

Akaitcho Interim Measures Agreement Implementation Office

NWT Treaty #8 Tribal Corporation

Stephen Ellis – Akaitcho IMA Implementation Coordinator
NWT Treaty #8 Tribal Corporation
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July 27, 2007

Willard Hagen – Interim Chair
Mackenzie Valley Land and Water Board
Box 2130
7th Floor – 4910 50th Avenue
Yellowknife, NT X1A 2P6
Fax: (867) 873-6610

Mackenzie Valley Land
& Water Board
File MV2007C0009
JUL 30 2007
Application # MV2006C0008
Copied To TM / Reg

**RE: Applications by Uravan Minerals Inc. (MV2006C0008 and MV2007C0038) and
Bayswater Uranium Corporation (MV2007C0009 and MV2007C0010) for uranium
exploration in the upper Thelon Basin**

Mr. Hagen:

The Akaitcho Dene First Nations (AKFNs) have already made their positions, concerns, and issues vis-à-vis uranium exploration in the upper Thelon Basin abundantly clear to the MVLWB, the MVEIRB, and INAC during the Ur-Energy Inc. environmental assessment and in subsequent letters. These positions, concerns, and issues are available on the MVEIRB and MVLWB public registries, and need not be repeated herein. Suffice to say that they pertain equally to Uravan, Bayswater, and any other company that may wish to explore for uranium in the upper Thelon Basin.

Upon completion of the UR-Energy EA, the MVEIRB made the following decision at the conclusion of the EA:

...this development, in combination with the cumulative effects of other present and reasonably foreseeable future developments in the Thelon basin, will cause adverse cultural impacts of a cumulative nature to areas of very high spiritual importance to aboriginal peoples. These impacts are so significant that the development cannot be justified (MVEIRB Report of Environmental Assessment and Reasons for Decision on UR-Energy Inc.).

The MVEIRB is recommending to the Minister of INAC that the project be rejected, and are suggesting that the following measures be put in place in the upper Thelon Basin:

- The implementation of an land-use plan that provides prescriptive management for activities in the region;
- The development and use of a Crown consultation framework;
- The completion of a cumulative effects study focussing upon impacts and mitigative measures for caribou.

The MVEIRB decision is consistent with AKFN concerns regarding the impacts of uranium exploration on the exercise of aboriginal and treaty rights.

To date, INAC has not indicated how it will be acting upon the MVEIRB decision.

More recently, two court decisions pertaining to the Ka'a'gee Tu First Nation and Paramount Resources Ltd. have further defined the relationship between the MVLWB and the Crown vis-à-vis s.35 consultation obligations. In these decisions, it was determined that when the Crown fails to meet its duty to consult and to take into account the concerns of aboriginal people, not only has the *Constitution Act* been breached but also Part 5 of the *MVRMA*. In such instances, the MVLWB cannot issue a permit or license.

To date, INAC has not fulfilled its obligation to consult with the AKFNs with regards to uranium exploration in the upper Thelon Basin. This is despite repeated requests by the First Nations and my office to engage in a consultation process with respect to these proposed developments, including cumulative effects studies, uranium education sessions, and land-use and management plan development.

The Uravan and Bayswater applications, or any other applications submitted by companies for uranium exploration in the upper Thelon Basin, cannot be considered and approved until the following take place:

- INAC acts upon the MVEIRB UR-Energy decision;
- The Crown fulfills its obligation to consult with the AKFNs.

In the meantime, the MVLWB must put these applications in abeyance. Failure to do so would leave the AKFNs with no alternative but to protect its aboriginal and treaty rights through court action.

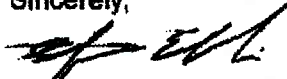
It would be beneficial to all if the MVLWB could adopt a more proactive approach to the screening of applications for exploration in the upper Thelon, and indeed throughout the Akaitcho Territory. Surely, the MVLWB is intimately aware of the substance of the MVEIRB decision in relation to UR-Energy, and its broader implications for exploration in the Thelon region. Surely, the MVLWB is aware of the Ka'a'gee Tu First Nation decisions and their implications for Board operations. However, both the Bayswater and Uravan applications have been circulated for screening without any seeming awareness of these recent decisions.

