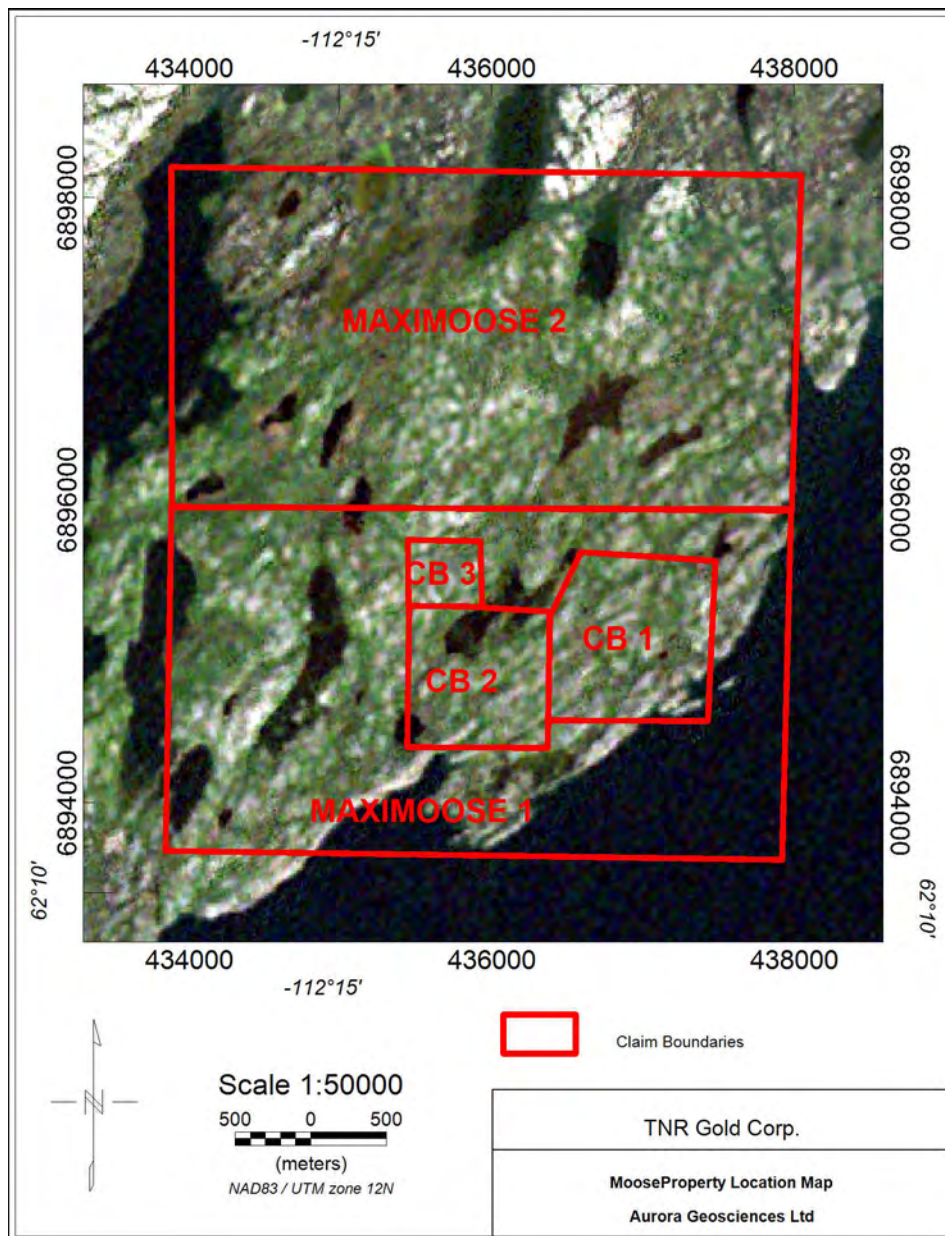


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— Forwarded Message — **From:** Stephen Ellis <scellis@eastarm.com> **To:** corey.segboer@aurorageosciences.com Cc: screeningofficer@eastarm.com **Sent:** Wed, April 21, 2010 2:50:35 PM **Subject:** mineral exploration guidelines

Corey:

Following up on our phone conversation and your fax notification dated April 14, 2010, attached are the *Mineral Exploration Guidelines in the Akaitcho Territory*. We encourage TNR Gold Corp. to apply these guidelines in their dealings with the Akaitcho Dene First Nations. If you have any questions or comments on specifics, get in touch, and I remind you that we are amenable to being flexible in order to accommodate the specific circumstances of this project and company.

