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4.0 ENGAGEMENT

4.1 Introduction

4.1.1 Context

This section of the Developer's Assessment Report (DAR) for the NICO Cobalt-Gold-Copper-Bismuth Project (NICO Project) presents the community, regulatory, and public engagement activities that Fortune Minerals Limited (Fortune) has completed since exploration began in 1996. In the Terms of Reference (TOR) for the NICO Project's DAR issued on 30 November 2009, the Mackenzie Valley Review Board (MVRB) identified the need to consider and present the results of engagement with communities, Aboriginal groups, the Tłı̨ch̨ Government, and other governments and organizations interested in the NICO Project (MVRB 2009).

Fortune began the exploration activities for the NICO Project in 1996 and has been in regular contact with the Tłı̨ch̨ people and leadership, as well as the Métis (represented by the North Slave Métis Alliance, or NSMA), particularly at key points in the exploration phase and subsequent environmental assessment process. From these engagements and continuing through the preparation of the DAR for the NICO Project, community, regulatory, and public engagement has been undertaken and documented. Fortune has maintained a dialogue with Tłı̨ch̨ and Métis communities that may be affected by the NICO Project. Engagement will continue to be a fundamental principle for Fortune throughout the duration of the NICO Project.

4.1.2 Purpose and Scope

The purpose of this section of the DAR is to meet the TOR, and document the engagement activities that have occurred, the results of the engagement process, and plans for future engagement. The concerns of aboriginal people and the general public must be taken into account in the environmental impact review process, and comments from the public must be considered and reported (Sections 114 (c), 117 (2)(c), and 134 (2) of the Mackenzie Valley Resource Management Act). Community and regulator engagement should be undertaken as early as possible in the life of a project, and must be demonstrated and documented under the environmental impact assessment process Mackenzie Valley Environmental Impact Review Board (MVEIRB 2001).

The TOR for the DAR were developed using input from participants in an extensive scoping exercise completed by the MVRB in 2009 through public meetings held in the Tłı̨ch̨ communities of Behchok̨, Whatì, Gamètì, and Wekweètì. Fortune's representatives attended all of these meetings and presented the scope of the NICO Project prior to the MVRB seeking input from those attending the scoping sessions. The key lines of inquiry, subjects of note, and areas of concern indicated in the TOR span the breadth of participants' knowledge of the biophysical environment, and social, cultural, and economic concerns with regard to mining generally, and with particular respect to the NICO Project. The TOR specifically required the following items for consideration of public engagement:

- an engagement log describing dates, individuals and organizations engaged with, the mode of communication, discussion topics, and positions taken by participants, including the following:
 - commitments and agreements made in response to issues raised by the public during these discussions, and how these commitments altered the planning of the proposed NICO Project; and
 - issues that remain unresolved, documenting any further efforts envisioned by the parties to resolve them;

- description of methods used to identify, inform, and solicit input from potentially-interested parties, and plans Fortune has to keep engagement moving forward;
- discussion of the implications for environmental monitoring and management of relevant agreements between the developer and other interested parties; and
- how Fortune has engaged, or intends to engage, traditional knowledge holders to collect relevant information for establishing baseline conditions and the assessment of potential effects, as well as a summary table indicating where and how traditional knowledge was incorporated into the DAR (Section 5.4, Table 5.4-1), which is in accordance with the Review Board's *Guidelines for Incorporating Traditional Knowledge in Environmental Impact Assessment*.

4.1.3 Content

The content of this section includes the following:

- approach to the engagement process;
- engagement activities that have occurred since the initial exploration phase of the NICO Project (includes meetings, employment, and site visits);
- proposed community engagement, which presents future engagement activities anticipated for the NICO Project; and
- primary issues identified by communities, Aboriginal groups, government biologists and regulators, and other people interested in the NICO Project, and where the responses are located in the DAR.

4.2 Engagement Approach

4.2.1 Engagement Planning and Objectives

Fortune's approach to engagement is based on informing potentially affected communities and land users about the NICO Project, engaging community members in a dialogue about the NICO Project itself and their concerns, and informing them of the potential effects and opportunities. Where concerns were identified, the engagement allowed Fortune to adjust the programs of exploration and the design of the NICO Project to incorporate improvements.

