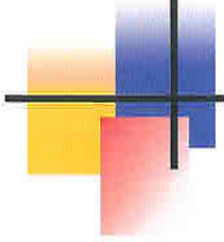


Selwyn Resources Environmental Assessment
Presentation to the Mackenzie Valley Environmental
Impact Review Board

by
Sahtu Secretariat Incorporated Lands & Resources

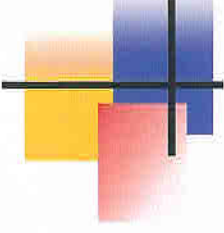


Introduction:

After the signing of the Sahtu Dene and Metis Comprehensive Land Claim Agreement in 1993, the Sahtu Settlement Area was divided into three Districts.

Each District was to own and manage the lands and resources of its District on behalf of all the Sahtu Dene and Metis Participants to the Claim.

While quite a large portion of this land base is still under the ownership of the Crown, there are certain rights that all Participants to the Claim enjoy on these lands. There are certainly heritage sites, spiritual sites, the rights to harvest, hunt, fish, and gather, and certainly the right of consultation and accommodation.



The “Shuht’a Got’ine”, (“the mountain people”), and “the Kah’sho Got’ine”, (the big willow people”), have traditionally used this region for a very long time.

In more recent times, the lands encompassing this area have been used by the peoples from Norman Wells and Tulita, (Fort Norman). The wildlife from this area are of concern and used by them.

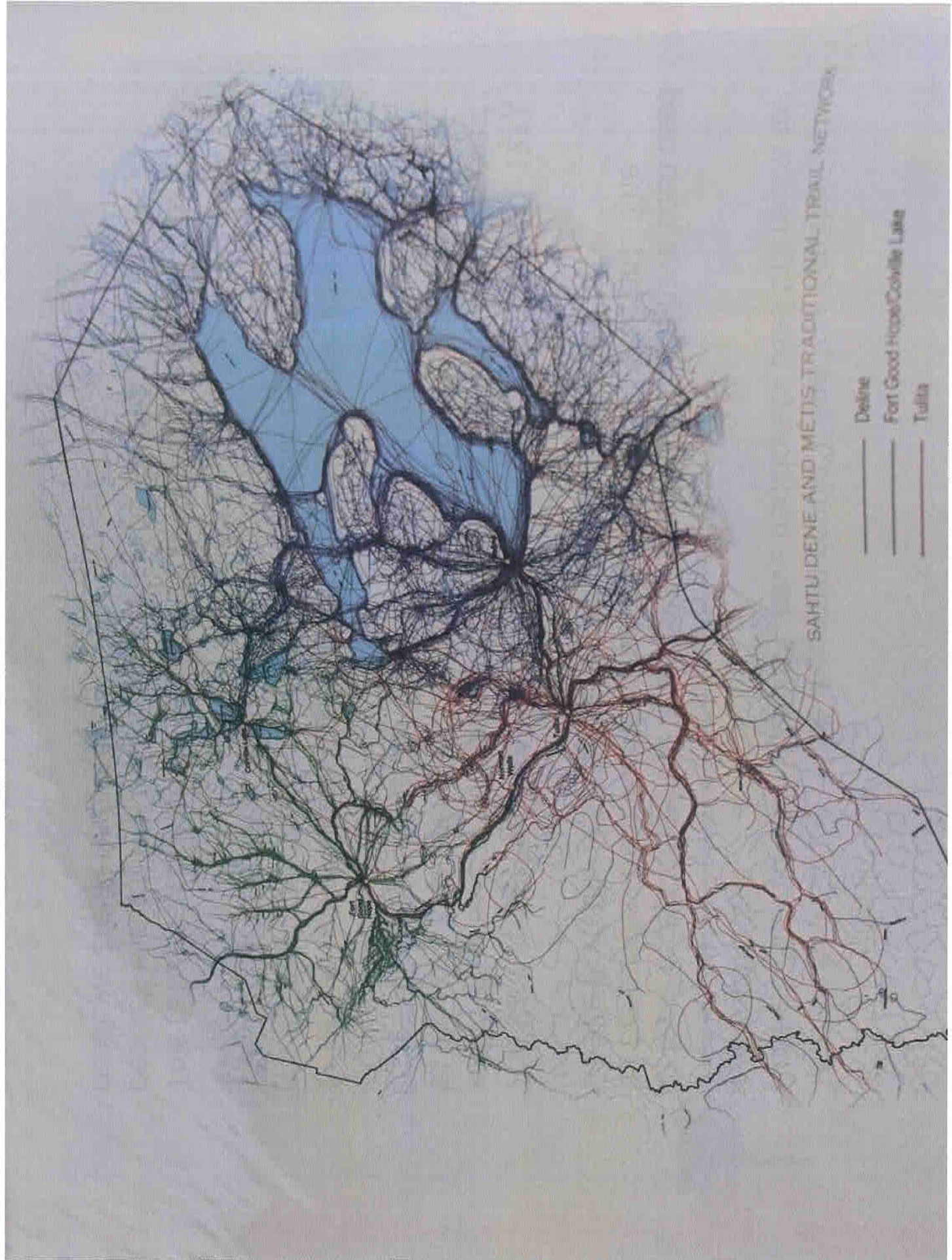
The Sahtu collectively selected three Parcels, (numbers 119, 120, 121), within an area that boundaries the Yukon and indeed is also of interest to the Ross River Dene. Those Parcels were not selected by accident. In honesty, the reasons for their selection have not been given to me.

