

SEP 22 2006

Mr. Patrick Duxbury
Environmental Assessment Officer
Mackenzie Valley environmental
Impact Review Board
PO BOX 938, 5102-50TH AVENUE
YELLOWKNIFE NT X1A 2N7

VIA FACSIMILE

Dear Mr. Duxbury:

TAMERLANE VENTURES INC., EA0607-002
Pine Point Pilot Project Comments on Draft Terms of Reference and Work Plan

The Government of Northwest Territories (GNWT) has reviewed the above draft Terms of Reference and Work Plan and would like to put forward the following considerations.

The referral of this project to Environmental Assessment (EA) is not unreasonable as the technical part of the project is poorly understood and may be a cause for public concern. The bulk sample is large, 1 million tonnes. To put that in perspective, there is an estimated 70 million tonne resource on the property. The proposal is to sample a small portion of the resource.

The GNWT agrees the EA should focus on technical issues that require further study. We understand that this project is meant to establish the economic viability of a possibly huge future development. Should the Project proceed beyond the time period, the socio-economic impact would be larger and could most likely involve another EA.

With respect to wildlife we find the draft Terms of Reference (ToR) for the EA of Tamerlane Ventures Inc.'s PPPP very thorough and complete. However, we do have concerns that the ToR does not reflect the scale of the project and find some items in the draft to be more than is necessary. The GNWT believes that the draft ToR as provided better matches a full mine development scenario.

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The GNWT offers the following suggested changes for your consideration.

2 Scope of Development

The Scope should also include any required “structural and/or geometric” upgrades to Territorial Highway 5 for the purpose of supporting Pine Point Pilot Project (PPPP) operations.

Section 4.2 Specific Requirements

A Summary

1. The requirement to translate the Developers Assessment Report into South Slavey was not discussed at the scoping sessions. Can the Board review if this translation is necessary for this project or whether a translated summary could be sufficient?

4. For some sections B through L, the proponent is asked to indicate whether scientific or traditional knowledge was used. In section B, most of D, E, F, H-1, and H-5, traditional knowledge is not applicable.

B Developer

- b. – What is the purpose of this question in relation to this EA?
- d. -- This could be confidential. Why is it an issue for this EA?
- f. – “Detailed” – Who defines detailed and how is it defined?

C Description of the Existing Environment

The text of this section is useful. However, a map or illustration showing the boundary of the project based on the scope of the assessment would greatly enhance understanding.

9) A description of the existing environment physical infrastructure should include “railways”. In the analysis of Territorial Highway 5 from Hay River to the PPPP site the analysis should indicate the “daily truckloads” currently traveling these corridors and expected increases during PPPP activities, including potential cumulative impact contributions.

10) Is this necessary for this project since in the project description the proponent identifies using diesel generators for the duration of the Project?

D Development Description

A description should also be included of how lead/zinc concentrate dust from truck transport and transfer to railcar will be controlled.

Proponent should provide an updated work plan schedule that identifies tasks and expected duration of activity that covers the lifespan of the project.

3) Also include how truck weights will be controlled and how the tracking of mud and deleterious materials by trucks entering the highway will be controlled. Other useful information would be the duration of the hauling with an expected start and end date and the time and days of the week the haul is expected to occur.

20) Since the proposal is a bulk sample, is it possible for Tamerlane to provide a "Net Present Value", or "total expected revenues"? Please consider deleting this requirement.

E Alternatives

Add an additional transportation alternative to evaluate the possibility of loading ore onto railcars at a location south of Hay River town site near the highway 2 & 5 intersection.

H Human Environment

First bullet in table after Preamble (page 16) – please change the wording to ask Proponent to "*identify any valued social, economic or cultural components used, and which of those components the Proponent will monitor.*"

Business Opportunities

5) The potentially affected communities already operate in a post-mining community. This point also talks about the next phase of operation should it proceed, this is beyond the scope of this EA and would be more suitable for an operating mine.

Distribution of Beneficial and Adverse Economic Impacts

1) In identifying public safety and economic impacts of increased usage of Territorial Highway 5, the Developer should also include the time of day and the time of year that trucks are expected to be hauling.

3,4,5,6,7)The purpose of the project is essentially a feasibility project to determine the economic viability of the mining method. These issues are more appropriate for a long term full-scale operating mine to address and are not applicable for this scale of project.

H-5 Protected and Withdrawn Areas

We suggest that you separate protected and withdrawn areas into two distinct sections and clarify the required information under each.

H -7 Human Environment Monitoring

Suggest changing last paragraph of H-7 to read, *"-Additionally, "-report on any discussions with communities or the federal government related to the development of Impact and Benefit Agreements, or with the territorial government related to a socio-economic agreement, or similar..."*

J Closure and Reclamation

2) a. - The use of "progressive reclamation" is not appropriate here; this is one project that has a beginning and an end.

3) If more ore bodies were to be permitted and mined, it is likely that there would be another EA and this could be dealt with then.

7) Redundant and not appropriate to a short-term bulk sample project. We suggest that it be removed.

K Cumulative Effects

The inclusion of the cumulative effects of the Mackenzie Gas Project (MGP) should be limited to the activities and area that overlaps with the PPPP. The GNWT suggests that the proponent focus on transportation and Species at Risk impacts.

Thank you for the opportunity to provide comments on the draft ToR, should you have any questions regarding the above, please contact Mr. Joel Holder, Environmental Assessment Analyst at (867) 920-6106 or by e-mail at joel_holder@gov.nt.ca.

Sincerely,



Gavin More
Manager
Environmental Assessment