

NORTH AMERICAN TUNGSTEN
CORPORATION LTD.

April 23, 2002

MacKenzie Valley Land and Water Board
Box 2130,
7th Floor, 4910 - 50th Avenue
Yellowknife, NT X1A 2P9

VIA FAX: 867-873-6610

Attention: Laurie Cordell, Regulatory Officer

Dear Sirs/Mesdames:

**Re: Water License Renewal Application (N3L 2-0004) (Licences)
North American Tungsten Corporation Ltd.**

By letter dated April 12, 2002, Parks Canada recommended that an Environmental Assessment would be appropriate, presumably suggesting a referral to the MacKenzie Valley Environmental Review Board.

Without debating the relative merits of the concerns expressed by Parks Canada, we believe that it is relevant to point out that this application does not signal the beginning of a new mining operation but rather the end of a mining operation. Furthermore, Parks Canada's concerns may be addressed in two ways. The first is through the screening required by your board. A screening is a form of Environmental Assessment, the scope of which may be determined by your board. The second opportunity that Parks Canada will have for an Environmental Assessment is at the end of mine life when the final abandonment and reclamation is reviewed.

As pointed out in our cover letter to the board when we submitted our application for renewal, we rely upon Section 157.1 of the *Mackenzie Valley Resource Management Act*, which provides that Part 5 (i.e. an Environmental Assessment by the Mackenzie Valley Environmental Impact Review Board) does not apply in respect of any license related to an undertaking that is the subject of a license issued before June 22, 1984. This is such a license. That does not mean, however, that an appropriately rigorous environmental assessment, by way of a screening, should not be undertaken by the Mackenzie Valley Land and Water Board. As we said, indeed, to the contrary.

We trust that the foregoing may be of some assistance to Parks Canada. A copy of this letter is being sent to them.

Yours sincerely,

Udo von Doehren, President & CEO

cc. C. Blyth, Superintendent Parks Canada
FAX: 867-695-2446