It should not be incumbent on my office or the AKFNs to notify that these decisions significantly influence the context and means whereby applications are to be accepted and considered by the MVLWB. In the specific case of applications in the upper Thelon Basin, the MVLWB must implement a strategy whereby the MVEIRB decision and INAC's subsequent actions are

integrated into the regulatory review process. Clearly, failure to act in this manner will only serve to obfuscate the MVRMA process and further confound industry and First Nations.

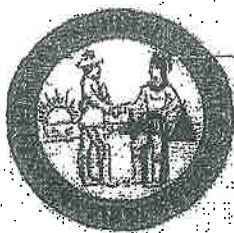
More broadly, the MVLWB must confirm with the AKFNs that the Crown has fulfilled its consultative obligations prior to initiating the screening process for *any* incoming application. The MVLWB cannot continue to operate in seeming isolation from its legal and administrative linkages with the federal Crown, which owes a constitutional duty to the AKFNs to consult where aboriginal and treaty rights are or may be affected.

Sincerely,



Stephen Ellis – Akaitcho IMA Implementation Coordinator
NWT Treaty #8 Tribal Corporation

- c. Chief Adeline Jonasson – LKDFN
- Chief Bill Norn – DKFN
- Chief Fred Sangris – YKDFN (Ndilo)
- Chief Peter Liske – YKDFN (Dettah)
- Florence Catholique – A/Wildlife, Lands and Environment Manager, LKDFN
- Rosie Bjornson – IMA Coordinator, DKFN
- Phil Moonson – Lands Director, YKDFN
- Zoe Raemer – A/Regional Director General, INAC
- James Lawrance – Director, INAC
- Gabrielle Mackenzie-Scott – Chair, MVEIRB



Akaitcho Interim Measures Agreement Implementation Office

NWT Treaty #8 Tribal Corporation

FAX TRANSMITTAL FORM

To: Willard Hagen

From: Steve Eli

Fax # 872-6610

Number of pages including cover page: 4

Phone #

Date: July 30, 2007

RE: Uranium Exploration - Upper Thelon Basin

Message:

Uranium Minerals - MV2006C0008 & MV2007C0038

Baywater Uranium - MV2007C0009 & MV2007C0010

Please forward file. Thank You

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PR0708-003



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July 30, 2007

Mr. Willard Hagen - Interim Chair
Mackenzie Valley Land & Water Board
Box 2130
7th Floor - 4910 59th Avenue
YELLOWKNIFE, NWT XIA 2P6

Mackenzie Valley Land
& Water Board

File MV2007C0010

JUL 31 2007

Application # MV2007C0009
MV2007C0038Copied To TM Reg LLC

Fax: 867-873-6610

Dear Mr. Hagen,

Re: Application by UraVan Minerals Inc. and Bayswater Uranium Corporation for uranium exploration in the upper Thelon Basin.

I am resending a notice that is to be sent to all uranium interest developers. It states the following;

Re: Application for Mineral Exploration in the Thelon Basin

We hereby give notice to any and all companies wishing to explore for uranium and other minerals in the Thelon river watershed, Akaitcho Territory:

The Lutsel K'e Dene First Nation (LKDFN) has consistently and repeatedly voiced our complete opposition to mineral exploration in the Thelon Basin, and will continue to do so. The entire Thelon watershed is of vital importance on many scales, and the upper Thelon in particular has distinctive and unique environmental, cultural, spiritual and heritage values which would be at significant risk should mineral exploration and/or mining be allowed to proceed.