Over the 15 plus years that the NICO Project has been in exploration and planning for development, a wide range of engagement activities were completed. The community engagement approach generally followed a logical sequence, to the extent possible:

- initiating meetings with leaders of the communities and government organizations;
- engaging each community through community-based activities such as open houses, presentations, and meetings;
- inviting community leaders and representatives to visit the NICO Project site;
- granting specific requests for site visits from elders;

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- employing as many local people as possible on-site in the exploration program and related environmental baseline work while conferring the benefit of this employment and training to the local population; and
- undertaking traditional knowledge studies and listening to the specific concerns and issues.

In addition to these direct contacts, newspaper advertisements and articles, radio interviews and advertisements, website updates, and telephone interviews have been completed to promote the meetings and convey information of general interest. Fortune has also made presentations in Yellowknife to interested groups, including the Yellowknife Rotary Club and has frequently participated in the Yellowknife Geosciences Forum through presentations and information booths.

At meetings in the Tłı̄ch̄ communities, Fortune provided the details of environmental baseline and exploration programs, and the proposed mine development strategies as the NICO Project progressed. Fortune asked for input from the leaders, land users, and community members on concerns and issues. In some cases, the leadership contacted Fortune for meetings, which were then arranged. Tłı̄ch̄ language translators, provided by the community government offices, were used to help the engagement process.

In recent years, in particular, in conjunction with and subsequent to the DAR scoping sessions completed by the MVRB, Fortune has repeatedly tried to arrange public meetings through the Tłı̄ch̄ leadership, but unfortunately the Tłı̄ch̄ leadership has not provided authorization for these meetings to proceed. The purpose of these community and public meetings was to provide an opportunity for feedback on the NICO Project and to show how past input, including that provided during the scoping sessions, has been used to refine and improve mine development plans. An additional objective was to obtain input from the community members and land users with regard to appropriate scopes for the monitoring programs and closure plans. Fortune will continue its efforts to obtain specific input on the design of the aquatic and wildlife effects monitoring programs, the Closure and Reclamation Plan, and socio-economic monitoring programs as the NICO Project proceeds through the permitting process.

Some of this information transfer was accomplished in 2010 when delegations of elders, beginning with Whatı̄, but ultimately including all 4 communities, approached Fortune directly for tours of the site. The NICO Project development plans were presented as part of the tour. These presentations included 3-dimensional physical models of the site representing current, future mining, and future closure stages of the NICO Project, as well as demonstrating how the NICO Project fits into the region, relative to features of particular value (Jdaà trail, Marian River, and Hislop Lake) and general water flow from and around the NICO Project.

Fortune has always maintained an expressed openness to any community or meeting at any time, and this remains the same today. However, in respect to the Tłı̄ch̄ Government, elected to represent the people, Fortune must obtain the government's consent to undertake these meetings in the communities. To date, Fortune has not been granted this consent. Fortune would like to spend more time in each of the communities, in particular with the physical models, to show the people what the plans are, and to seek further input for design improvements. Fortune values the input of the elders and land users and wants to develop the NICO Project in the most environmentally logical manner possible while taking into account the traditional and future uses of the land by the people.

4.2.2 Engagement Approaches for Traditional Knowledge Holders

4.2.2.1 Tłıchq Traditional Knowledge

In 2008, Fortune obtained Aurora Research Institute licences to conduct traditional knowledge and socio-economic studies in the Tłıchq communities. Fortune then sought approval from the Tłıchq Government and the community governments to proceed with the studies. Following receipt of verbal approval from the community governments in early 2009 to proceed with the traditional knowledge studies, Fortune coordinated its research with the Tłıchq Government Lands Department. Coordination was necessary to avoid conflicts with presentations Tłıchq Government Lands Department was making in the communities relative to its land use planning process. The research work was completed by experienced traditional knowledge and socio-economic consultants in the communities of Whatì and Gamèti. Further details on these efforts are provided in Appendices 4.I to 4.II.

Subsequent to the traditional knowledge and socio-economic site interviews in Whatì and Gamèti, the Tłıchq Government contacted Fortune and indicated a desire to undertake a further review of the process of traditional knowledge research. The Tłıchq Government requested that Fortune postpone further efforts that had been planned for Behchokò and Yellowknife, which required rescheduling in Wekweetì until such time as the review had been completed.