As I mentioned on the phone, the location of TNR Gold's proposed project is in an overlap area among three of the Akaitcho Dene First Nations, namely the Yellowknives Dene, the Lutsel K'e Dene, and Deninu Kue in Fort Resolution. This causes some complexity for the company when it comes to engaging the First Nations (e.g. possibly having to engage on three different fronts). Recognizing this, I am currently working with all these First Nations internally to come up with some efficiencies in the engagement process, potentially having one point of engagement on behalf of all three. I'll have guidance for you next week on this.

The Akaitcho Dene, as a group, prefer to formalize their relationship with mineral exploration companies through an *Akaitcho Exploration Agreement*, which is contemplated in the *Guidelines*. We have successfully entered into such agreements with a number of proponents, and have found that the relationships developed provide certainty and clarity to proponents, while at the same time simplifying what can sometimes become a burdensome regulatory and consultative process. I have attached a template of such an agreement, and I encourage TNR Gold to give it serious consideration. Again, the Akaitcho Dene are willing to accommodate the specific issues and concerns of the company in this agreement.

I would also encourage you to speak with some of the other companies that have entered into exploration agreements with the Akaitcho Dene to get their perspective on this approach (Shear Minerals, Solid Resources, Almaden/ATW). I trust that you will find that the exploration agreement has simplified their permitting and reduced their consultative burden, and that they have been satisfied with the results.

I'll talk to you early next week....Steve

STEPHEN ELLIS

— Forwarded Message —

From: Stephen Ellis <scellis@eastarm.com>

To: corey.segboer@aurorageosciences.com

Cc: screeningofficer@eastarm.com; tslack@ykdene.com; Rosie Bjornson <imadenegurl@hotmail.com>;

lkdfnjajnds@yahoo.com

Sent: Wed, April 28, 2010 4:19:44 PM

Subject: engagement with the Akaitcho Dene First Nations

Corey:

As per the email I sent last week (inserted below), I have discussed with the Akaitcho Dene First Nations (Yellowknives, Lutsel K'e, and Deninu Kue) an engagement approach with TNR Gold Corp. that might be more efficient than having to individually approach each First Nation. The AKFNs have endorsed the following approach:

1. If TNR Gold opts to pursue the *Akaitcho Exploration Agreement* with the AKFNs (and we strongly encourage this - it makes it less onerous and more certain for us all), I will serve as the one point of contact for TNR Gold on behalf of all three of the First Nations. Work towards finalizing an agreement could proceed between myself and yourself. Once we have a draft that is generally reflective of both TNR Gold and AKFN needs, we would bring it back to our principles (in my case, the three individual AKFNs) for endorsement. Assuming all is fine, TNR Gold would then sign three identical agreements, one with each AKFN.

Our hope is that this approach will save the company the trouble of having to deal with each AKFN on a completely separate basis. I have attached a revised template of an *Akaitcho Exploration Agreement* that has built in some efficiencies (in red) that take into consideration TNR Gold's unique location in a triple overlap among the AKFNs. The AKFNs are also prepared to consider waiving any requirement for the company to meet with the First Nations prior to executing the *Akaitcho Exploration Agreement*, as such meetings are already provided for on a contractual basis within the agreement itself.

Please review, and indicate to me at your convenience as to whether the *Akaitcho Exploration Agreement* approach is acceptable to TNR Gold. If so, I am amenable to refining and finalizing the document remotely over the email or else meeting personally to do so.

3. If TNR Gold is not willing to entertain the *Akaitcho Exploration Agreement* approach to dispense of consultative obligations, consultation and accommodation as mandated by various Supreme Court cases must occur nonetheless, in some other form. There is little guidance on how this should happen, or what the end result might be. Typically this approach can be confusing, quite burdensome, and expensive. In the case of TNR Gold, it would require the company to engage independently with each of the Akaitcho Dene First Nations, meaning at the very least three separate engagements within the First Nation communities themselves (and the associated expense).