The upper Thelon basin is world-renowned as a unique and pristine ecosystem, with huge ecological significance. It is a boreal forest oasis in the barren land, providing critical habitat for wolves, grizzlies, wolverines, musk ox, moose, furbearers, birds, and other wildlife. It is on the primary migration route (northward, southward, and possibly over wintering) for both the Beverly and Ahik caribou herds, which are harvested by LKDFN hunters. There is a vast lack of information about the status of the Beverly herd, but they are presumed to be declining along with all the other caribou populations in the NWT. Healthy caribou are required for the survival of our Denesoline culture and way of life. We have seen the impacts on the Bathurst herd from the numerous disturbances throughout their range (particularly mining and exploration developments, roads, aircraft disturbance, noise, and human activity in general). Our annual community-based monitoring surveys have clearly shown that Bathurst animals have poorer body condition than in the past, migration routes and timing are becoming increasingly unpredictable, and their population numbers are dropping at an alarming rate due to low calf survival and low pregnancy rates. We do not want to see the same thing happen with the Beverly herd.

The LKDFN and other Denesoline people have a significant history in the upper Thelon basin, due to the high availability of natural resources in the area throughout the year. There is a wealth of documented evidence of harvesting and land use in the areas including hunting grounds, trap lines, trails, campsites, and cabins. Along with Aboriginal use of the area, there was extensive European use in recent history, and many of the associated historical and archaeological sites remain undocumented. The entire Thelon basin is regarded by Denesoline people as a birthplace, "the place where God began", and as such has significant cultural and spiritual value.

The Thelon area is also one of the few truly untouched wilderness areas left on Earth, which has value in and of itself. This was clearly shown during the Ur-Energy environmental assessment earlier this year, when dozens of emails and letters were sent from across Canada by people who have never even been to the Thelon, Urging that the proposed development not be allowed to proceed. Allowing industrial development to proceed will impact the significant tourism potential of the area by changing the recreational and aesthetic values which draw people there from around the world.

For all of the above reason, we have been actively working for many years to protect the upper Thelon, and to pursue the principle of "conservation First" before any further development proceeds in our traditional territory. The LDKFN has clearly identified the upper Thelon as part of their overall conservation vision (see attached map of Thaydene Nene, "Land of Our Ancestors").

Recent negotiations through the Akaitcho Process involved each First Nation selecting quotas of land to be part of a 5-year Interim land Withdrawal. The upper Thelon was clearly a priority area of us, but while negotiations were ongoing, the federal government continued to allow the establishment of third-party interests through the issuance of prospecting permits. Claims were staked in rapid succession, and these areas were effectively eliminated from inclusion in the withdrawn areas.

The Thelon Game Sanctuary management Plan, which we played a major role in developing, calls for a Special management Area to be created to protect the upper Thelon (the "Tyrrell lake SMA"). This area was originally included as part of the Sanctuary, then withdrawn in the 1950's to cater to mineral interests, but is still integral to maintain the values and resources from which the Sanctuary was originally created. It is the headwaters of the Thelon River drainage system, provides critical wildlife habitat, and has one of the highest concentrations of archaeological sites in the NWT. We are currently working with the GNWT and other Aboriginal groups to implement the management plan, which would establish this SMA and manage it as buffer areas to the Sanctuary.

We understand that mineral exploration is only the first phase in what can be a very long process, with no guarantees that an economically viable deposit will be found and mining will proceed. However, we are in complete opposition to having an operating mine in the Thelon area, and therefore will not support even the initial stages of such a possibility. As well, having an exploration camp with human activity (and associated noise from drilling rigs, aircraft, and helicopters) in an otherwise pristine and undisturbed ecosystem is a significant impact in itself.

The current mineral of interest is obviously uranium. Although we have major specific concern with this mineral (e.g. potential for drilling to bring radioactive ore to the surface, danger of intersecting with groundwater flows, proper storage & disposal, and the massive documented health concerns), when it comes to the Thelon basin we will take the same position of opposition regardless of the particular mineral being pursued. We do not have confidence in the use of Saskatchewan Best Practices Guideline to effectively address our concern about uranium, and similarly do not believe that other mitigation measures imposed as conditions of a land use permit would be sufficient to prevent adverse impacts from occurring.

