

Ministre des Affaires autochtones
et du développement du Nord

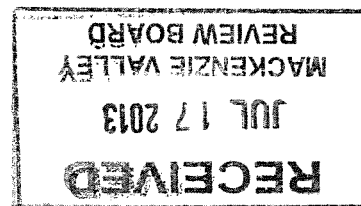


Minister of Aboriginal Affairs and
Northern Development

Ottawa, Canada K1A 0H4

~~07~~ 17 2013

Mr. Richard Edjericon
Chairperson
Mackenzie Valley Environmental Impact
Review Board
200 Scotia Centre
5102 - 50th Avenue
YELLOWKNIFE NT X1A 2N7



FACSIMILE: 867-766-7074

Dear Mr. Edjericon:

As the Federal Minister under the *Mackenzie Valley Resource Management Act*, and on behalf of the Responsible Ministers (Environment Canada, Fisheries and Oceans Canada, Natural Resources Canada, Transport Canada and the Government of the Northwest Territories) with jurisdiction in relation to the Fortune Minerals Limited's NICO Project, I am writing to convey our decision on the recommendation contained in the Mackenzie Valley Environmental Impact Review Board's Reasons for Decision and Report of Environmental Assessment dated January 25, 2013.

In the Report, the Review Board recommended, pursuant to sub-paragraph 128 (1)(b)(ii) of the *Act*, that the NICO Project be approved subject to the imposition of 13 measures and proponent commitments necessary to mitigate significant adverse impacts on the environment.

Pursuant to sub-paragraph 130 (1)(b)(ii) of the *Mackenzie Valley Resource Management Act* and Fortune Minerals Limited's commitments, we are adopting the recommendation of the Review Board with modification. The modification is in regard to Measure #8 identified by the Review Board as being necessary to mitigate significant adverse impacts on barren ground caribou. The enclosed modified measure incorporates the views expressed by the Tlicho Government and the Review Board during the consult-to-modify process.

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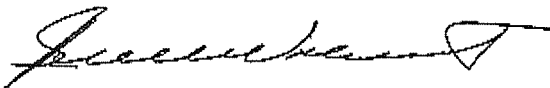
The Responsible Ministers' decision was taken after careful consideration of:

- the January 25, 2013 Report of Environmental Assessment for the NICO Project;
- new information as attached to my letter of June 6, 2013, to the Review Board that initiated the consult-to-modify process;
- the letter from the Yellowknives Dene First Nation to the Northern Projects Management Office dated May 17, 2013;
- the letter from the Tlicho Government to the Review Board dated May 21, 2013;
- the letters from the North Slave Métis Alliance to the Northern Projects Management Office dated April 23, 2013, and May 21, 2013;
- the letter from Fortune Minerals Limited to the Review Board dated June 13, 2013; and
- the results of the Responsible Ministers' consultation with the Tlicho Government and the Review Board on Measure #8, as outlined in your letter to me dated June 24, 2013.

On February 28, 2013, the Responsible Ministers and I initiated engagement and consultations with affected Aboriginal groups and requested their views on the report and proposed modification to Measure #8. The Yellowknives Dene First Nation and North Slave Métis Alliance responded with letters regarding their concerns. The Responsible Ministers and I have considered and responded to these concerns and have now concluded our engagement and consultation process with Aboriginal groups. Furthermore, the Government of the Northwest Territories has begun writing affected Aboriginal groups to invite their participation in initiatives identified in the modified measure.

I wish to thank the Review Board for effectively and efficiently discharging its duties under the *Mackenzie Valley Resource Management Act*.

Sincerely,



Bernard Valcourt, PC, QC, MP

Encl.

c.c.: The Honourable Gail Shea, PC, MP
The Honourable Leona Aglukkaq, PC, MP
The Honourable J. Michael Miltenberger, MLA

**REPORT OF ENVIRONMENTAL ASSESSMENT ON THE NICO PROJECT –
FORTUNE MINERALS LIMITED**

Measure #8 (as modified)

To mitigate and manage significant adverse cumulative impacts on barren ground caribou, the Government of the Northwest Territories and Tlicho Government will, in co-ordination with a working group including the Wek'eezhii Renewable Resource Board, the Yellowknives Dene First Nation, the North Slave Métis Alliance, Fortune Minerals Limited, other traditional harvesters, and other parties as appropriate, use a response framework for the Bathurst barren ground caribou herd to address NICO-Project-specific contributions to cumulative effects. The Government of the Northwest Territories has taken a lead facilitating role in collaboratively developing timelines and work plans for this task and the Tlicho Government will have a leadership role in the implementation of the response framework where and when applicable to the NICO Project.

The mitigation of NICO-Project-level contributions to cumulative effects on the Bathurst barren ground caribou herd will be addressed through:

- The development of a Wildlife and Wildlife Habitat Protection Plan (WWHPP), which, among other mitigation measures, identifies and applies best practices at the local-scale of the NICO Project to minimize footprint, sensory disturbance to caribou, project-related wildlife mortality, and increased harvester access;
- The design of a Wildlife Effects Monitoring Program (WEMP) to test NICO Project impact predictions related to the herd. The information from the monitoring program may support and contribute to broader cumulative effects assessment and management for the herd; and
- The use of the WWHPP and the WEMP monitoring results to support adaptive management at the local-scale of the NICO Project.

To address cumulative effects monitoring, assessment, and management at a scale appropriate to the herd and as it pertains to the NICO Project, the cumulative effects response framework will:

- Be informed and guided by the working group;
- Demonstrate how the results from the NICO Project WEMP may inform cumulative effects assessment and management programs at the scale of the Bathurst caribou range;
- Demonstrate how the NICO Project WEMP may inform the Bathurst caribou management planning process; and
- Demonstrate how updated and ongoing cumulative effects management may refine or adapt the WWHPP and the WEMP for the NICO Project.