Given the proximity of TNR Gold's properties to Great Slave Lake, and the extensive historic and current use by the AKFNs in the area, there is no doubt in my mind that the company would be required to implement measures that accommodate First Nation concerns (in other words, just having meetings will not be enough - the company will also have to accommodate the concerns articulated by the First Nations). Doing this accommodation in an ad hoc manner, on three separate fronts, is not recommended.

Please get back to me at your earliest convenience as to TNR Gold's preferred approach to dispensing of its consultative obligations. I urge you to consider the *Akaitcho Exploration Agreement* seriously, and expect that you will find it to be the option that provides the greatest certainty, clarity, and efficiency for the company.

Steve

Corey:

Following up on our phone conversation and your fax notification dated April 14, 2010, attached are the Mineral Exploration Guidelines in the Akaitcho Territory. We encourage TNR Gold Corp. to apply these guidelines in their dealings with the Akaitcho Dene First Nations. If you have any questions or comments on specifics, get in touch, and I remind you that we are amenable to being flexible in order to accommodate the specific circumstances of this project and company.

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I'll talk to you early next week....Steve

STEPHEN ELLIS
Box 15
Lutsel K'e, NT XOE 1A0
Tel: (867) 370-3217 Fax:
(888) 714-3209

— Forwarded Message

From: Corey Segboer <corey.segboer@aurorageosciences.com>

To: Stephen Ellis <scellis@eastarm.com>

Sent: Fri, May 21, 2010 2:46:15 PM

Subject: Re: engagement with the Akaitcho Dene First Nations

Hi Stephen,

I apologize for the late reply, I have attached a pdf copy of a letter to the Akaitcho Dene First Nations (Yellowknives, Lutsel K'e and Neniu Kue). At this time TNR Gold Corp. is exploring the options that you presented in your previous email but would like the opportunity to meet with the AKFN's regardless of the route taken. I will be in contact with you next week and we can discuss when a good time can be arranged for a meeting between TNR Gold corp and the AKFN's.

Corey



Head Office

3506 McDonald Drive
Yellowknife, NT X1A 2H1

Phone: 867-920-2739

Fax: 867-920-2739

Yellowknife@aurorageosciences.co
m

Steve Ellis
IMA Co-ordinator

May 18, 2010

Dear Mr. Ellis,

Thank you for forwarding the Akaitcho Exploration Agreement and your letter outlining the Akaitcho Dene First Nations (Yellowknives, Lutsel K'e, and Deninu Kue) desire to engage in consultation with TNR Gold Corp. Aurora Geosciences Ltd and TNR Gold Corp. welcome the opportunity to inform the community leaders and others in the community about our proposed exploration program.

TNR Gold Corp. understands that the small program which has been proposed may have effects on the Akaitcho Dene First Nations (Yellowknives, Lutsel K'e, and Deninu Kue). In order to ensure that the affected groups understand the program and have an opportunity to voice any potential concerns, TNR would like the opportunity to meet with the Akaitcho Dene First Nations (Yellowknives, Lutsel K'e, and Deninu Kue). I respectfully request that the Akaitcho Dene First Nations (Yellowknives, Lutsel K'e, and Deninu Kue) as a group, or separately respond with potential meeting dates. I will be in contact within the next two weeks to confirm receipt of this letter as well as to discuss when meetings can be arranged.

Respectfully submitted,

Corey Segboer
Operations Manager
Aurora Geosciences Ltd.
On behalf of TNR Gold Corp.

— Forwarded Message —

From: Stephen Ellis <scellis@eastarm.com>

To: corey.segboer@aurorageosciences.com

Cc: cmggary@gmail.com; screeningofficer@eastarm.com; tslack@ykdene.com; Rosie Bjornson <imadenegurl@hotmail.com>; lkdfn_lands@yahoo.com

Sent: Thu, June 3, 2010 4:07:27 PM

Subject: follow-up to conversation

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. Oiavik 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

STEPHEN ELLIS
Box 15
LutselK'e, NTX0E1A0
Tel: (867) 370-3217 Fax:
(888) 714-3209

----- Forwarded Message -----

From: Corey Segboer <corey.segboer@aurorageosciences.com>

To: Stephen Ellis <scellis@eastarm.com>

Cc: screeningoficer@eastarm.com; tslack@ykdene.com; lkdfn_lands@yahoo.com; Lee Mandeville <lmmandeville@denenation.com>

Sent: Tue, June 15, 2010 4:06:18 PM

Subject: Re: follow-up to conversation

Stephen.