One mineral exploration project may not seem like a significant impact to the vast Thelon region. However, we do not assess projects in isolation. The potential for cumulative effects from past, present and reasonably foreseeable future developments is huge, especially given the current high market prices, and we will not "open the door". Various studies, models and frameworks to assess and manage cumulative effects have been proposed, but all are incomplete and many key pieces of information which are required input to these models (e.g. the current population and health status of the Beverly caribou herd) are not yet available. In cases where impacts are uncertain or unknown (e.g. the ability of caribou to adapt to changing environmental conditions and human disturbances throughout their range). The precautionary principle must apply.

Until we have the required data to make informed decisions, we will not approve any developments which could potentially jeopardize our way of life.

Our Aboriginal and Treaty rights are protected under Treaty 8 and under s.35 of the Canadian Constitution. We require lands and resources in order to exercise those rights, and the cumulative effects of current and future projects (e.g. changes in caribou migration routes or health) has the potential to impact the long-term ability of future generations to practice our way of life. The entire Thelon area remains a special place even for the youth who have not yet traveled there, as a place to connect with their cultural heritage and history. The physical, emotional, cultural and spiritual connection between Aboriginal people and the land cannot be taken lightly. The recent (2006) Ontario Supreme Court of Justice ruling on *Platinex vs. Kitchenuhmaykoosib Inninuwug(KI) First Nation* states this very clearly:

(80) it is critical to consider the nature of the potential loss from an Aboriginal perspective. From that perspective, the relationship that Aboriginal peoples have with the land cannot be understated. The land is the very essence of their being. It is their very heart and soul. No amount of money can compensate for its loss. Aboriginal identity, spirituality, laws, traditions, culture, and rights are connected to and arise from this relationship to the land. This is a perspective that is foreign to and often difficult to understand from a non-Aboriginal viewpoint.

In regards to the potential for an Akaitcho Exploration Agreement, efforts have been made by some companies to work towards an "acceptable" version. However, it is important to clarify that this type of agreement would only be signed and implemented if the Akaitcho Chiefs recommend that a proposed project should proceed with attached terms and conditions. In the case of mineral exploration in the Thelon Basin, the LKDFN will by no means be making such a recommendation to the Akaitcho Screening Board.

In conclusion, we hope this letter has clarified our position. The Thelon Basin is part of the traditional territory of Akaitcho Dene First Nations and subject to ongoing Treaty Land Entitlement negotiations. It is vitally important to the culture, history, and spirituality of the Denesoline people, and has been clearly identified by the LKDFN as an area they wish to keep undisturbed and off limits to resource development of any kind and at any stage. If you would like further details, we encourage you to visit the public registry for the Mackenzie Valley Environmental Impact Review Board (MVEIRB), where you can find a link to the documents associated with the Environmental Assessment of Ur-Energy's proposed project at Screech Lake (in particular, the written interventions and the January 2007 public hearing transcripts). Our elders and youth have spoken, and we are listening.

We thank you for your efforts to consult with us prior to filing an application with the MVLWB. However, we feel there would be no positive purpose served for either of our organizations to meet at this time as our position on this issue is abundantly clear. Please note that if you proceed in filing your application, we will insist that your proposed project be referred to an environmental assessment. This precedent should have been set now with Ur-Energy's Screech Lake project, and we will not settle for anything less with any future applications.

If you have any questions, please feel free to contact either myself at 867-370-3051 or Ms. Florence Catholique (Acting Manager: Wildlife, Lands & Environmental Department) at 867-370-3197.