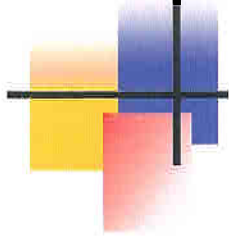
I mention this, because the application referenced that interviewees did not appear to know, or would not reveal various aspects of the Traditional Knowledge for this area.

This failure to understand the Traditional Knowledge for this area, or the people’s wishes, was a weakness of the consultation process. As a result we are all here today.

SAHTU DENE AND METIS TRADITIONAL TRAIL NETWORK

- Deline
- Fort Good Hope/Colville Lake
- Tulita

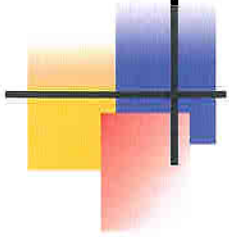




We have identified nine items of current concern to us regarding this industrial application.

As time and development progress, there will very likely be other issues that should be discussed. Consultation should be ongoing, with respect for the land, the resources, and the people.

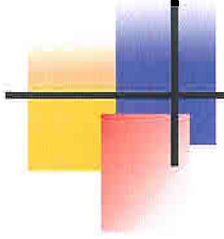
We ask that you listen to our concerns today carefully.



Security deposit.

The TDLC maintains that Selwyn Resources must provide a sufficient security deposit so that any impacts resulting from its activities will be reclaimed fully, including the decommissioning or closing or any roads, trails or drill sites.

The amount of the security deposit must be commensurate with the costs to remediate such impacts.

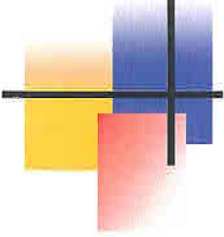


Reasons:

As a region, we are living the reclamation of other mines, (such as Port Radium and Saw Mill Bay). We want our next mine not to be a burden to the taxpayer.

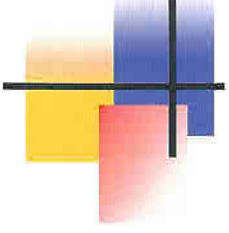
For that reason,

We would appreciate a flowchart be developed showing what should be protected by security deposit at each stage of this mine's development, through to final abandonment.



A second flowchart would be appreciated that shows the roles of each Government Department in the administration of a mine development, explaining:

- what security deposits are,
- what they are for,
- how they are calculated,
- when they should be collected, and by whom,
- when they should be checked to ensure they are enough, and,
- when they should be used or returned.



This project is at an early stage of development and already we have roads, bridges, and sites without security deposits in place.

All communities, levels of governance and industry need to understand what is involved in mine site reclamation. But it is not just the steps in reclamation. We all need to understand clearly who has which roles and responsibilities.

We all need to be assured that the company, (or proponent if you will), is being held fiscally accountable every step of the way.

We also need to know which Government Department is accountable to ensure each step.

SAHTU Land and Water Board Land Use Permit Application

Application for:
New Land Use Permit

☒

Amendment

☐

1. Applicant's name and mailing address: Pacifica Resources Ltd. #701, 745 Howe Street Vancouver, BC V6C 2B3		Fax number: 1-604-682-5404 Telephone number: 1-604-682-5474	
2. Head office address: Pacifica Resources Ltd. #701, 745 Howe Street Vancouver, BC V6C 2B3		Fax number: 1-604-682-5404	
Field supervisor: J.J. O'Donnell, BSc, PGeo Radiotelephone: T.B.A.		Telephone number: 1-604-682-5474	
3. Other personnel (subcontractor, contractors, company staff etc.) Helicopter 1 Pilot for 123 days (as required) Drilling 2 Drillers for 92 days (dayshift and nightshift) 2 Helpers for 92 days (dayshift and nightshift) Pacifica Resources Ltd. 3 Geologists for 123 days (only during day) 5 Assistants for 123 days (only during day) TOTAL: 13 (Number of days)			
4. (Refer to section 18 of the Mackenzie Valley Land Use Regulations)			
a)(i)	X	a)(ii)	a)(iii)
5. a) Summary of operation (Describe purpose, nature and location of all activities.) Mining lease 2878 and 2879 were part of a large, ongoing exploration program by Placer Dome and US Steel in both the Yukon and the Northwest Territories from 1972 to 1981 (the Howard's Pass project). Pacifica Resources Ltd. ("Pacifica") has recently entered into an agreement to option the Howard's Pass project from Placer Dome and US Steel and purchase 100% ownership of the property. During the course of the exploration program, approximately 5700 m of trenches were dug with bulldozers, approximately 50 km of haul roads and 2 approximately 500 m airstrips were constructed, 218 diamond drill holes were drilled on surface and 32 were drilled underground, approximately 1530 m of adit and cross-drifts were excavated, and a 78 km, 4 m wide, all-weather access road was constructed to the Nahanni Range Road, near the Cantung Mine.			

5. a) Summary of operation (Describe purpose, nature and location of all activities.)

Mining lease 2878 and 2879 were part of a large, ongoing exploration program by Placer Dome and US Steel in both the Yukon and the Northwest Territories from 1972 to 1981 (the Howard's Pass project). Pacifica Resources Ltd. ("Pacifica") has recently entered into an agreement to option the Howard's Pass project from Placer Dome and US Steel and purchase 100% ownership of the property.

During the course of the exploration program, approximately 5700 m of trenches were dug with bulldozers, approximately 50 km of haul roads and 2 approximately 500 m airstrips were constructed, 218 diamond drill holes were drilled on surface and 32 were drilled underground, approximately 1530 m of adit and cross-drifts were excavated, and a 78 km, 4 m wide, all-weather access road was constructed to the Nahanni Range Road, near the Cantung Mine.