I want to thank you for your time to stop by and meet with me, it was informative and helpful in moving this project forward.

I have finalized a letter to the Akaitcho Dene First Nations in regards to the exploration program for TNR Gold Corp. Please find the letter attached to this email, should you require any clarification or have any concerns please contact me at any time. I look forward to working with the Akaitcho Dene First Nations and meeting with you again soon.

Corey

Corey Segboer

Operations Manager

Aurora Geosciences Ltd.

3506 McDonald Drive

Yellowknife, NT XIA 2111

Phone: (867) 920-2729

Fax: (867) 920-2739

corey.segboer@auroragcoscience.s.com

**Head Office**

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Yellowknife@aurorageosciences.com

Stephen Ellis
IMA Co-ordinator
Box 15
Lutsel K'e, NT
X0E 1A0

June 15, 2010

Dear Mr. Ellis,

In response to our meeting held on June 2nd, 2010 and the subsequent email correspondence between you, I and Todd Slack, the purpose of this letter is to provide the Akaitcho Dene First Nations (Yellowknives, Lutsel K'e, and Deninu Kue) with information regarding TNR Gold Corp's policies and procedures for mineral exploration. Included with this letter is a list of proposed exploration activities and a copy of the original project description and summary of the exploration activities submitted to the Akaitcho Dene First Nations in April of 2010.

Proposed Activities

At this time, the Moose Property is in its first phase of exploration and TNR Gold Corp. will be focusing on grass roots methods of mineral exploration. The activities proposed in the land use application include several activities that will help define the potential of the Moose property and determine if further work is warranted. The activities proposed under the land use application include:

- Ground Geophysical surveys
- Mapping and Prospecting
- Channel sampling
- Line cutting
- Trenching
- Diamond Drilling
- Camp Construction

The geophysical surveys, channel sampling, line cutting, trenching and drilling will all occur within the CB 1 and CB 2 claims on existing transportation routes and historical mining sites. After the results of the 2010 field season are evaluated there may be an interest to continue further exploration to the Moose property. TNR Gold Corp. would ensure that every effort is made to present the new activities and conduct consultation to ensure that any concerns are understood and mitigated.

Information and Reporting

Before commencing exploration activities, TNR Gold Corp. will provide INAC with information on the general location of planned exploration work, types of work (mapping, channel sampling, geophysics or drilling) and estimated time frame for the program. Once activities are complete, TNR Gold Corp would then provide a report including specific details about survey locations, activities and drill collar locations. TNR Gold Corp. can provide notification of planned exploration and the final report to the Akaitcho Dene First Nations at the time of submission to INAC.

TNR Gold Corp can make itself available for community presentations and meetings with the Akaitcho Dene First Nations if at anytime either party feels the need to discuss exploration activities.

Employment Opportunities

TNR Gold Corp. will recommend to its sub-contractors that they seek out and employ Akaitcho Dene First Nations members where possible. As its representative on the project, Aurora Geosciences Ltd. will hire Akaitcho Dene First Nations members to fill positions on the project if qualified persons apply. The ability to hire Akaitcho Dene First Nations members will depend on the size of the program and requirements of the exploration activities that will take place.

Archaeology

As a standard process before commencing exploration activities, TNR Gold Corp, has conducted a search of the Prince of Wales Northern Heritage Centre NWT Archaeological Sites to assess if any archaeological sites have been identified in proximity to the activities. In addition, the Land and Environment department of the Yellowknives Dene First Nation has been contacted and any data relevant to the area will be requested. TNR Gold Corp is aware of the limitations of the data, its spatial accuracy, and that it cannot confirm the absence of cultural and heritage resources that may be at or near an exploration site. To ensure the proposed exploration program does not have any impact on archaeological sites in the area, TNR Gold Corp would invite a representative of the Akaitcho Dene First Nations and an archaeologist from the Prince of Wales Heritage Centre to visit the site at the commencement of the program.

