

February 4, 2013

VIA EMAIL

Paul Mercredi
Environmental Assessment Officer
Mackenzie Valley Environmental Impact Review Board
200 Scotia Centre
Box 938, 5102-50th Ave
Yellowknife, NT
X1A 2N7

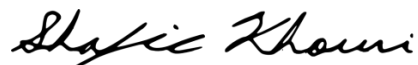
Dear Mr. Mercredi,

RE: Meeting Summary and Newly Agreed-Upon Commitments for Thor Lake Rare Earth Element Project Environmental Assessment (EA1011-001)

Attached to this cover letter is a meeting summary identifying newly agreed-upon commitments between officials from Avalon Rare Metals Incorporated and the Government of the Northwest Territories. Both parties respectfully request this submission be posted to the Mackenzie Valley Environmental Impact Review Board public registry for the Thor Lake Rare Earth Element Project.

Please contact me if you may require any further details.

Sincerely,



Shafic Khouri
Environmental Assessment Analyst
Department of Environment and Natural Resources
Government of the Northwest Territories
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Attachment

**Avalon Rare Metals Incorporated – Government of the Northwest Territories
Meeting for Thor Lake Rare Earth Element Project Environmental Assessment**

Meeting Date: January 24, 2013
Time: 1:30pm to 3:00pm
Location: 6th floor boardroom, Scotia Centre, 5102 50th Avenue, Yellowknife
Invitees: See attendee list on page 3.

Purpose: To allow Government of the Northwest Territories (GNWT) and Avalon Rare Metals Incorporated (Avalon) representatives to discuss wildlife topics related to the Thor Lake Rare Earth Element Project environmental assessment and resolve any possible outstanding issues prior to the Project Final Public Hearing.

Summary of Discussion:

Update on Avalon operations

An update on the Project was provided by Avalon.

Outstanding GNWT Technical Report Recommendations

GNWT Technical Report Recommendations #4, #5 and #6 were discussed.

New or Revised Commitments:

1. Avalon commits to GNWT Technical Report Recommendation #4 in renaming the Wildlife Effects Monitoring and Management Plan to a Wildlife and Wildlife Habitat Protection Plan.
2. Avalon acknowledges GNWT request for a Wildlife Effects Monitoring Program (WEMP) and commits to continued discussions with the GNWT about wildlife monitoring. Avalon has a general principle of collaborating with affected parties in the development of the Project, which would include collaborating with the GNWT, affected aboriginal organizations, co-management authorities, and any other affected parties in the development and on-going review of a possible WEMP.
3. Avalon commits to GNWT Technical Report Recommendation #6. Specifically, Avalon commits to attend the GNWT cumulative effects workshop (February 4 – 7, 2013).

Action Items:

The GNWT will send Avalon an invitation for the GNWT-hosted wildlife workshop scheduled for March 5 – 8, 2013.



David Swisher
Vice President, Operations
Avalon Rare Metals Inc.

February 1st, 2013

Date



Nicole McCutchen
Manager, Wildlife Research and
Management
Government of the Northwest
Territories



Date

Avalon Rare Metals Incorporated – Government of the Northwest Territories
Meeting for Thor Lake Rare Earth Element Project Environmental Assessment

Attendees:

Avalon

David Swisher Vice President, Operations, Avalon
Kelly Cumming Northern Relations Manager, Avalon

GNWT

Albert Bourque South Slave Regional Environmental Coordinator, ENR
Nicole McCutchen Manager, Wildlife Research and Management, ENR
Sarah True North Slave Regional Environmental Coordinator, ENR
Sunny Ashcroft Wildlife Biologist, Environmental Assessment/Habitat, ENR

GNWT department acronyms: Environment and Natural Resources (ENR)