- Previous Authorities predate the Sahtu Dene & Metis Comprehensive Land Claim Agreement
- Consultation did not occur prior to the 1993 Claim.
- Pacifica and now Selwyn Resources owns all of the assets and liabilities.
- There is extensive work done in the Sahtu Settlement Area.

The exploration and road construction work performed on these claims was allowed by DIAND under several land use permits, all expired, including:

- N73C373
- N73F350
- N76F375
- N76F415
- NC77C597

A DIAND permit to obtain water without a license (file # Y2A3-0745) was also issued (now lapsed). Pacifica has recently submitted an application for a water license to be obtained in the future.

These claims and leases are part of a larger exploration program, based in the Yukon. Pacifica has already received a mining permit (# LQ 09017, expires 1 October, 2008) from the Yukon government for the project. This permit is currently being amended to allow for a larger drill program this summer.

Planned exploration for 2008 consists of claim maintenance, prospecting and geological mapping, and diamond drilling to confirm previous results and test newly-generated targets. Work is potentially planned on both leases and all 5 claim groups.

Claim Maintenance

Timeline: July 1st - October 31st, 2008 (123 days)

Location: Claim blocks F68410-12, F8 8549, and F9233

Crews: One crew of two assistants

Purpose: To verify the physical location of the newly-staked claims and ensure that all claim posts are properly marked and upright. To provide geochemical coverage of the area by taking soil samples along claim lines.

Activity: Traversing of claim lines, recording claim post locations with GPS, repairing/replacing missing or damaged posts. Collecting soil samples along traverse lines. Soil samples will be sent off site for Analysis.

Prospecting/Geological Mapping

Timeline: July 1st - October 31st, 2008 (123 days)

Location: Mining leases 2878 and 2879; Claim blocks F68410-12, F8 8549, and F9233

Crews: Three crews (one geologist and one assistant), totaling six.

Purpose: To verify previous work performed in the area and to discover new mineralized showings. Activity: Detailed geological mapping and prospecting over the leases and claim groups. Daily use of Helicopter will be required to set out crews in the morning and return them to base camp. Rock specimens will be collected and sent off site for analysis.

Diamond Drilling

Timeline: August 1st - October 31st, 2008 (92 days)

Location: Mining leases 2878 and 2879; claim blocks F68410-12, F8 8549, and F9233

Crews: One crew (two drillers and two helpers), totaling four. Drill operates with a day shift and night shift.

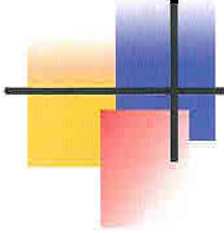
Purpose: To test targets generated from compilation of previous work in area and/or discovered by mapping. Soil sampling, and prospecting this summer.

Activity: An initial scope is approximately 2500 m per annum divided among the mining leases and claim

The exploration and road construction work performed on these claims was allowed by DIAND under several land use permits, all expired, including:

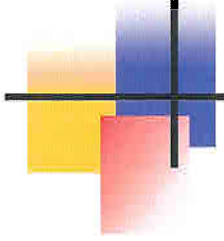
- N73C373
- N73F350
- N76F375
- N76F415
- NC77C597
- A DIAND permit to obtain water without a license (file # Y2A3-0745) was also issued (now lapsed).

- The mining company currently holds the liability for these sites.
- All permits have expired.



The very fact that the previous holders of these properties were able to leave roads on-site without abandonment or reclamation, or the monies to do either, begs us to do better now.

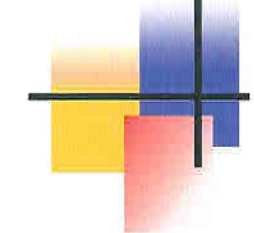
At no time should assumptions be made, and at no time should there be anything less than perfect clarity regarding the ability to reclaim a proposed site.



Restorative plant species may not be the species required for final reclamation.