In late 2010, the Tłıchq Government through its Kwe Beh working group indicated it would undertake its own traditional knowledge study with funding from Fortune to provide Fortune with the information it requires for the DAR. A proposed agreement for this work was presented to Fortune in early March 2011, and at the time of writing the DAR, negotiations were continuing. The proposed time frame for the Tłıchq directed study is on the order of 8 months. Once completed, this study will have to be provided as an addendum to the DAR.

4.2.2.2 Métis Traditional Knowledge

In late 2009, the NSMA and Fortune negotiated an agreement whereby the NSMA would complete its own Métis traditional knowledge research with the professional assistance of Fortune's consultants. The process involved presentations by Fortune, at which the physical models of the NICO Project were displayed and explained, and by the NSMA regarding historical research, with questions and answers. The NSMA subsequently selected community representatives for interviews and a site visit. The results of this research was to be compiled by the NSMA into a traditional knowledge report that would be presented back to the community, then reviewed by Fortune's consultants with the ultimate objective of producing a joint final report by the consultants and the NSMA for inclusion in the DAR. At the time of writing the DAR, the initial presentations, site visits, and interviews have been completed. Fortune understands from the NSMA that the report is nearing completion. This information will have to be provided as an addendum to the DAR, when it becomes available.

4.3 Engagement Activities

Fortune has demonstrated a history of engagement and accommodation throughout the existing life of the NICO Project. In January of 1996 when the initial application for a land use permit was being considered, the then Whatì First Nation through the Dogrib Treaty 11 Council was concerned about the proposed routing of the winter road to the NICO camp. Fortune re-routed the winter road. At all stages of exploration of the NICO Project Fortune has strived to keep the leadership of the Tłıchq advised of the work and has made presentations in the communities. The communication log detailing engagement and meetings with Tłıchq government representatives, Tłıchq citizens, Métis, other aboriginal groups, and various levels of government for the period from January 1996 to October 2008 was submitted as Attachment 6 to the water license application. A large

amount of engagement efforts were directed towards the Tłıchq̓ as the NICO Project design went through several evolutions.

Engagement logs describing dates, individuals and organizations engaged, the mode of communication, discussion topics, and positions taken by participants are provided in Appendices 4.I to 4.III. Detailed accounts of every interaction (e.g., meeting, phone call, e-mail exchange) are not presented. The records provided in the engagement logs represent a summary of events and potential action items for consideration. A summary of key items and issues identified during these engagement activities is provided for the Tłıchq̓, NSMA, and government and regulatory organizations.

4.3.1 Tłıchq̓ Engagement

A communication log specific to engagement activities directed at the Tłıchq̓ Government, their working groups, and Tłıchq̓ citizens for the period from 2008 to present day is presented in Appendix 4.I. Recent examples of the engagement initiatives by Fortune are summarized below.

4.3.1.1 Meetings

In April of 2008, a meeting between Fortune and the Tłıchq̓ Assembly took place in Behchok̓, which included detailed presentations regarding the NICO Project and road access requirements for the NICO Project. Fortune was able to address a number of questions and concerns regarding many topics related to the NICO Project.

On 9 November 2009, a meeting was held in Yellowknife between Fortune and the Tłıchq̓ Government. Representing the government were Grand Chief Joe Rabesca, Chief Clifford Daniels (Behchok̓), Chief Alphonz Nitsiza (Whati), Chief Charlie Football (Wekweèti), John B. Zoe (Senior Advisor to the Tłıchq̓ Government), and Joe Murdock (Arktis). Fortune was represented by Robin Goad, Rick Schryer, and Jim Mucklow. Robin Goad provided an update of the NICO Project and the issues that must be addressed for the NICO Project to move forward. Chief Alphonz Nitsiza talked about the new government and the challenges they face and concerns about the road. Grand Chief Joe Rabesca stated he needed more time to take this information to the Assembly.

Fortune participated in the annual gathering in Gamèti in July 2010 at which several one on one discussions took place between Fortune representatives and members of the Tłıchq̓ Government and Tłıchq̓ citizens.

