



## **FORTUNE MINERALS LIMITED**

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June 08, 2012

Richard Edjericon  
Chairperson  
Mackenzie Valley Review Board  
200 Scotia Centre  
Box 938, 5102-50th Ave  
Yellowknife, NT  
X1A 2N7

Dear Mr. Edjericon,

**Re: Response to Tlicho Government Request to Delay Public Hearings for the NICO Project**

Fortune Minerals Limited ("Fortune") has reviewed the letter from the Tlicho Government to the Mackenzie Valley Review Board (Board) requesting a delay in the dates for the public hearing for the NICO Cobalt-Gold-Bismuth-Copper Project (Project). Fortune would like the board to consider the following information during its deliberation of this request.

### **Traditional Knowledge**

Fortune recognizes that the *Mackenzie Valley Resource Management Act* requires the Board to consider Traditional Knowledge (TK). In its' Terms of Reference for the Project, the Board required Fortune to facilitate collection of TK and to consider that information in preparation of its impact assessment. TOR *section 3.1.2 Incorporation of traditional knowledge states:*

The Review Board values and considers both traditional knowledge and scientific knowledge in its deliberations. Fortune will make all reasonable efforts to assist in the collection and consideration of traditional knowledge relevant to the NICO Project. Where it is applicable, Fortune will make all reasonable efforts to incorporate traditional knowledge from aboriginal culture holders as a tool to collect information on and evaluate the specific impacts required in this *Terms of Reference*. The developer should refer to the Review Board's *Guidelines for 9 Incorporating Traditional Knowledge into the Environmental Impact Assessment Process* and community/culture group-specific traditional knowledge protocols.

In trying to meet this requirement, Fortune commissioned a TK study, considered the results of that study, and incorporated relevant information obtained through that study when predicting impacts and proposing potential mitigation measures.

Fortune's Developers Assessment Report (DAR) that was filed with the Board in 2011, contains the results of that TK study. On July 15, 2011, Fortune was notified by the Board that "the DAR is in conformity with the November 2009 Terms of Reference and the analytical phase of the environmental assessment can now proceed". The DAR was deemed adequate and, based on this determination, the work plan for the Project was updated and posted on the Board's public registry.

In recognition of this requirement under the TOR and after discussions with the Tlicho Government about their desire to complete their own TK study, Fortune entered into a Traditional Knowledge Study Agreement (TKSA) with the Tlicho Government on October 25, 2011. This agreement contains a study plan prepared by the Tlicho Government, a budget and schedule for completion of the study, and the general principles under which a TK study was to be carried out by the Tlicho Government. Fortune chose to fund this study to broaden the knowledge base for the Project and with the anticipation that the information could be used at any time during permitting of the project. Fortune and the Tlicho Government agreed that the deadline for the submission of this report would be prior to the closing of the public registry.

On March 14, 2012, the MVRB requested that the Wek'eezhii Renewable Resources Board (WRRB) provide any traditional, local or scientific information on woodland caribou presence and distribution in the area of the NICO Project mine site and access road. In response the WRRB produced a report entitled, *Boreal Caribou and Boreal Caribou Habitat in Wek'eezhii* (Report), a copy of which the Tlicho Government filed with the Board on May 24, 2012. Fortune considers this valuable information that we will consider, in consultation with the Tlicho Government and the WRRB when developing our wildlife management plan and our wildlife monitoring plan. The Report is now on the Public Registry and can be presented by the WRRB and tested and discussed at the upcoming hearings in front of the Board by all interested parties. The Tlicho Government letter seems to imply that, based on the information contained in the WRRB Report, Fortune now needs to amend its DAR. Respectfully, Fortune disagrees. This report contains both traditional knowledge and scientific components that can be considered during the hearing process.

During the Technical Meetings in February of this year, Fortune stated that the company would work with the Tlicho Government in the development of monitoring plans such as the wildlife monitoring plan and the aquatic effects monitoring plan. Both of these monitoring plans (as well as others) are at the conceptual stage and will need to be further developed during the regulatory phase of Project permitting. To this end, Fortune reaffirms its commitment to integrate into monitoring and management plans where applicable, information from the WRRB Report as well as further information submitted as a result of completion of TKSA reports. The overall timeline for completion of the Board's process and regulatory permitting of the Project still allows ample time for consideration of the Report and Tlicho TK study results.



## **Public Hearing Dates**

The Board has identified July 30 through August 3, 2012 as the dates for which the public hearing for the Project is planned. Although the Board has not yet issued a Hearing Notice, these dates have been published in a number of public documents [i.e. March 14<sup>th</sup> letter announcing the second round of information requests, the May 2012 issue of the Review Board's *Valley Talk* Newsletter etc.]. Fortune has worked toward these dates, has secured the attendance of its team of staff and consultants, and is ready to proceed. If the dates were to change at so late a date, it would be a significant effort to coordinate the schedules of the team. If our technical experts are unable to attend, Fortune's ability to properly ask or respond to discipline-specific questions would be limited. Additionally, this would have a material adverse effect on the project development schedule. A delay of the public hearings until the late fall could delay project construction by up to a year. Assuming technical reports are filed with the Board by June 15<sup>th</sup>, Fortune sees no reason why the hearings cannot proceed on the dates as planned. However, on this matter, Fortune would like to make two requests.

Firstly, we request that the Board confirm the dates as planned and issue its hearing notice in accord with Rules 67 and 68 of its Rules of Procedure and as soon as practicable. Timely confirmation will assist all parties involved in their hearing preparations. Secondly, we note that the requests made by the Tlicho Government in their June 4<sup>th</sup> letter could be characterized as a Request for Ruling under the Board Rules of Procedure. Fortune requests that once the Board makes a determination on the Tlicho requests regarding hearing dates and locations, it not allow submission of a similar request on the same issue based on the same information, under a formal Request for Ruling under either Rule 46 or 69.

In anticipation of the public hearings, Fortune recently completed two community engagement tours to update the Tlicho people about the Project and to hear their concerns and questions about the Project. The first of these tours was completed in late March 2012. It took place in all four Tlicho communities and included a presentation on the Project, 3D models of the Project, and workshops with elders. A second engagement tour of the communities took place from May 13 - May 29, 2012 in all four Tlicho communities and Yellowknife. These engagement sessions were held in people's homes and on an individual basis, and were carried out by Fortune community relations staff, Charlie Jim Nitsiza, Joe Rabesca and Shaun Moosenose, who spoke to as many Tlicho elders, adults and youth as possible. Sessions took place in the Tlicho language in an informal setting to allow people to speak freely about opinions on the Project. During these meetings, no concerns were raised about the proposed dates planned for the hearings. No other Parties in this review process have objected to the dates planned for the public hearings announced in the March 14<sup>th</sup> letter from the board.

## **Public Hearing Location**

In its last meeting with the Kwe Beh working group, Fortune made it clear it had no objections to holding the public hearings in Behchoko. A public hearing session in the community of Whati would also be acceptable.



In summary, Fortune requests that the Board issue a hearing notice for the Project and that the dates for the hearing be as originally planned - July 30 through August 3, 2012 - in the communities that the Board, in its discretion, so decides. Thank you for your consideration.

Sincerely,

**Fortune Minerals Limited**

Rick Schryer, Ph.D.  
Director of Regulatory and Environmental Affairs