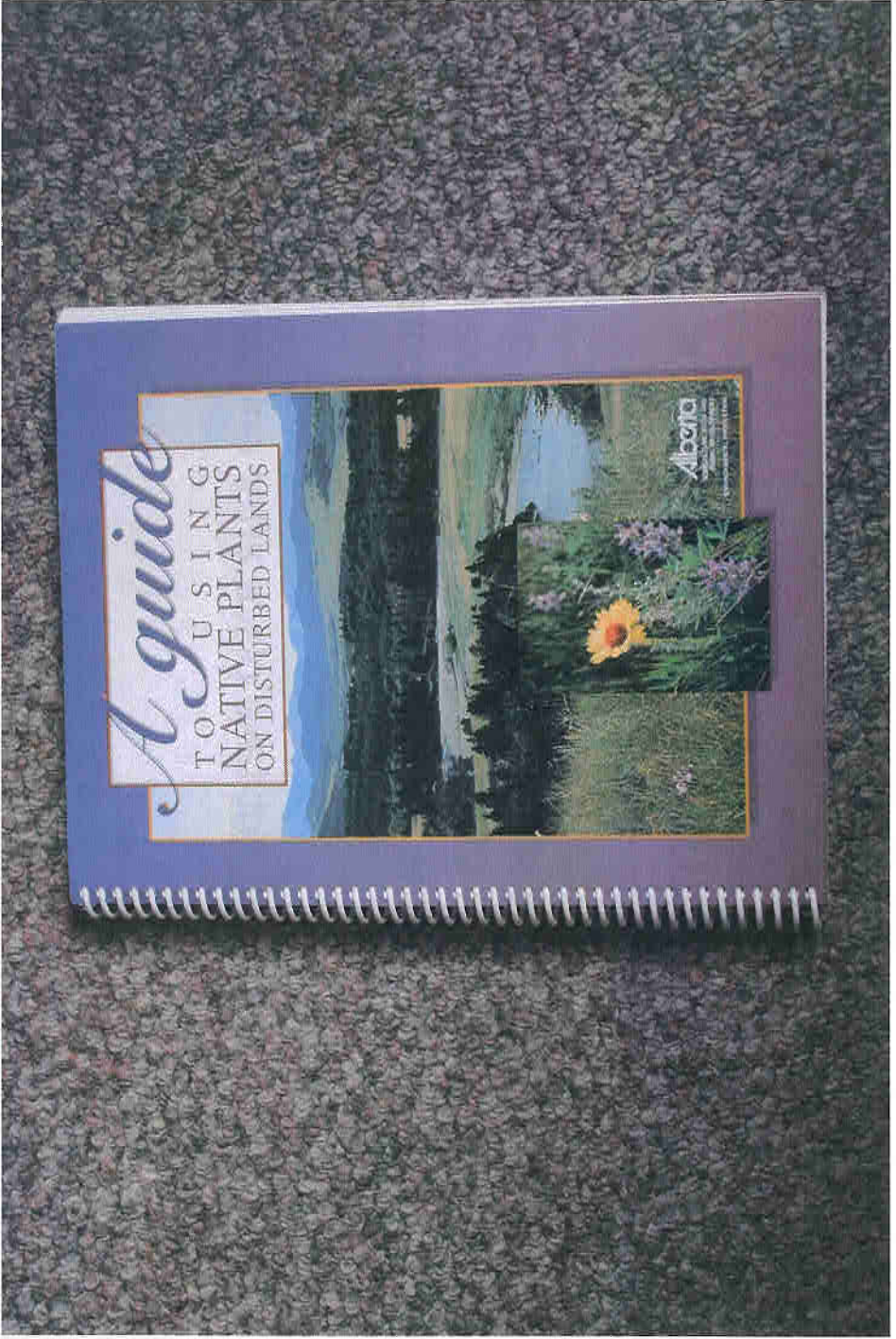
Site inspections to determine the reclamation prescriptions should include a GNWT representative as well as someone from the Tulita District Land Corporation.

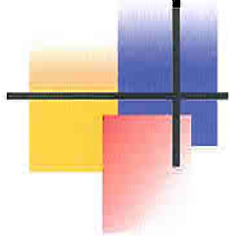
Final inspections will not take place after only one growing season.



Reasons:

Three views may be taken of the sites being disturbed. Are these sites to be **rehabilitated, reclaimed or restored?**

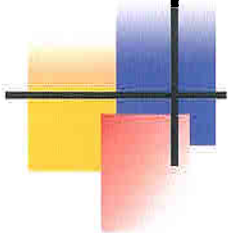




A rehabilitated site involves creating an alternative ecosystem on a site that has greatly deteriorated.

An example is where lands have been used for a mine or tailings. These sites require plants to add nutrients into the soil first, before the site can support other plants that will be able to survive.

There may be several attempts to rehabilitate the site. Once established, it may be several years and stages before the site has reached the level of reclamation wanted.

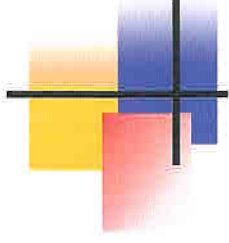


A reclaimed site is one that still has a lot of its natural soil capacity.

It can be returned to its original or a similar land use without as much difficulty as a rehabilitated site.

The plant health, types and amounts of different species, their height and the density of the plants must all be assessed to determine the site's health before the site can be said to be satisfactorily reclaimed.

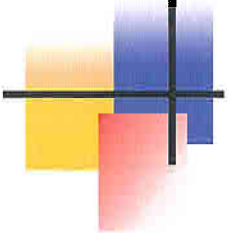
It may become a healthy site, but not necessarily the same as what was there.



A restored site is a site that has more or less the same types of plants as the original site.

There may still be some evidence that the site has a human footprint for at least the short term. It is the level of use that shows the least amount of impact.

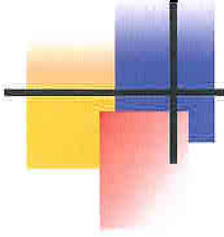
Because we can never be sure of the impacts of our actions on the land, we cannot accept that “reclamation” will be achieved with one administration of grass seed in one season, and require only one inspection.



Regarding the recent application to reclaim five bridge approaches, (MVLWB File: MV2006L8-0001, Nahanni Range Road):

We note that a road, which is located on the lands applicable to Selwyn Resources' application for the Land Use Permit, was previously abandoned by a former holder of the claims and leases and, as a result, this road has not yet been reclaimed properly.

Therefore, the TDLC requires assurances that this abandoned road and other roads, trails and drill sites will be reclaimed fully and that funding is set aside to complete such reclamation work.

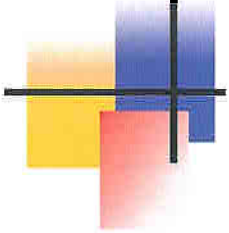


Reasons:

Selwyn Resources has applied to reclaim five bridge approaches. While we acknowledge that they hold these bridges, we also believe that they are responsible for other developments held in conjunction with their mining project. They inherited the roads that were principal to placing those bridges.

