Notes on Pre-Hearing Meeting

EA0506-005 Consolidated Gold Win Ventures and EA0506-006 Sidon Files:

International Resources Corp Mineral Exploration Programs

Date: March 14, 2006

Time: 14:00 - 16:30

MVEIRB Boardroom/telecon Location:

Participants:

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	Organization	Telephone
Louie Azzolini	Yellowknives Dene First Nation	
Phil Moon Sun	Yellowknives Dene First Nation	
Glen Mackay	Prince of Wales Northern Heritage Centre	
John Thachet	Justice Canada	
Lorraine Seale	Indian and Northern Affairs Canada	
Carla Conkin	Justice Canada	
Bruce Hanna	Fisheries and Oceans Canada	
Ginger Arnold	Indian and Northern Affairs Canada	
Lionel Marcinkoski	Indian and Northern Affairs Canada	
Claudia Haas	North Slave Métis Alliance	
Joel Holder	Environment and Natural Resources – GNWT	
Greg McKillop	Rescan Environmental – consultant for Sidon and CGV	✓
Greg Empson	Legal Counsel for YKDFN	\checkmark
Rosie Bjornson	Deninu Kue First Nation	\checkmark
Tom Unka	Deninue Kue First Nation	\checkmark
Lloyd Cardinal	Fort Resolution Métis Council	\checkmark
Garry Bailey	Northwest Territory Métis Nation	\checkmark
Dora Enzoe	Akaitcho Interim Measures Agreement	\checkmark
Alistair Macdonald	MVEIRB	
Patrick Duxbury	MVEIRB	
Alan Ehrlich	MVEIRB	

Overview of Pre-Hearing Conference

Patrick Duxbury chaired the meeting. He provided an overview of purpose of the prehearing conference. There were no objections to the proposed process or the agenda. He stated that the principle goals of the pre-hearing were to identify issues that would be brought forward to the hearing, as well as to plan for the logistics of hearing. Alan Ehrlich was introduced as the lead Environmental Assessment Officer for the two assessments. Patrick noted that he will be working with Alan in a support capacity throughout the rest of the assessment.

Review of EA Process and Hearing Purpose

MVEIRB staff provided a brief overview of EA process and described the steps that have occurred since the referral of the two projects in September, 2005. A description of what steps may yet follow was discussed. It was noted that the Work Plan for the environmental assessments provides a two phase approach.

Remaining milestone for Phase I: The public hearing and the Review Board's decision making and report writing are the only outstanding milestones for Phase I if the Board is of the opinion that it has sufficient information to make a decision.

Phase II options: If the Board is of the opinion that after the hearing there are still significant information gaps, it can proceed with Phase II, which may include the usual stages of an environmental assessment.

Hearing Purpose: The purpose of the hearing is for the Board members to hear evidence directly from Parties and members of the public. The hearing is intended to clarify the scope of both the development, as well as the assessment. The hearing will gauge the level of public concern and identify its sources.

Identification of Issues

Following the introduction by MVEIRB Staff, an opportunity was provided to all Parties in attendance for them to discuss the main issues of concern regarding the hearings. To facilitate a better understanding of the issues, they are listed in categories. The issues presented here are summaries of statements of opinions made by the Parties. They are not statements of fact made as determined by the Review Board.

Yellowknives Dene First Nation

Process concerns

- The modified Environmental Assessment hasn't the same degree of information that would normally be provided in a Developer's Assessment Report (DAR).
- The YKDFN was not provided enough information on the developments and their impacts on socio-economic and cultural environments.
- The hearing is possibly premature; the hearing could perhaps provide an opportunity for issues scoping for the preparation of Terms of Reference for a

- DAR, but there is not sufficient evidence/information on the record to make an informed decision at this stage.
- The Information Request Responses received to date are not of sufficient quality compared to that which would be required in a DAR; they are insufficient in depth.
- The issues that the YKDFN will be raising for both the Sidon and CGV developments will be similar; therefore having a hearing on separate days could confuse participants who are not legally minded.
- From a landscape/environmental standpoint, as well as a socio-economic standpoint, the projects are very close and have overlapping issues; one Hearing would capture the issues and avoid repetition.
- Having two separate hearings could lead to time constraints.
- The YKDFN is likely to speak to issues related to the process and the substance of the environmental assessment and how the EA has failed to generate sufficient information.
- The quality of the EA is nowhere near the standard which the Review Board has conducted in the past and the lack of capacity by the Developer should not preclude the Review Board to undertake a good EA.

Consultation

- There has been a lack of consultation regarding the proposed developments.
- A record of consultation and what the consultation has generated in terms of modifications to the project is something that should be considered.
- The EA process to date has become largely a consultation process for the proponents.

