



Environment & Conservation
Box 1500
YELLOWKNIFE NT X1A 2R3

DATE December 14, 2007

MVEIRB File Number: EA0708-006

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

BY FAX: 766-7074

**Re: INAC Comments on Draft Workplan and Request for Party Status for
EA0708-006 Hunter Bay Minerals – Mineral Exploration**

Dear Ms. Testart:

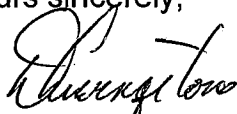
INAC notes that the Sahtu Land and Water Board issued a land use permit for the Hunter Bay Minerals exploration project on July 3, 2007 and that the same project is now the subject of an environmental assessment by the Mackenzie Valley Environmental Impact Review Board following referral on September 4, 2007 by the Review Board itself. This situation raises several concerns for this department.

The environmental assessment and regulatory process established by the *Mackenzie Valley Resource Management Act* sets out a linear process for project review and approval: screening, environmental assessment where required followed by regulatory approval. In this case we have a project which has received regulatory approval by the Sahtu Land and Water Board, has been initiated by the proponent, and is now undergoing environmental assessment. This raises questions about the validity of the land use permit and the appropriateness of the environmental assessment.

We strongly encourage the Review Board to resolve these uncertainties with the Sahtu Land and Water Board in a manner which would clarify for all parties the status of the land use permit, the ability of the company to proceed with its work and the context within which this environmental assessment might proceed. Once these issues have been clarified, INAC will determine its status in the process and be prepared to provide comment and advice where requested.

If you have any questions about these comments, please contact Erica Kotler at 669-2595 / kotlere@inac.gc.ca, or myself at 669-2648.

Yours sincerely,

A handwritten signature in black ink, appearing to read "D. Livingstone". The signature is written in a cursive style with a large initial "D".

David Livingstone
Director, Renewable Resources and Environment

cc. INAC EA Working Group