The roads must either be abandoned properly, ("put to bed"), or reclaimed. A site that is abandoned or "put to bed", may have its road bed left in place and features such as bridges and culverts pulled to accommodate natural drainage in the absence of regular maintenance. Areas that may suffer from erosion would still have to be dealt with to prevent that also.

Roads that are to be abandoned, should still require a reclamation deposit to ensure their eventual reclamation in the event the company does not come back.

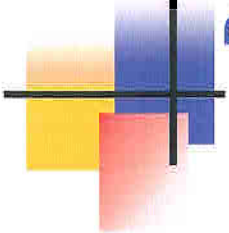


A site that is to be left permanently must be fully reclaimed as if no one will ever be back. The reclamation plan must cover all disturbed areas, final vegetation and any drainage concerns.

Getting back to the application for abandonment as applied for, we ask that the company review the choice of its route as built and applied for abandonment, and consider whether this is a route that they want to spend monies on to abandon as opposed to reclaim.

In the long run, maybe now is a time to review the best choice of route for the eventual mine.

There is and should be the obligation to eventually reclaim the road, unless the government assumes it as one of the regions highways.

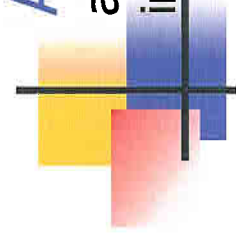


(Reclamation funds for the Northwest Territories must be placed in an account within the jurisdiction of the Northwest Territories or be a form of irrevocable credit accessible to the GNWT).

Reasons:

At a reclamation workshop several year's ago in Whitehorse, there was a presentation by the Yukon Territorial Government on "The Negative Impacts of Benefit Agreements". As understood from that presentation, if a company goes into receivership, the receiver complies with the laws of the jurisdiction of the company's head office. The Yukon Territorial Government discovered from their experience that monies set aside for reclamation were in fact dispersed to address other financial claims, (such as lost wages), made against the company.

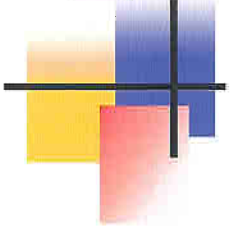
To ensure that the mine site reclamation is never compromised by similar circumstances in the NWT, we ask that reclamation funds be of a form that is irrevocable, within the jurisdiction of the Northwest Territories and accessible to the Government of the Northwest Territories.



Access restrictions. The TDLC has concerns about the use of roads and trails constructed by Selwyn Resources by third-parties and the impacts caused by such access relating to wildlife.

Firstly, Selwyn Resources must be required to have discussions with the TDLC with respect to the proposed route of any road or trail. Such discussions must be commenced prior to the construction of such roads or trail.

Secondly, these roads and trails must be decommissioned or gated or otherwise closed, as appropriate, in order to prevent such access.



Reasons:

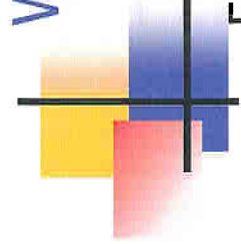
The area being developed by the applicant is as a direct result of prospecting and the mineral claims process.

It was not advocated by the people of the region, regardless of how valuable the resource may be.

The people have used this region for harvesting, recreational, and spiritual purposes.

They are entitled to these lands for these reasons, even if they do not own the surface or subsurface by title.

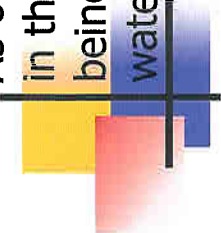
The options for access, the restrictions attendant to that access, the timing of that access, and other aspects should all be respectful of their wishes, so as not to impair their rights.



Wildlife sightings. The TDLC maintains that wildlife sightings must be reported to Sahtu Environmental and Wildlife Monitors as well as to Selwyn Resources' environmental staff or the camp manager.

Furthermore, the Sahtu Environmental and Wildlife Monitors must be on-site for the duration of any activities related to this project.

- The sole role of the Wildlife Monitors is to monitor wildlife, and the sole role of the Environmental Monitor is to monitor the company's actions.
- Both must have the ability to report to the Tulita District Land Corporation daily.
- Monitors are to be the employees of the Tulita District Land Corporation, or Tulita Renewable Resources Council – not Selwyn Resources.



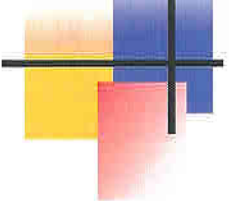
Reasons:

As of 2006, Environmental Monitoring was recognized as an Occupational Standard in the Northwest Territories. We are strong supporters of Environmental Monitors being placed on all research, industrial or commercial activities on the lands or waters of the Sahtu Settlement Area.

Environmental Monitors are the eyes and ears of the District Land Corporation, as well as the communities. They are able to alert the proponent and the DLC / communities to potential concerns before they become serious issues. While they are a “cost of doing business” for the proponent, we would think that they would welcome the ability to convey information back quickly, and easily, in the spirit of developing trust and a long and lasting relationship. Environmental Monitors watch the company’s employees, their actions and their equipment.

Wildlife Monitors specialize in monitoring the wildlife and habitat being impacted. They protect both the wildlife resource, and often the company’s employees. Wildlife Monitors watch the wildlife and the habitat. They protect life.

Both should be able to be available for every shift worked by the company. They certainly are not incidental, occasional, or company employees.



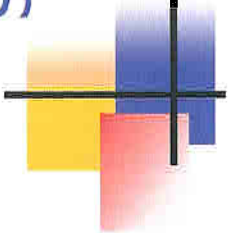
Periods of critical timing for calving or rutting. The TDLC maintains that Selwyn Resources must be required to halt its activities at critical wildlife times, such as periods of calving or rutting.