Environmental Impacts

- There is insufficient baseline information on the areas in question and a lack of analysis about how the baseline conditions may be impacted by the proposed development (biological and physical elements).
- The Information Requests issued to better understand the impacts do not capture the breadth of issues that would be normally required in a DAR.
- There is a lack of socio-economic analysis on the program. The YKDFN would like to raise the issue of use of the area, both present and past. This will include socio-economic values attributable to the proposed drilling areas from the perspective of hunting, trapping and fishing as per treaty rights.
- There is no baseline information or analysis of the impact of the programs on cultural values. The YKDFN will bring evidence forward demonstrating use of the area and the value of the area from a cultural standpoint.
- There are transportation issues that have not yet been referred to in the EA that are of concern to YKDFN.

Cumulative Effects

- Cumulative Effects have not been considered in either the information requests or in any other analysis. There are a number of developments occurring in the area in question.
- The cumulative effect of those numerous programs is of significant concern to the YKDFN.
- There is insufficient baseline information available regarding cumulative effects to meaningfully discuss impacts except from an opinion standpoint.

Hearing Issues:

- The YKDFN will have at least one elder present and will need interpretation services. However, depending upon the balance of the material presented, it may not be necessary to have the elder present.
- The YKDFN will be placing on the record an archeological report, which has been previously seen from other EAs in the area, but will be redone for these EAs.
- The YKDFN requests that CV's of the proponent's expert witnesses be provided prior to the hearing.
- The YKDFN presentation would take approximately an hour in total for both projects.

Fort Resolution Métis Council / Northwest Territory Métis Nation Process:

- The FRMC and NTMN shared the YKDFN's concerns about holding of two separate hearings.
- The EA process and history need to be addressed at the beginning of the hearing.
- There are concerns about the time allotted for preparation for the pre-hearing given the lack of capacity that aboriginal groups have compared to governments.
- The Mackenzie Valley Land and Water Board needs to be at the hearing to explain their role in processing the Land Use Permit applications; the MVLWB should make a presentation.
- The time allotted for the hearings may not be enough. The FRMC and NTMN are considering a request for ruling to extend the duration of the hearings.

Consultation:

- Consultation efforts appear to be directed towards only one First Nation although groups on across the lake also have concerns.
- Consultants for the developers haven't conducted consultation with the FRMC and NTMN. Was the FRMC even considered?
- There was a lack of consultation during the LUP application pre-screening.

• The Review Board has to be able to use the tools and protocols on consultation and accommodation in making its decisions.

Environmental Impacts

- There are people from Ft. Resolution who have knowledge of the area and its cultural values.
- The FRMC and NTMN agreed with YKDFN regarding the lack of information on the project, including lack of socio-economic information.
- There are no traditional knowledge studies of the area and those studies are required to establish a baseline.
- There are potential impacts to a wide array of animals, including caribou and furbearers. Studies of impact should consider more than just moose.

Hearing Issues

• FRMC and NTMN will confirm with the Review Board its requirements for the Hearing within a week's time.

Deninue Kue First Nation

Process

- There should be elders listening to the pre-hearing process.
- Two days for the hearings is likely not enough to deal with all the issues and to put the projects in perspective.

Consultation

- There are concerns about the lack of consultation and the possible infringements that the projects may cause. Due to limited consultation, DKFN is in limbo about the project; there is lack of information on the process and project.
- Somewhere along the line, Ft. Resolution was forgotten.
- No consultation efforts have occurred with the DKFN since the developer applied for LUP applications in 2005.

Environmental Issues

- There are water quality and habitat concerns within the water column.
- There are concerns about the impact on land to flora and fauna.

Hearing Issues

- The DKFN expects government to speak to concerns and not avoid discussing them.
- There are concerns about being short changed on time (reference to UR Energy Hearings).
- The DKFN will be making a submission to the hearing and will be sending 4-5 people and will provide an estimate of the time required, as well as other requirements later.
- The DKFN requested a CD with an electronic copy of the EA registries.

Prince of Wales Northern Heritage Centre

Heritage Resources

- The main concern is risk the developments pose to unrecorded heritage resources in the area.
- Recent studies taken along the north shore of Great Slave Lake indicate a very high potential for heritage resources; specific areas here (Jackfish Cove and Moose bay) have not been examined in depth yet by an archeologist.
- If the developers have approval, there should be processes in place to ensure that a Heritage Resource Impact Assessment is taken prior to ground disturbance. This recommendation would include an archeologist inspecting all areas of possible ground disturbance to ensure that no resources are impacted.
- The PWNHC will discuss best practices that the developers should employ to protect heritage resources.
- The PWNHC will be prepared to discuss inland areas in additional to shoreline areas.