Fortune attended a road workshop held in Whati in August 2010, organized by the Tłıchq̓ and Whati Governments, to discuss the proposed community road to link Whati and ultimately Gamèti to Behchok̓ and Highway 3. Presentations on the road were given by Fortune and the Government of the Northwest Territories – Department of Transportation representatives. A question and answer period followed the presentations.

4.3.1.2 Employment

Several local residents have already been employed by the NICO Project during the exploration and collection of environmental baseline data. In 2011, 3 Tłıchq̓ citizens and a Métis were hired to perform such roles as labourer, cook's helper, and housekeeping for the winter camp at the NICO site. A female Tłıchq̓ citizen has been hired to translate a plain language summary of this DAR into the Tłıchq̓ language. An offer was made to a representative of the NSMA to assist the environmental contractor with a caribou aerial survey but he declined to participate. Fortune will be hiring again, for the summer 2011 program.

In 2010, 16 Tłıchq̓ citizens (10 male and 6 female) and 4 Métis (3 male and 1 female) were hired over 2 different programs to perform roles such as camp manager, mechanic, heavy equipment operator, labourer, cook's

helper, and housekeeping at the NICO site. A Métis was hired to assist our environmental consultant with a caribou aerial survey.

From 2007 to 2009, Fortune contracted out several positions to Tłı̨ch̨o citizens. These positions included cook's helpers, housekeepers, general labourers, environmental assistants, and a heritage survey assistant. Fifteen Tłı̨ch̨o citizens (9 women and 6 men) were seasonally employed on various NICO programs between 2007 and 2009.

Between 1996 and 2008, 10 Tłı̨ch̨o, 3 Métis, and 3 Yellowknives Dene contractors worked on the NICO Project doing line cutting, core splitting, site preparation and maintenance work, claim staking, and winter road maintenance. Since 2005, 5 contractors (4 Tłı̨ch̨o and 1 Yellowknives Dene) were employed for activities that included site preparation, maintenance, and core splitting work.

Aside from the benefit of earning a wage at the NICO Project, local residents were able to learn more about the NICO Project first hand and develop relationships with Fortune employees. Workers would then have the opportunity to communicate their specific knowledge of the site when they returned to their communities.

4.3.1.3 Site Visits

In July, August, and September of 2010, Fortune provided toured for 4 groups of elders and community representatives from Whatì, Gamètì, Wekweetì, Behchokò, and the Wek'èezhìi Land and Water Board (WLWB) members (which included several Tłı̨ch̨o citizens) around the NICO Project site. The site tours were intended to provide the people with a first-hand appreciation of the NICO Project and the context of the site in the region. The scope of the visits included the following:

- picking up the visitors in their home communities by chartered aircraft to fly them to the NICO camp;
- a welcome to the site followed by a site orientation including health and safety review;
- a presentation in the camp to describe the development plans, with a Tłı̨ch̨o camp employee providing translation;
- displaying physical models (showing current, future mining, and future closure conditions) during the presentation to help attendees visualize the plans and focus their potential concerns about the NICO Project. This model helped the attendees to ask questions about the NICO Project that they might not have considered;
- a guided tour around the NICO Project site with translation into Tłı̨ch̨o language. During this tour the various locations of the proposed mine infrastructure, including the Open Pit and Co-Disposal Facility location were identified. In addition, the naturally elevated level of arsenic existing in the bowl zone waters was explained and shown;
- a walking tour around the bulk sampling development (portal, settling ponds, ore and mine rock piles, garage facilities);
- a special meal was served to the participants; and
- the departing aircraft bringing the attendees home was asked to circle the NICO Project area and take those on board to view areas of interest related to the NICO Project, such as Hislop Lake and Marian River.

4.3.2 North Slave Métis Alliance Engagement

This communication log (Appendix 4.II) details the engagement activities related to the NSMA from 2007 to present day. In addition to the traditional knowledge study detailed in Section 4.2.2, Fortune provided a site visit for representatives of the NSMA as part of the traditional knowledge study process. The site visit was similar to the tour scope outlined for the Tłıchq elders (Section 4.3.1.3), and hired NSMA members for caribou aerial surveys of the region surrounding the NICO Project. On 18 August 2007, Fortune provided a similar NICO site tour to 9 representatives of the NSMA. Fortune anticipates further discussions with this group once the traditional knowledge study is finalized.