It is understood that there is significant concern over the cultural the site known as Narrow Island. The island is located approximately 10km to the North East of the proposed exploration activities. The transportation routes used to access the Moose property will be by barge along the shoreline from Yellowknife or by float plane, neither of which will land nor come within approximately 10km of Narrow Island.

Monitoring

TNR Gold Corp will follow all terms and conditions of the Land Use Permit. In accordance with the permit there are various notification policies, procedures, management and contingency plans in place to minimize and monitor any environmental impacts. The camp site and drill sites are open to inspection by the Indian and Northern Affairs Land and Water Inspector. In addition to the INAC inspector, TNR Gold Corp would provide the opportunity for one representative of the Akaitcho Dene First Nations to visit the site during the course of the exploration activities.

Conclusion

As a junior mining company, TNR Gold Corp is committed to the protection of the environment and of the cultural heritage of the north. TNR is also committed to community relations and consultation with the Akaitcho Dene First Nations. Through the policies in place and the actions put forth in this letter, TNR Gold Corp can effectively work with the Akaitcho Dene First Nations to protect the cultural and environmental resources during the exploration activities on the Moose property.

Should the Akaitcho Dene First Nations have concerns relating to this letter or the proposed exploration program, please contact me at your earliest convenience. As Part of our commitment to community involvement and communications, TNR Gold Corp would be pleased to meet with representatives of the Akaitcho Dene First Nations to provide a more detailed overview of this proposed exploration program. Should a presentation be desired, please respond with suggested dates to meet.

We look forward to working with the Akaitcho Dene First Nations on this project, and future exploration activities.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'C Segboer', with a stylized, flowing script.

Corey Segboer
Operations Manager
Aurora Geosciences Ltd.
On behalf of TNR Gold Corp.

On Thu. Jun 17. 2010 at 11:45 AM, Stephen Ellis <scellis@easalarm.com> wrote:

Corey:

Thanks for your letter of June 15, 2010, outlining some of the measures TNR Gold is prepared to take to try and accommodate the concerns of the Lutsel K'e, Deninu Kue, and Yellowknives Dene First Nations. I suspect the measures you have proposed will not be adequate for the protection of the First Nations' rights and interests in the project area.

As TNR Gold has made it clear that they are not prepared to pursue an Exploration Agreement with the First Nations, my direct role on this file will now come to an end. The individual First Nations delegated my office as single point of contact to try and facilitate the execution of an Exploration Agreement in an extremely delicate area of overlap between the three First Nations. As TNR Gold and the First Nations have no agreement on the requested accommodation measures, I strongly recommend using the concerns we have discussed as a starting point for further face-to-face engagement.

Hopefully, further dialogue in the form of face-to-face engagements with the individual First Nations will result in mutually acceptable measures that will satisfy both the company and the First Nations. I suggest that you know follow-up on your offer to meet outlined in your May 18, 2010 letter addressed to myself, where it is stated that:

"In order to ensure that the affected groups understand the program and have an opportunity to voice any potential concerns, TNR would like the opportunity to meet with the Akaitcho Dene First Nations (Yellowknives, Lutsel K'e, and Deninu Kue). I respectfully request that the Akaitcho Dene First Nations (Yellowknives, Lutsel K'e, and Deninu Kue) as a group, or separately respond with potential meeting dates."

These engagement meetings will need to happen with each of the First Nations, in their respective communities. TNR Gold should be prepared to cover the costs of the engagements - these differ among the First Nations, and have been developed in accordance with INAC's generally accepted consultation meeting costs (see attached document). The First Nations themselves will inform you as to what these costs are.

In order to schedule the requisite meetings, you should contact the following point people within each First Nation:

- Lutsel K'e Dene First Nation: Ray Griffith (Wildlife, Lands and Environment Manager), lkdfn_lands@yahoo.com, 867-370-3197

- Deninu Kue First Nation: Rosie Bjornson (Community Interim Measures Agreement Coordinator), imadenegurl@hotmail.com, 867-394-5407

- Yellowknives Dene First Nation: Todd Slack (Lands and Environment), tslack@ykdene.com, 867-766-3496

Understand that the First Nations summer schedule is extremely tight. However, I know that the First Nations will try and accommodate a meeting with TNR Gold at the earliest possible convenience.

If you require any assistance, or have any follow-up questions, don't hesitate to get in touch.