Sincerely,



Chief Adeline Jodasson (original signed by Chief)

c.c. Stephen Ellis (AIMA)

**Lutsel K'e Dene Band**

Post Office Box 28
Lutsel K'e, Northwest Territories
X0E 1A0

Re: Applications for Mineral Exploration in the Thelon Basin

We hereby give notice to any and all companies wishing to explore for uranium and other minerals in the Thelon River watershed, Akaitcho Territory:

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The upper Thelon basin is world-renowned as a unique and pristine ecosystem, with huge ecological significance. It is a boreal forest oasis in the barrenlands, providing critical habitat for wolves, grizzlies, wolverines, muskox, moose, furbearers, birds, and other wildlife. It is on the primary migration route (northward, southward, and possibly overwintering) for both the Beverly and Ahiak caribou herds, which are harvested by LKDFN hunters. There is a vast lack of information about the status of the Beverly herd, but they are presumed to be declining along with all the other caribou populations in the NWT. Healthy caribou are required for the survival of our Denesoline culture and way of life. We have seen the impacts on the Bathurst herd from the numerous disturbances throughout their range (particularly mining and exploration developments, roads, aircraft disturbance, noise, and human activity in general). Our annual community-based monitoring surveys have clearly shown that Bathurst animals have poorer body condition than in the past, migration routes and timing are becoming increasingly unpredictable, and their population numbers are dropping at an alarming rate due to low calf survival and low pregnancy rates. We do not want to see the same thing happen with the Beverly herd.

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associated with the Environmental Assessment of Ur-Energy's proposed project at Screech Lake (in particular, the written interventions and the January 2007 public hearing transcripts). Our elders and youth have spoken, and we are listening.

We thank you for your efforts to consult with us prior to filing an application with the Mackenzie Valley Land & Water Board. However, we feel there would be no positive purpose served for either of our organizations to meet at this time as our position on this issue is abundantly clear. Please note that if you proceed in filing your application, we will insist that your proposed project be referred to an environmental assessment. This precedent should have been set with Uravan Minerals' Boomerang Lake project, but has certainly been set now with Ur-Energy's Screech Lake project, and we will not settle for anything less with any future applications.

If you have any questions, please feel free to contact either myself at (867) 370-3051 or Monica Krieger (Manager, Wildlife, Lands & Environment Department) at (867) 370-3197.

Sincerely,



Chief Adeline Jonasson

Cc: Stephen Ellis; Coordinator, Akaitcho IMA Implementation Office
Akaitcho Screening Board members



DENINU KUÉ FIRST NATION

P.O. Box 1899

Fort Resolution, NT X0E 0M0

Phone (867) 394-4335/4336 Fax (867) 394-5122

Mackenzie Valley Land
& Water Board

July 31, 2007

File

Mr. Tyree Mullaney, Regulatory Officer
Mackenzie Valley Land and Water Board
7th Floor – 4910 50 Street
P.O. Box 2130
Yellowknife NT
X1A 2P8

JUL 31 2007

Application #

Copied To

MV2007C0038
MV2006C0008
TM/Reg

Re: Uravan Minerals Inc. Application's MV2006C0008 and MV2007C0038

Dear Mr. Mullaney,

In response to Uravan Minerals Inc. application # **MV2006C0008** for an amendment to their existing permit and New Land Use Permit (LUP) Application # **MV2007C0038**; Deninu Kue First Nation (DKFN) along with Yellowknives (YKDFN) and Lutsel Ke Dene First Nation (LKDFN) of the Akaitcho Territory Government has collectively agreed not to support any uranium activity in the Thelon River Basin for the simply reason that this area is ***"The Place Where God Began"***.

DKFN raised a number of concerns and asked a number of questions at the UR-Energy hearings in Lutsel Ke on January 17, 2007 and we are aware that the MVEIRB has made the recommendation for the Minister to not approve the UR Energy application. The question is "Why is the MVLWB not referring Uravan Minerals Inc. to an Environmental Assessment?" "What's with the inconsistency of referral?"