It is not satisfactory for Selwyn Resources to voluntarily have no-work periods as it sees as appropriate. This should not be left to the company's discretion. The Land Use Permit must specify such times.

Reasons:

Discretionary timing constraints make it difficult for field supervisors. If called upon to exercise such discretion, the cost of "downtime" must be weighed against the sightings of a "few animals".

We believe that regulatory shut-downs remove this burden from individuals as well as making it easier to enforce.



Sahtu Land Use Plan. The TDLC maintains that activities undertaken by Selwyn Resources must be guided by and consistent with the **Current DRAFT** Sahtu Land Use Plan.

Reasons:

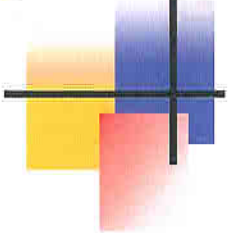
In a perfect world we would abide by the approved Sahtu Land Use Plan.

In the absence of an approved plan, the best guidance or direction available, we believe, is the current draft of that plan.

Use of the Draft Sahtu Land Use Plan is the best available body of knowledge to aid in consensus.

It does not replace consultation, but it certainly assists in the process and we support its use wholeheartedly.

We ask others to respect our wishes and to work with us in this regard.



Work in and around water. The TDLC maintains that any work undertaken by Selwyn Resources in or around water must comply with the *Fisheries Act* (Canada) and other related legislation.

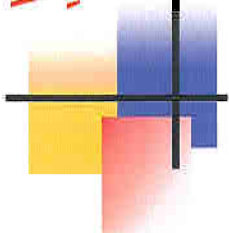
The TDLC also maintains that mining wastes from any drill site should not be capable of flowing into any creek or water body that could lead to a fishery habitat at any time of year.

Reasons:

Mineral exploration involves drilling where more than one mineral may be present. We understand that muds, clays or lubricants used in the drilling process may be harmless.

The cuttings that come to surface or the fluids with them may not be so harmless.

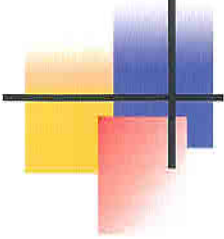
Until those fluids or cuttings are tested, and proven safe, we ask that any possibility of them getting into waterways be prevented.



We wish to quote from "The Fisheries Act of Canada", Section ***
"sdfdsadfsdafdsdafdsdafdsafdsafdsd".

As other industries such as forestry and the oil and gas industry cannot ford water bodies and disturb banks and shores needlessly, we see no reason for this company to do likewise.

We ask the company to propose temporary crossings that will minimise disturbance, especially in mountain areas that are very sensitive and subject to water level fluctuations.

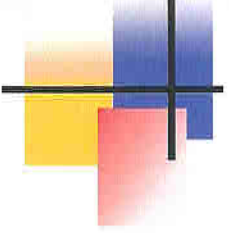


Access Road. The applicant wishes to re-use a road that is considered environmentally unacceptable.

Suggested mitigating conditions by government agencies were frustrated by conflicting conditions prohibiting road relocation, gating or closure.

The TDLC suggests that road re-location to an environmentally better location be considered at this time also.

The road may have to be relocated in stages of development comparable with the stages of exploration development to facilitate the economy of the exploration, the logistics for equipment, and disturbance to wildlife.



Reasons:

Just as every seismic line does not make a good road, every exploration trail should be deemed the best location for a road.

The exploration trail may not have been placed in the best location environmentally, or even for the loads that will eventually use it.

These trails certainly were not offered to the regulatory bodies for consideration, nor to the people that live here.

Why should we be expected to accept them?

Realistically, we may be able to consider the re-location of these roads in developmental stages.

This does not shut down the proposed activity, but at the same time addresses placing the final road in the best possible location.

It addresses long term reclamation and the potential for impacts on wildlife and other resources.



Scientific Research.