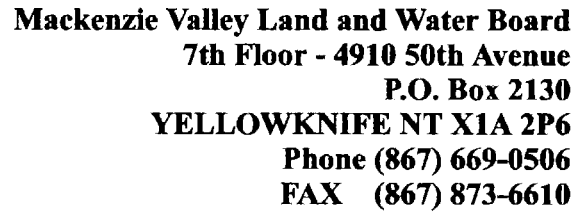
STEPHEN ELLIS

Box 15

Lutsel K'e, NT XOE 1A0 Tel:

(867) 370-3217 Fax: (888)

714-3209



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Mackenzie Valley Land and Water Board

7th Floor - 4910 50th Avenue • P.O. Box 2130
YELLOWKNIFE, NT X1A 2P6
Phone (867) 669-0506 • FAX (867) 873-6610

June 18, 2010

File: MV2010C0015

Distribution List

Dear Sir/Madam:

**Request for Comments
Land Use Permit Application
TNR Gold Corp., Mineral Exploration, Moose Property, NT**

This Land Use Permit Application is now available for viewing online. To access this document on our website, please go to www.mvlwb.ca/mv under "Items for Review", TNR Gold Corp. The Mackenzie Valley Land and Water Board will use your comments in its evaluation and preliminary screening of the application.

Submit your comments in writing by July 8, 2010 quoting Land Use Permit MV2010C0015. If you need more time to complete your review, please contact me prior to this date.

If you have any questions or concerns regarding this application, please telephone (867) 669-0506 or email permits@mvlwb.com.

Yours sincerely,

A handwritten signature in cursive script that reads "Shannon Hayden for".

Shannon Hayden
Regulatory Officer

Attachment

Akaitcho Region Distribution List

Aboriginal Organizations

Chief Frieda Martselos	Salt River First Nations		867-872-3550
Chief Fred Daniels	Smith Landing First Nation		867-872-5154
Chief Eddie Sangris	Yellowknives Dene First Nation (Dettah)	29	873-5969
Chief Ted Tsetta	Yellowknives Dene First Nation (Ndilo)	30	873-8545
Chief Steven Nitah	Lutselk'e Dene First Nation	34	867-370-3010
A/Chief Louis Balsillie	Deninu K'ue First Nation	48	867-394-5122
Director	Tli Cho Lands Protection Environment	22	867-392-6862
Lee Mandeville	Dene Nation		lmandeville@denenation.com
Screening Officer	Akaitcho Treaty #8 Tribal Corporation		screeningofficer@eastarm.com
President Ken Hudson	Fort Smith Métis Council		867-872-5225
President Betty Villebrun	Northwest Territory Métis Nation	45	867-872-2772
President Garry Bailey	Fort Resolution Métis Council		Frmc53@yahoo.ca
President Bill Enge	North Slave Métis Alliance		lands@nsma.net

Communities

Mayor Elizabeth Ann McKay	Deninoo Community Council		Dcc_finance@airware.ca
Mayor Gordon Van Tighem	City of Yellowknife		920-5649
Mayor Janie Hobart	Town of Fort Smith		townoffortsmith@northwestel.net

Government – GNWT

Glen Mackay	GNWT - PWNHC		Glen_Mackay@gov.nt.ca
Patrick Clancy	GNWT - ENR		Patrick_Clancy@gov.nt.ca
ENR	Gnwt_ea@gov.nt.ca		Gnwt_ea@gov.nt.ca
Duane Fleming	GNWT - HEALTH		Duane_fleming@gov.nt.ca
Mark Davy	GNWT - MACA		Mark_Davy@gov.nt.ca
Susan Abernethy	WCSS		SusanA@wcb.nt.ca
Kris Johnson	GNWT – ITI		K_Johnson@gov.nt.ca
Rhonda Batchelor	GNWT – DOT		Rhonda_Batchelor@gov.nt.ca

