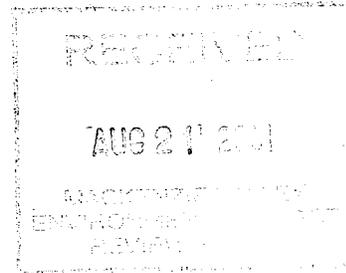




Ottawa, Canada K1A 0H4

AUG - 9 2001

Mr. Greg Yeoman
Conservation Director
Canadian Parks and Wilderness Society -
Northwest Territories Chapter
PO Box 1934
YELLOWKNIFE NT X1A 2P4



Dear Mr. Yeoman:

Thank you for your letter of May 18, 2001, in which you express concern that the Mackenzie Valley Environmental Impact Review Board's (MVEIRB) determination on the *Report of Environmental Assessment on the Proposed Development of the Sable, Pigeon, and Beartooth Kimberlite Pipes* (the EA Report), did not include any conditions that could be attached to the permit to reduce the environmental impacts of the activities to be undertaken.

As addressed in my letter of April 12, 2001, to the MVEIRB, regarding BHP's Sable, Pigeon and Beartooth Pipes development, the MVEIRB must make a finding of likely significant adverse impacts on the environment in order to propose a measure to mitigate the impact in question. The MVEIRB did not make a finding of significant adverse impacts with regards to the two "recommendations" noted in your letter. The distinction between the terms - recommendation, measures and observations - was not clearly defined in the EA Report. These two "recommendations" should be considered as "observations", since the MVEIRB did not link them to a likely significant adverse impact.

As you are aware, the Mackenzie Valley Land and Water Board (MVLWB) has received the EA Report, pursuant to section 128(2) of the *Mackenzie Valley Resource Management Act*. Although the MVEIRB did not identify any measures it considered necessary to prevent a likely significant adverse impact, the MVLWB may consider any of the MVEIRB's "observations" during the regulatory process.

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The responsible Ministers and I will be rendering a decision on the MVEIRB's determination in the EA Report in the near future.

Thank you for expressing your concerns with respect to this environmental assessment.

Yours sincerely,

ORIGINAL SIGNED BY
ORIGINAL SIGNÉ PAR
ROBERT D. NAULT

Robert D. Nault, P.C., M.P.

c.c.: Ms. Melody McLeod
Mr. Gordon Lennie