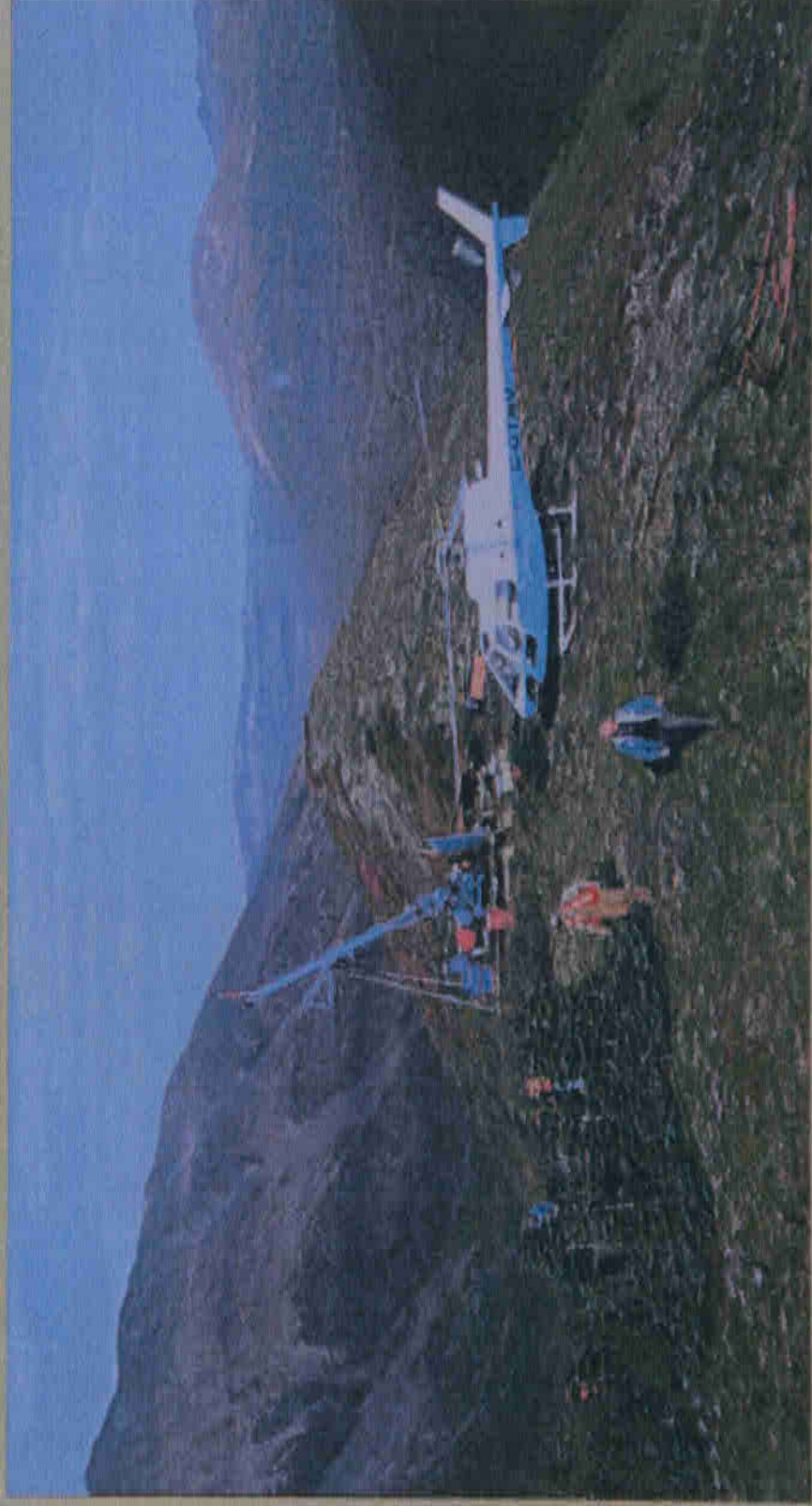
Our records suggest that only two research permits have been issued to or near Selwyn:

Ms. Natasha Essar; Selwyn Project Fisheries Baseline Study; ARI #808; Research Licence No. 14349, and

Michael Pope, Washington State University, Collaborative Research: A Sequence, Chemo- and Biostratigraphic Study of Late Early Cambrian Rocks, Southern Selwyn Basin, Mackenzie Mountains, NWT; 12 404 574.

The TDLC wishes to remind the applicant that under the Scientists Act of the Northwest Territories, all research activities are regulated and that consultation is an integral part of that process.

The PowerPoint presentations infer a large amount of research has or will be done. To date, we know of only the two projects listed above as being possibly related to Selwyn. Are there any others?



Tulita Community Consultation Presentation

October 13, 2006

WHAT IS NEEDED TO BUILD THE MINE ?

in 2006



More drilling and environmental studies

WHAT IS NEEDED TO BUILD THE MINE ?



Drilling



Environmental studies



in 2007



Engineering studies

WHAT IS NEEDED TO BUILD THE MINE ?

in 2008



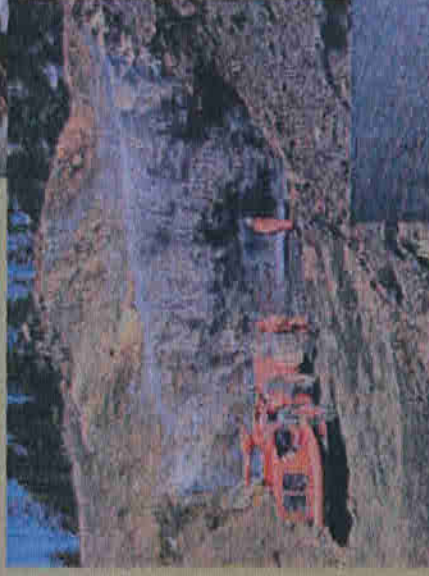
Drilling



Environmental studies

Engineering studies

Underground test mining



WHAT IS NEEDED TO BUILD THE MINE ?



Drilling

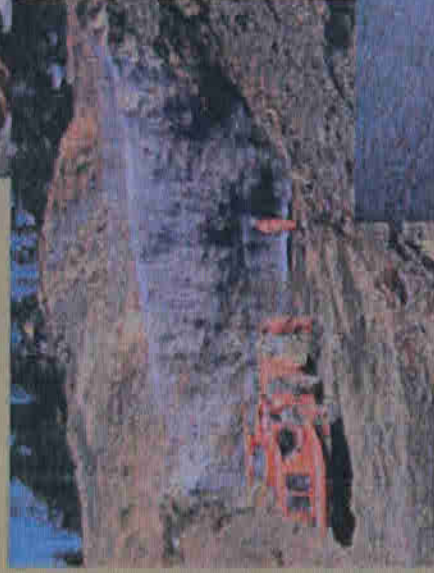


Environmental studies

Engineering studies

Underground test mining

in 2009



WHAT IS NEEDED TO BUILD THE MINE?



