



YK CIDM # 475191

PO Box 1500
Yellowknife NT X1A 2R3

September 14, 2011

Chief Louis Balsillie
Deninu K'ue First Nation
PO Box 1899
Fort Resolution NT X0E 0M0
Via Fax: 867-394-5122

Dear Chief Louis Balsillie:

You wrote to me on August 10, 2011, raising questions about information regarding consultation my office is transmitting to DeBeers Canada and other mining corporations. I can assure you that neither my staff nor I have advised restricting their engagement efforts to Aboriginal groups north of Great Slave Lake. In the case of the DeBeers Canada research permit application (#1813) attached to your letter, if you have specific concerns, it is my assumption that the Akaitcho Territory Government has notified you of the proposed research permit as part of the Aurora Research Institute's consultation process.

In your letter you state that the Deninu K'ue First Nation (DKFN) was excluded from "meaningful consultation" during the approval processes for the DeBeers Snap Lake Diamond Mine. However, when the Snap Lake mine was going through approvals, the DKFN was invited to participate in the consultative processes set out in the *Mackenzie Valley Resource Management Act* (MVRMA). Specifically, the DKFN was invited to participate in the environmental assessment (EA) conducted for the project, as well as to apply for standing as an intervener or directly affected party, but the Mackenzie Valley Environmental Impact Review Board did not receive such an application from the DKFN.

If by using the term "consultation" you are referring to the DKFN's desire to have an Impact Benefit Agreement (IBA) with DeBeers Canada, I must be clear that IBAs are not Crown Consultation and are not required for Crown consultation to be complete. Where IBAs do exist, it would be up to Aboriginal groups and the Crown to discuss whether they can be factored into Crown consultation. Which Akaitcho Dene First Nations are involved in IBA negotiations relating to their jointly claimed territory is an

...2/

- 2 -

internal matter to be decided amongst themselves. Whether or not companies decide to negotiate IBAs is entirely at their own discretion.

Canada believes, as the courts have directed, that an Aboriginal group which believes there may be adverse impacts to its established or potential Aboriginal or treaty rights should participate in the legislated consultative processes available to them and the Crown will rely, to the extent appropriate, on those processes in considering its duty to consult. Therefore, I urge the DKFN to avail itself of the consultative processes provided pursuant to the MVRMA. Canada will take these processes into account when making its determination of the adequacy of Crown consultation, and where appropriate, accommodation.

With respect to the DKFN's research on traditional and current land use for the Gah Cho Kue exploration area, I thank you for informing me of progress and look forward to reviewing the information once complete.

Yours truly,

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

James Lawrance
Director, Aboriginal and Territorial Relations

Cc:

- Julie Jackson, Manager, Consultation Support Unit (via email)
- Cathie Bolstad, Manager Public & Corporate Affairs, DeBeers Canada (via fax: 867-766-7347)
- Amy Langhorne, Golder and Associates, (via fax: 867-873-6379)
- Aurora Research Institute (via fax: 867-777-4264)
- Alan Ehrlich, Sr. Environmental Assessment Officer, Mackenzie Valley Environmental Impact Review Board (via fax: 867-766-7074)