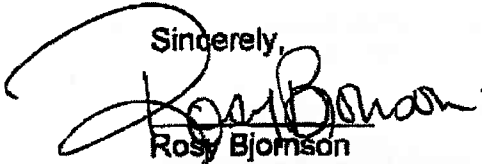
Deninu Kue First Nation had met with Uravan Minerals Inc. on April 17, 2007 to discuss their existing permit and activities on the Boomerang Property. Uravan Minerals Inc. gave a presentation on the existing activities.

Deninu Kue First Nation was not aware that Uravan Minerals Inc was applying for a New Land Use Permit. In the permit MV2006C0008, Uravan is drilling up to 30nq holes, whereas in MV2007C0038 they will also be drilling up to 30nq holes, for a total of 60nq holes. This just increased the footprint of operations for Uravan.

I have reviewed the applications and concluded they are essentially the same application for drilling activities. In reviewing the applications it is of concern that if Uravan is not approved for LUP # MV2007C0038; they will be granted the existing LUP amendment # MV2006C0008 and continues on with the activities outline in the new LUP. This needs further clarification and investigation.

If you require further information, please contact me at (867)394-4335.

Sincerely,



Rosy Bjornson
IMA Coordinator DKFN
Sub- Chief Balsillie

CC: DKFN Chief and Council
NWT Treaty 8 Tribal Corp.
Akaitcho IMA/ ASB Regional Office
Akaitcho Territory Government
Ms. Wanda Anderson, Executive Director MVLWB
Mr. Vern Christensen, Executive Director MVEIRB
Mr. Larry Laushen, Uravan Minerals Inc. CEO/ President

Fisheries and Oceans
Canada

Pêches et Océans
Canada

Fish Habitat Management
Suite 101, 5204-50th Avenue
Yellowknife, Northwest Territories
X1A 1E2

Gestion de l'Habitat du Poisson
Suite 101 5204, 50^e Avenue
Yellowknife (Territoires du Nord-Ouest)
X1A 1E2

Your file Votre référence

MV2006C0008

MV2007C0038

Our file Notre référence

YK060030

Mackenzie Valley Land
& Water Board

July 31st, 2007

File

Ms. Tyree Mullaney
Regulatory officer
Mackenzie Valley Land and Water Board
7th Floor - 4910 50th Avenue
Yellowknife NT X1A 2P6

AUG 02 2007

Application # MV2007C0038

Copied To tm/Reg

**RE: Uravan Land Use Permit and Amendment Applications MV2007C0038
and MV2006C0008 - Thelon Basin, Boomerang Property**

Dear Ms. Mullaney:

As requested in correspondence dated July 11th, 2007, the Department of Fisheries and Oceans - Western Arctic Area (DFO) has reviewed the five year Land Use Permit application MV2007C0038 and the amendment application MV2006C0008 submitted by Uravan Minerals Inc. to conduct mineral exploration on their Boomerang Property in the Thelon Basin area.

DFO is participating in a preliminary screening by providing specialist information and/or advice under Sections 124 and 125 of the *Mackenzie Valley Resource Management Act (MVRMA)*. Our review was limited to potential impacts of the project on fish and fish habitat pursuant to the responsibilities of DFO under the habitat protection provisions of the *Fisheries Act*.

It is our understanding that the proposed project involves uranium mineral exploration and consists of the following components:

- Timing of activities is undetermined, but will be only conducted in the open water season.
- Drilling will be done using a heli-portable core drill and will take a total of 2000 to 6000 meters at a depth range of 200-400 meters.
- Camp will be an already established site at Boomerang camp and LUP MV2006C0008 is already issued. Therefore no new camp is required.
- All drill sites are helicopter supported with drill holes no closer than 2 km.
- All drilling will occur on land. No drilling is currently planned to be conducted on ice covered lakes or rivers.
- Drill cuttings will be contained in a sump at the drill site a minimum of 100m from ordinary high water mark of the nearest water body.
- Spills will be cleaned up according to the spill contingency plan (Schedule 3)
- Water used at the drill will be pumped from the nearest available water supply. The intake will be screened to prevent the entrainment of fish.