Hearing Issues

• Glen Mackay will be in attendance and possibly territorial archeologist, Tom Andrews as well.

Indian Northern Affairs Canada

Consultation Issues

- INAC is prepared to discuss crown consultation policies, particularly the interim approach in the NWT.
- INAC will be available to provide more information regarding consultation issues at the hearing and will provide an overview of its policies at the hearing.

Hearing Issues

• David Livingstone, Lorraine Seale, Lionel Marcinkoski, Ginger Arnold, Julie Jackson and a District Office representative will be in attendance along with

- Legal Counsel. There may be representatives from the Inspectors' group, as well as the mineral group in attendance.
- INAC is prepared to make a brief presentation, approximately 10 minutes. The same presentation will be given both days.
- INAC will confirm its satisfaction with responses to its Information Requests and can provide some information regarding its position on the EA issues.

Department of Fisheries and Oceans

Environmental Issues

- Drilling into shoal habitat where there may be lake trout spawning habitat is an issue of interest to DFO.
- Depending upon the development of an ice road, there may be issues brought up concerning stream crossings or winter water drawn down and the requirement of bathymetric surveys.

Hearing Issues

- It is uncertain who may attend the hearing at this point, possibly Ernie Watson.
- It is undecided whether a presentation will be given, although DFO staff would be available to answer questions.
- If a presentation is given, it will be largely the same for both; hence a combined hearing would be likely better.

North Slave Métis Alliance

Consultation Issues

• Lack of proponent consultation with the NSMA before the application for LUPs is an issue.

Environmental Issues

- Wildlife and caribou issues are likely to be brought up.
- Metis heritage sites are of concern.

Hearing Issues

- It is not yet determined which NSMA members will be attending the hearing.
- The NSMA will likely be giving a presentation, likely 30 minutes. The presentation would be likely the same for both developments.
- The NSMA will confirm with MVEIRB next week about logistical matters.
- NSMA would prefer a consolidated hearing instead of two separate ones.

Government of Northwest Territories – Environment and Natural Resources Environmental Issues

• Moose have been prioritized by the GNWT as being a species of concern in the area.

Hearing Issues

- Loretta Ransom and ENR regional biologist, Dean Cluff, will be in attendance and will give a presentation on a 2005 moose survey of the area.
- The presentation will be given for both EAs as both projects are within the study area.
- The GNWT may be in a position to respond to concerns about other animals that may inhabit the area.

Consolidated Gold Win Ventures and Sidon International Resource Corp

Hearing Issues

- Abby Farrage, President of Consolidated Gold Win Ventures and Board Member of Sidon, is expected to be present, as well as consultants Laurence Stephenson (GeoFin) and Greg McKillop (Rescan).
- A presentation will be given which should be approximately 20-30 minutes.
- It was noted that Laurence Stephenson will be present as an expert witness in regards to exploration practices.

Key Messages from MVEIRB

The MVEIRB staff stated during the PHC the following key messages:

- The Board will examine the information it has from the hearing and what information it has on the record and decide for itself whether it has adequate information to make a decision or if it will proceed with Phase II of the Work Plan.
- Regarding Parties who are also Expert Advisors In the event that such Parties
 have no concerns about issues within their mandate area, the Parties should still
 demonstrate to the Review Board, in a form of a presentation, why such a
 conclusion has been reached and provide rationale for it.
- MVEIRB staff committed to contacting the MVLWB to discuss their possible attendance at the hearing.
- MVEIRB staff stressed that short presentations (20 minutes instead of two hours) can be very effective at providing a message to the Board.
- It is important that the developers have someone at the hearing who is capable of making commitments on behalf of the companies.
- MVEIRB staff will provide the FRMC, NTMN and DKFN with Request for Ruling information.
- MVERIB staff will provide an electronic copy of the public registry to the FRMC and DKFN.

Draft Hearing Agenda

• The Agenda will be finalized by the Review Board following its meeting during the week of March 19, 2007. It will be distributed to the Parties as soon as possible.

Upcoming deadlines

Deadline for logistics: Parties who require specific resources to facilitate their presentation should make their needs know to the Review Board by Wednesday, March 21, 2007. If the parties intend to present, they should provide the Review Board with an estimate of the times required for the presentation, if not already provided at the PHC.

Presentation submissions: Presentations for the hearing should be submitted by Tuesday, March 27, 2007. Minor edits can still be done afterwards. The presentations will be shared amongst parties prior to the hearing. A one page non-technical summary of the key points of the presentation should accompany the presentation.