Government – Federal

Scott Stewart	South Mackenzie District Office – INAC		scott.stewart@inac-ainc.gc.ca Charlene.Coe@inac-ainc.gc.ca
Robert Jenkins	Head, Regulatory and Science Advice Section - Water Resources - INAC		Robert_Jenkins@inac.gc.ca
Angela Norris	Mineral & Petroleum Resources Directorate - INAC		norrisa@inac.gc.ca
Julie Jackson	Manager/Aboriginal and Territorial Relations		consultationsupportunit@inac.gc.ca
Lorraine Seale	Environment and Conservation - INAC		sealel@inac-ainc.gc.ca
	Intergovernmental Affairs - INAC		intergov@inac-ainc.gc.ca 669-2710
	Environment Canada		ec.ea.nwt@ec.gc.ca
Rick Walbourne	DFO		Rick.Walbourne@dfo-mpo.gc.ca

Others

Boyd Warner	Barrenground Caribou Outfitters		920-4263
Vern Christensen	MVEIRB	50	vchristensen@mveirb.nt.ca
if operation is near Blachford Lake Lodge enter Mike Freeland	Blachford Lake Lodge		info@blachforlakelodge.com

If there are any errors in this distribution list, please contact our office.

----- Forwarded Message -----
From: Corey Segboer
<corey.segboer@aurorageosciences.com>
To: Stephen Ellis
<scellis@eastarm.com> Sent: Tue,
June 22, 2010 10:54:58 AM
Subject: Re: Response to your
June 15 letter

Hi Steve,

Thanks for the reply. I will follow up with the three people that you have listed in your email, thank you again for the meeting a few weeks back, it was good to chat with you in person. Hopefully I will be able to have the same opportunity with the other representatives in the near future.

Corey



Akaitcho Interim Measures Agreement Implementation Office

NWT Treaty #8 Tribal Corporation

MINERAL EXPLORATION GUIDELINES IN THE AKAITCHO TERRITORY

A. Application of these Guidelines

Individuals or companies wishing to conduct mineral exploration activities wholly or partially in the Akaitcho Territory are strongly encouraged to use these Guidelines to engage and consult with the Akaitcho Dene First Nations (AKFNs).

B. General Engagement and Consultation Process

Engagement with the AKFNs should occur:

1. after an individual or company has staked mineral claim(s) in the Akaitcho Territory and has registered the claim(s) with the NWT Mining Recorder's Office, and
2. before the commencement of exploration activities on the claim(s).

Proponents wishing to conduct exploration activities on the claims(s) are advised to initiate dialogue with the appropriate AKFN(s) well in advance (up to six months) of the desired start date of exploration activities. An individual or company should follow the general process of engagement and consultation outlined in the following steps:

- Register the location of the mineral claim(s) with the Akaitcho IMA Implementation Office.
- With the assistance of the Akaitcho IMA Implementation Office, identify which AKFNs must be engaged (typically those whose traditional territory is encompassed by the mineral claim(s)).
- Prior to *any* exploration activity on mineral claim(s), consult meaningfully with the relevant AKFN(s).
- Prior to applying for a Land-Use Permit, enter into an Akaitcho Exploration Agreement (AEA) with the relevant AKFN(s).

Proponents of mineral exploration activities should become familiar with these Guidelines and the framework provisions of an AEA prior to initiating any exploration program in the Akaitcho Territory. The provisions of the AEA may, as required, be modified by the Proponent and the relevant AKFN(s) to address the individual circumstances of a particular Exploration Program.

C. Detailed Engagement and Consultation Process

These steps should be followed to engage and consult with the AKFNs:

1. Whenever a mineral claim is registered with the NWT Mining Recorder's Office, and that claim is located partially or wholly within the Akaitcho Territory, the location of the claim should be registered with the Akaitcho IMA Office.

Within 30 days of registering a claim with the NWT Mining Recorder's Office, the proponent should provide the Akaitcho IMA Office with:

- a) A digital copy of the original claim(s) sketch or map provided with the application to record a mineral claim(s) with the NWT Mining Recorder.
 - b) A confirmation of registration by the NWT Mining Recorder.
2. The Akaitcho IMA Office will make an initial determination to see if any areas sensitive to the AKFNs are encompassed by the claim(s). If this determination is positive, the Akaitcho IMA Office will inform the proponent of the nature of the sensitivity and the potential barriers to advancing exploration programs on the claims.

The Akaitcho IMA Office will also identify for the proponent the AKFN(s) potentially affected by any proposed exploration activity on the claim(s). The proponent will be advised on whom to contact within the relevant AKFN(s) and the best way to engage.

