Environment & Conservation Box 1500 YELLOWKNIFE NT X1A 2R3

December 6, 2010

MVEIRB File Number: EA1011-002

Nicole Spencer Environmental Assessment Officer Mackenzie Valley Environmental Impact Review Board P.O. BOX 938 YELLOWKNIFE NT X1A 2N7

Via email

Re: TNR Gold - Moose Property Environmental Assessment – Response to request for additional evidence relevant to s.114(c) of the MVRMA

Dear Ms. Spencer:

Thank you for the opportunity to submit additional evidence relevant to s.114(c) of the *Mackenzie Valley Resource Management Act (MVRMA*) to the public registry. This project was referred by the Mackenzie Valley Land and Water Board (Land and Water Board) for an Environmental Assessment due to concerns raised by Aboriginal groups, during that Board's preliminary screening of the project proposal. The concerns related to traditional land use activities such as harvesting and to the protection of archaeological and heritage sites.

Wildlife management is within the jurisdiction of the Government of the Northwest Territories (GNWT), therefore Indian and Northern Affairs Canada (INAC) does not have any additional evidence with respect to these discrete concerns.

With respect to the protection of archaeological sites, it is primarily the jurisdiction of the GNWT, however INAC inspectors enforce land use permit terms and conditions related to archaeological sites drawing upon the expertise of the Prince of Wales Northern Heritage Center. Following up on the questions posed to an INAC inspector during the public hearing, INAC and GNWT staff, including representatives from the Prince of Wales Northern Heritage Centre (PWNHC), met on December 3, 2010 to discuss how they will work together to ensuring that the requirements under the Mackenzie Valley Land Use Regulations are met with respect to the TNR project,

should it proceed to the regulatory phase. Pending the results of the archaeological impact assessment (AIA) for the project, the proponent will be required to comply with setbacks established to facilitate the protection of archaeological sites. The PWNHC will provide geographic coordinates of archaeological sites in the vicinity of TNR's land use operations to the INAC inspectors, who will evaluate compliance to the setbacks using handheld GPS units. Archaeologists at the PWNHC will provide expert advice to the Inspectors, as required.

In regards to s. 114(c), INAC staff have reviewed the notification lists, for both the Land and Water Board preliminary screening process and the Mackenzie Valley Environmental Impact Review Board (Review Board) environmental assessment process, to ensure inclusion of all groups with potential and established Aboriginal and treaty rights in the area that could potentially be impacted by the proposed exploration project. INAC staff were not and are not aware of any deficiencies in notification.

Further to your request for additional relevant evidence, INAC would like to provide the following for placement on the public registry related to matters raised during the November 19, 2010 public hearing by Aboriginal groups:

- INAC has provided/allocated Interim Resource Management Assistance Program funding for the 2010-11 fiscal year to the Lutsel K'e Dene First Nation (LKDFN), the Yellowknives Dene First Nation, the Deninu Kue First Nation, the North Slave Métis Alliance and the Fort Resolution Métis Council to participate in resource development regulatory processes such as the TNR Gold Moose Property EA; and
- At the end of the Information Session in Lutsel K'e, the community requested additional time to discuss the project with the developer and in response the developer offered to return to Lutsel K'e. INAC's Consultation Support Unit offered to help fund and attend (in an observer capacity) a follow-up meeting between TNR and the LKDFN in Lutsel K'e. This meeting has not happened yet.

In addition, in order to ensure that the Review Board is able to fully canvass and take into account the concerns of Aboriginal people and the general public pursuant to s.114(c) of the MVRMA, INAC expects that the Review Board will post the transcripts of the Information Sessions held in N'dilo, Fort Resolution and Lutsel K'e on its public registry.

In closing, as per the Federal Court of Canada in the *Yellowknives Dene First Nation* et al v. The Attorney General of Canada et al, 2010 FC 1139 (North Arrow), the Review Board's process is a consultative process. Pursuant to s. 114(c) of the MVRMA and in accordance with past practices, the Review Board must ensure that the concerns of Aboriginal people and the public are taken into account when it submits its Report of Environmental Assessment and recommendation to the Responsible Ministers for their decision.

If you have any questions about the above information, please do not hesitate to contact Krystal Thompson at 669-2595 or via email at krystal.thompson@inac-ainc.gc.ca.

Yours sincerely,

Teresa Joudrie

Director, Renewable Resources and Environment