

IR Number:

Source: Yellowknives Dene First Nation

To: Avalon Rare Metals Inc.

Subject: Historical and Cultural background information

Preamble

Avalon's Developers Assessment Report for the Thor Lake Project contains historical and cultural information that is grossly inaccurate and insulting to the Yellowknives Dene First Nation.

3.3.1.1 "Yellowknife . . . is named after the Yellowknife Dene who moved into the area in the early 1800s."

3.3.2.1 "Dettah is situated in territory traditionally used for hunting by the Taicho [sic] (Dogrib) Dene from prehistoric times. Eventually, the Yellowknife Chipewyan began to hunt in the area."

3.7.1 "Today, [the Yellowknives Dene] no longer have 'an identifiable dialectal or ethnic identity' and are known only from the historic record."

These are all common misperceptions that spread throughout the non-Dene residents of the north after the 1981 publication of *Handbook of North American Indians, Volume 6 – Subarctic* by the Smithsonian Institution, Washington. Anthropologist Beryl Gillespie's chapter on the "Yellowknife Indians" contains many factual errors and illogical conclusions based primarily on her opening premise that "the disappearance of the Yellowknife in the twentieth century precludes any research other than with historical materials." Her failure to conduct proper, systematic field research among the Yellowknives Dene (she's remembered by Elders as only having conducted a single half-hour interview in Ndilo in the early 1970s) and to draw conclusions from what others had written about this Dene regional group has caused irreparable damage to the Yellowknives public image. Gillespie's poor research and ill-conceived conclusions have been proven by more recent research, and by Traditional Knowledge of Yellowknives Dene Elders, to be wrong.

These statements clearly demonstrates that Avalon believes the Yellowknives Dene to be relative new-comers to the area, that they occupy lands belonging to the Tliche, and that they have no true identity and therefore no traditional rights in this area. Believing and disseminating these misperceptions this can only taint the future relationship between the Yellowknives Dene First Nation and Avalon Rare Metals Inc.

Request

Avalon Rare Metals Inc. must (1) withdraw these statements and any others in the DAR that are misleading and erroneous concerning who the Yellowknives Dene are; (2) must conduct proper research into Yellowknives Dene history and identity; and (3) must replace these misleading and erroneous statements in their DAR.

IR Number:

Source: Yellowknives Dene First Nation

To: Avalon Rare Metals Inc.

Subject: Concentrate Transport

Preamble

One of the major concerns of the Yellowknives Dene First Nation is the use of Great Slave Lake as a transportation route for concentrate between the mine site and the Hydrometallurgical Plant at Pine Point and for the transport of equipment, construction materials and supplies, and especially fuel in the opposite direction. DAR Section 4.3.6 needs considerable expansion and discussion concerning why the decision to use barges was made. More precise information is required on the various options considered and on the *historic safety record* of barging on Great Slave Lake.

Request

Avalon Rare Metals Inc. must provide additional details on the reasons for its decision concerning the barging option and must include in this an analysis of the historic safety record of barging on Great Slave Lake. While Section 9.1.1 states that barging has taken place on Great Slave Lake since 1934 but does not state the number and nature of barge accidents during that time.

Weather obviously has an effect on Great Slave Lake barging safety and DAR Section 4.7.5.8 states that Avalon requires “approximately 60 days of favourable weather to complete all shipments”. What are the parameters of this ‘favourable weather’ and what meteorological evidence can be provided that supports the belief that there will be 60 days of favourable weather each summer?

IR Number:

Source: Yellowknives Dene First Nation

To: Avalon Rare Metals Inc.

Subject: Dene Hunting Rights

Preamble

Yellowknives Dene have traditionally hunted caribou and moose throughout their traditional lands. DAR Sections 6.9.1.1 (Barren-ground Caribou) and 6.9.1.2 (Moose) state that there will be a no hunting policy for “all project employees and contractors while working on or off-site for Avalon”. This is an ambiguous statement that needs clarification especially as it pertains to traditional hunting rights of YKDFN employees of Avalon or its contractors who are working “off-site”.

Request

Avalon Rare Metals Inc. must provide additional details and clarification on what is meant by the statement “No hunting policy for all Project employees and contractors while working on or off-site for Avalon” and provide assurance that Section 35 rights will not be expunged by company policy.