The Akaitcho IMA Office will provide the above information to the proponent within 14 days of claim registration.

3. The proponent should then contact the required AKFN(s) by phone and letter/email, with the intent of scheduling a face-to-face information-sharing meeting, if desired by the potentially affected AKFN(s). Proponents must be aware that capacity can be at times limited at the First Nation level, and cannot assume that letters will be read or that messages will be received. Proponents are advised to be persistent in their engagement efforts, and to seek the assistance of the Akaitcho IMA Office when faced with difficulties.
 4. If an AKFN does not want to have a face-to-face meeting, the relevant First Nation authority (e.g. Chief or designated staff person) will provide a written letter or email confirmation to that effect.
 5. In cases where a proponent has not received any response from an AKFN in regard to holding a face-to-face meeting, the proponent must demonstrate due-diligence and document its best efforts at establishing

contact (e.g. letters, phone logs of actual conversations or messages left, a detailed listing of all missed calls, etc.). The Akaitcho IMA Office may at this point be contacted for assistance in facilitating the engagement process.

6. Assuming that the pertinent AKFN(s) has responded positively to the face-to-face meeting request, the proponent should proceed with making meeting arrangements in conjunction with the prescribed AKFN(s) point people, making sure to copy the Akaitcho IMA Office on all email or written correspondence.

Face-to-face meetings should be attended by company representatives with decision-making power (e.g. a high level executive) and the authorities within the AKFN (e.g. Chief and Council, Land and Environment Committee and staff, and Elders).

It is preferable that face-to-face meetings happen in the relevant community in order to encourage broad participation, and the proponent will be expected to bear reasonable costs for holding the meeting (room rental, translation, honoraria, etc.). These costs are standardized. Proponents should record attendance and insure complete English minutes (not just notes) are taken at face-to-face meetings (contractors are available in the First Nations to provide these services).

Materials must be presented in an appropriate visual media (e.g. Power Point) and should also be provided in written form. A proponent should expect to leave visual materials such as: maps, posters, and an electronic copy of any Power Point presentation. A proponent should be prepared to discuss the following:

- Proponent and partner background,
- location of proposed exploration activity,
- timing of activity,
- nature of activity,
- duration of activity,
- the number of workers involved,
- the type and amount of equipment and materials to be used,
- any local environmental or cultural sensitivities,
- potential impacts with respect to environmental, cultural or other sensitive matters,
- mitigation measures, and
- potential economic opportunities for the AKFN(s).

7. Proponents should not expect “approval” of their proposed activities during a face-to-face meeting. The AKFN(s) will require a contemplation period of 21 days post-meeting to consider the information that has been shared and to identify issues and concerns.

The AKFN(s) will advise the proponent of their issues and concerns at the end of the contemplation period. If the issues and concerns can be

accommodated without an environmental assessment, the AKFN(s) will recommend that an Akaitcho Exploration Agreement (AEA) be entered into between the AKFN(s) and the proponent. The AEA formalizes a relationship between the AKFN(s) and the proponent, and provides AKFN consent for a specified exploration program. In return, the proponent accommodates the issues and concerns raised by the AKFN(s) by agreeing to terms and conditions contained in the AEA.

The AEA is a flexible template. The AKFNs are amenable to tailoring the AEA to the specific circumstances of individual proponents and their proposed Exploration Program.

Where an AKFN desires an environmental assessment, an AEA will not be recommended until the assessment has been completed and the relevant issues and concerns have been satisfactorily addressed.

8. If an AEA is signed by the AKFN(s) and a proponent, the AKFN(s) with which an AEA has been signed will provide a letter to the regulatory authorities stating that it has been satisfactorily consulted and that an AEA accommodating AKFN issues and concerns has been signed.

D. For Further Information

Any questions with respect to these Guidelines or requests for an Akaitcho Exploration Agreement should be directed to:

Screening Officer
NWT Treaty #8 Tribal Corporation
Box 28, Lutsel K'e, NT, X0E 1A0
Tel: 867-370-3217, Fax: 888-714-3209
screeningofficer@eastarm.com

DISCLAIMER

The AKFNs maintain that the Mackenzie Valley Resource and Management Act and the Canada Mining Act were enacted into law without due consultation. Any reference to the enactment of these statutes in these guidelines is without prejudice.