Drilling

2010



Environmental studies

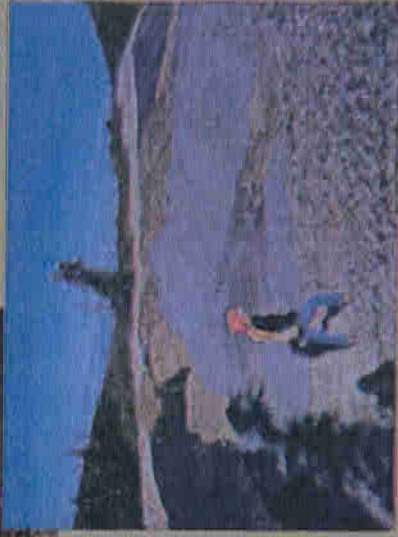
Engineering studies

Underground test mining



WHAT IS NEEDED TO BUILD THE MINE ?

in 2011



Environmental studies
Engineering studies
Construction

WHAT IS NEEDED TO BUILD THE MINE ?



in 2012



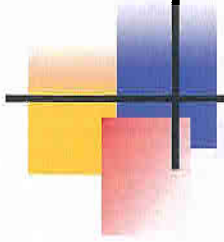
Environmental studies

Engineering studies

Construction

Mining





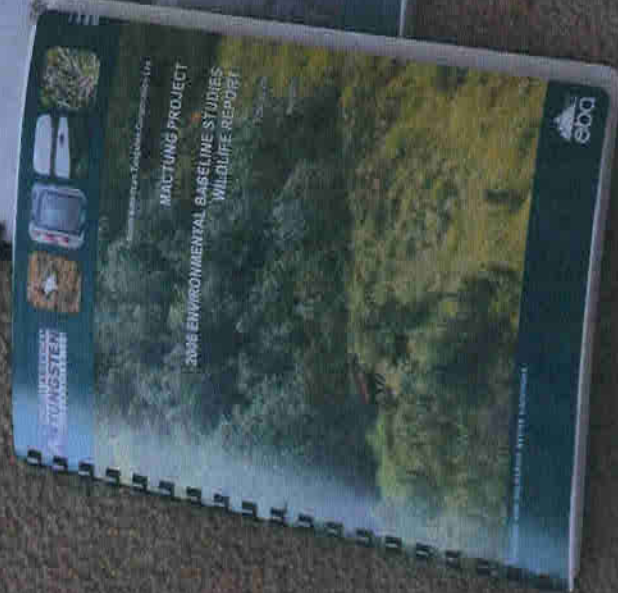
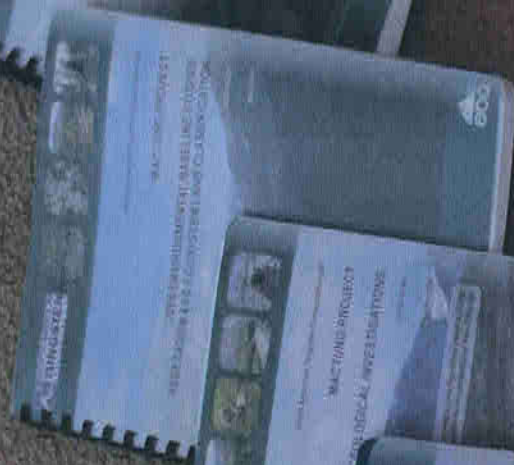
Reasons:

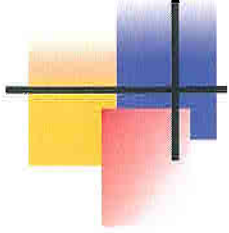
We are concerned that a body of knowledge is being developed about our lands and resources through unauthorized activities.

We are also concerned that activities may be taking place without using or considering this information. Why carry out fisheries studies, and not consider them in the development of work in those same bodies of water?

We have experienced whole baseline studies being developed without the participation of the First Nations on which those lands and resources were being studied.

That is just plain wrong.





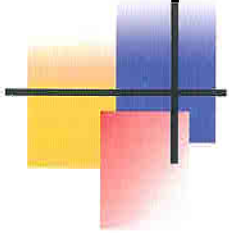
Fuel Caches. The application refers to several fuel caches being created. These must be recorded and agreed to prior to being established.

Reasons:

Fuel caches have been washed away from sites that pilots thought were perfectly safe. Local knowledge would have saved the environment, and also saved the company money.

In case of forest fire, or search and rescue operations, the location of fuel caches can be very important.

For site abandonment or reclamation, the locations are necessary for the recovery of barrels that can damage the environment.

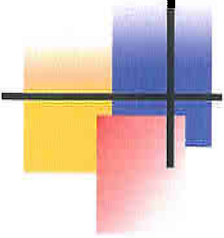


We have addressed our concerns regarding:

- Our historical interests in this land and **our right to be consulted**.
- We are very concerned about **unrealistic security deposits** and the lack of government and corporate accountability regarding these deposits.
- We cannot accept the approach taken towards **abandonment and reclamation**.
- **Access** developed at the exploration stage should not dictate the routes necessary for a mining operation under full production, nor should the public be committed to such informal access.
- A company should not be expected to, nor allowed to, **self-monitor** when sensitive wildlife is being impacted.

Our stated concerns (continued)

- Mineral exploration is a century behind other industries in their **use and respect for water**. That must change.
- We will succeed with our **Land Use Plan**. Companies and government can either work with us now or endure the working environment when their activities finally become accountable later. We would rather work cooperatively now.
- **Access roads** should not be grandfathered trails from the past.
- **Scientific Research** without our consultation is against the law in the Northwest Territories.
- **Fuel caches** must be reported for several reasons, and we stated the obvious.



We welcome questions and comments, and
we thank all those participating in this hearing.
We believe this dialogue is long overdue.

Mahsi Cho