

Avalon Rare Earth Metals Nechalcho Project

Public Hearing (MVEIRB)

Fort Resolution, NT

February 22, 2013



Introduction

- The Deninu Kue First Nation members are descendants of signatories to the Treaty 8 adhesion that was signed on the shores of Deninu Kue in July, 1900.
- Our members rely on the areas in and around Thor Lake and Pine Point, the proposed mine and processing plant sites, for traditional pursuits such as hunting, trapping and fishing.
- The Deninu Kue First Nation membership believe that development within our traditional territory is ever increasing as demands for the non-renewable resources are growing, creating pressure on the land base and upon their livelihood.
- Deninu Kue First Nation members have utilized the renewable resources of this land for thousands of years to sustain life. We want to ensure that the life of and on the land is there for generations to come. Denes have learned to adapt to the changes witnessed on the land, the water and the animals.



- Dene people now have to sustain themselves by combining subsistence activities with jobs in mines, sawmills and other industries.
- But as Dene we have a responsibility to the land such that when development happens within our territory we request diligent environmental monitoring of the water and land. We are looking for changes, strange occurrences, and impacts. These impacts need to be addressed in a remediation plan before they happen.
- The Deninu Kue First Nation want to educate the youth to obtain the data required to analyse impacts and changes upon the environment, to become scientists one day.

“It is a priority for the elders to get the youth trained in the sciences so that they can watch for changes and tell government that too much has occurred”.



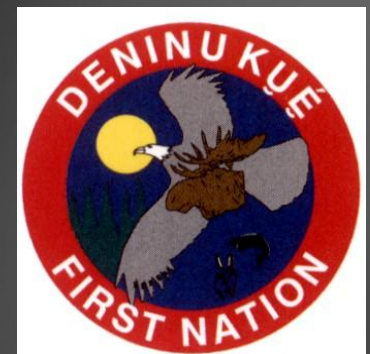
Social

- The Nachalacho Project will have significant social impacts - both positive and negative in nature.
- The pro's of this project are employment and business opportunities for the community and community members of Fort Resolution.
- The con's of this project will be the increase of alcohol and drug abuse, this is a fact because we live it today with the three other diamond mines and many exploration camps.
- The Deninu Kue First Nation see the need for increased child care and early childhood development funding in order to assist parents while receiving training or working.



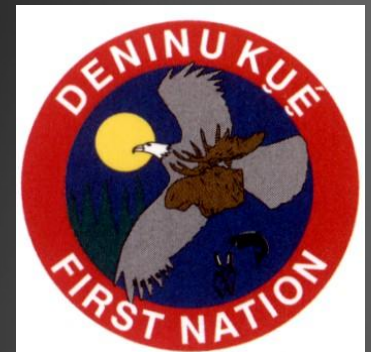
Economic

- Deninu K'ue First Nation has signed an Accommodation /Impact Benefit Agreement with Avalon Rare Metals Inc., an agreement which includes business , training and employment opportunities among other benefits for the Deninu Kue First Nation and it's members.
- However, if the project could have negative environmental and health effects on our people, we do not want the project to proceed until Avalon has committed to remediation protocols for unexpected outcomes related to the processing and transportation of the HREE concentrates.



Spiritual

- The Deninu Kue First Nation people have a spiritual relationship with the water and land that surrounds them. Deninu Kue First Nation members obtain their livelihood using the resources of the water and the land.
- Our membership has hunted, fished, trapped and gathered since time immemorial in the area discussed in our Deninu K'ue Ethno-history Report.



Environmental

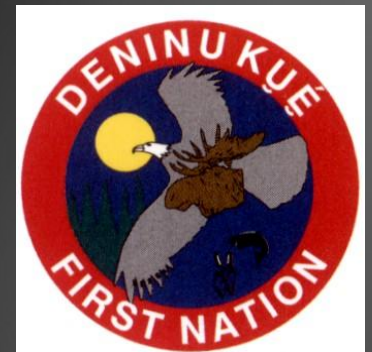
- Deninu Kue First Nation has concerns about the potential effects of radiation exposure resulting from 1) mining and processing work considering that DKFN members will be employed by the mining company and 2) from a major accident such as a barge spilling into the lake (ie impacts on water quality and safety of fish to eat).
- Because the mine is not a nuclear plant or a uranium mine, it is not regulated for potential radiation impacts (ie by the Canadian Nuclear Safety Commission). With the apparent lack of regulatory oversight, there is a heightened concern.
- Deninu Kue First Nation requests a review of Avalon's environmental assessment and its conclusions regarding radioactive products and other contaminants of concern in the ore, in relation to environmental and human health. This review should be conducted in the manner of a Human Health Risk Assessment and an ecological risk assessment and should involve a quantitative review of the data and information used to formulate conclusions.



Conclusion

The Deninu Kue First Nation believe that monitoring of the land and water is essential. Without specific information pertaining to the rare earth mining methods how will this Environmental Assessment process being carried out by the Mackenzie Valley Impact Review Board be able to ensure the protection of the land, the water and the animals?

Linda Vanden Berg, DFKN Negotiator who has been involved in the negotiations with Avalon, will present on the findings of the DFKN Ethno-History report, and expand on the questions above regarding environmental concerns.



"As Long as the sun shines, grass grows and rivers flow"