4.3.3 Government and Regulatory Meetings and Correspondence

Government and regulatory communications are detailed Appendix 4.III, which extends from 2007 to present day. This log contains both the communications related to the permitting of the NICO Project and interactions with regulators concerning the permitting and activities associated with the NICO exploration program. The focus of the early discussions with regulators concerned the information needs for the permit applications. Fortune also solicited input from various regulatory agencies on the scope and timing of baseline environmental studies for the NICO Project. Feedback on the design of the programs was instrumental in the completion of baseline environmental programs that would be adequate for use in the assessment of potential effects from the NICO Project.

In February 2009, Fortune formed an Aquatics Effects Monitoring Program working group composed of federal and territorial regulators and members of the WLWB. The purpose of this working group is to hold discussion on future Aquatic Effects Monitoring Program requirements for the NICO Project with emphasis on threshold effects levels and community consultation requirements. Later that year, a similar informal group discussed the future needs for closure and reclamation. Working with the staff of the WLWB, a formal closure and reclamation working group is planned for the future as the NICO Project moves closer to the regulatory phase in the permitting process.

4.4 Proposed Community Engagement

Fortune plans to undertake direct community consultation meetings to further discuss the NICO Project using the physical models developed to help demonstrate the NICO Project and its natural setting. These meetings would have been undertaken before submission of the DAR except that the Tłıchq Government has not provided its consent to these meetings. Fortune has offered the models to the Tłıchq Traditional Knowledge research team to aid in their interviews and meetings. In the future, Fortune anticipates a need to undertake at least annual engagement meetings in the communities and at the request of the Tłıchq Government, community leadership, and elders.

Fortune anticipates forming a Tłıchq advisory board, or being subject to a board formed by the Tłıchq Government, that will become the primary conduit for the communication of information between Fortune and the Tłıchq people. However, this has not been worked out, and the Tłıchq Government may have other ideas that it would rather implement.

Fortune anticipates that the environmental compliance monitoring of the NICO Project will be either undertaken by a Tłıchq owned company or government agency, funded by Fortune and mandated by the WLWB.

4.5 Identification of Primary Issues and Location of Responses

The primary issues identified by the Tłıchǫ Government and citizens at the scoping sessions, meetings, site visits, and in ongoing consultation are summarized below. Sections in the DAR that address the issues are provided in parentheses.

- impacts on water quality as they relate to the quality of downstream drinking water, the health of aquatic organisms, wildlife health and human health (Section 7);
- long-term impacts, with emphasis on water quality, following mine closure and reclamation (Sections 7 and 9);
- effects on caribou and caribou habitat, disturbance and displacement effects and direct mortality (Section 8); and
- employment opportunities and hiring practices (Section 16).

Related to these, other specific issues raised included the following:

- potential for cumulative effects of the NICO Project with other historical mines in the area, in particular Rayrock and Colomac (Sections 7, 8, and 15);
- effect on Hislop Lake and the Marian River, both environmental and aesthetic (Sections 2, 7, 9, and 10); and
- chemical usage on-site (Sections 2 and 3).

Detailed information can be found in Appendices 4.I and 4.II (Tłıchǫ and Métis consultation logs, respectively). The issues identified by Métis people through the NSMA were generally similar. The Métis have raised other issues related to land jurisdictional issues that are beyond the scope of the DAR and are not presented in Appendix 4.II.

Section 2 (Alternatives) details how feedback and concerns from the communities were incorporated into the NICO Project design. In addition, social concerns were expressed related to training, community wellness, and family cohesion and impacts on traditional culture and language. Section 16 details how these and other concerns will be addressed as the NICO Project moves forward.

4.6 References

MVERIB (Mackenzie Valley Environmental Impact Review Board). 2001. Draft Guidelines for Environmental Impact Assessment in the Mackenzie Valley.

MVEIRB. 2004. Environmental Impact Assessment Guidelines.

MVRB (Mackenzie Valley Review Board). 2009. Terms of Reference for the Environmental Assessment of Fortune Minerals Ltd. NICO Cobalt-Gold-Bismuth-Copper Project. EA 0809-004. Yellowknife, NWT.