- Water heated by propane will be pumped down hole to keep permafrost from enclosing the drill hole. If required minimal calcium chloride will be mixed with the water at certain stages in a drill hole in order to prevent hole freeze up.
- Additives and lubricants will be used that are biodegradable.
- Any drill holes that produce water will be plugged.
- Grey water will be channelled to a settling sump near a natural depression.
- Sewage will be collected in a pit constructed below an outhouse.
- Fording of creeks will not be required.

Based on the information provided, DFO has concluded it has enough information to determine that an Authorization under subsection 35(2) of the *Fisheries Act* for the above project as described will not be required. However, the proposed work has the potential to result in the harmful alteration, disruption or destruction of fish habitat if appropriate mitigation is not applied.

In addition to Uravan's Best Management Practices – Drilling Operations and the Handling of Uranium Mineralization as outlined in Schedule 1 of the application and the Hazardous substances and waste dangerous good management and spill contingency plan as outlined in Schedule 3 of the application, the following mitigation measures, if incorporated into the project, are intended to prevent any potentially harmful impacts to fish and fish habitat and may be used to assist the Mackenzie Valley Land and Water Board with their responsibilities under the MVRMA:

1. All wastes, sewage containments, sumps and fuel caches should be located above the normal high water mark of any water body, and be sufficiently bermed or otherwise contained to ensure that these substances do not enter any water body.
2. As per the proponent's application, the Freshwater Intake End of Pipe fish Screen Guideline (DFO 1995) should be applied to all water intakes. In order to prevent the entrainment of fish, the mesh size should not exceed 2.54 mm. The intake should not disturb the substrate and the screen should be cleaned regularly. These guidelines can be found at <http://www.dfo-mpo.gc.ca/Library/223699.pdf>.
3. Appropriate sediment and erosion control measures should be implemented and maintained prior to, during and after the project associated activities to prevent the entry of sediment into any water body or course.

4. Equipment operating near any waterbody should be free of external fluid leaks, grease, oil and mud. All activities, including maintenance procedures, should be controlled to prevent the entry of petroleum products, debris, slash, rubble or other deleterious substances into any water body.
5. Spills of oil, fuel or other deleterious material should be reported immediately, as per existing reporting protocols, to the NWT/Nunavut 24-hour spill Report Line at (867) 920-8130, including all spills near or into a water body.
6. All drill muds and other additives should be certified as non-toxic.
7. When withdrawing water during the open water season ensure that adequate water remains in the water body to allow for summer survival and over wintering of fish.

The above mitigation measures may be amended, or additional mitigation measures may be required, if there are changes to the project's scope or plans. Please note, any harmful alteration, disruption or destruction of fish habitat and/or the deposition of deleterious substances into fish bearing waters occurring as a result of a change in plans or failing to implement the necessary mitigation measures may result in contravention of the *Fisheries Act*.

Please note this letter does not constitute authorization of these undertakings pursuant to the fisheries Act. It is the proponent's responsibility to obtain any approvals that may be required under any other legislation. If there are any changes to the timing of the drill project, such as any on ice drilling, please contact DFO for further comments.

If you have any questions, please contact me at (867)669-4939.

Sincerely,



Ginger Arnold
Area Habitat Biologist
Fish Habitat Management
Department of Fisheries and Oceans – Western Arctic Area

c.c: E. Watson, DFO
S. Jappe, DFO

G. Fillatre, DFO
Larry Lahusen, President, Uravan Minerals Inc.
Allan Miller, field supervisor, Uravan Minerals Inc.
Ian Fraser, field supervisor, Uravan Mineral Inc.



Indian and Northern
Affairs Canada
www.inac.gc.ca

Affaires indiennes
et du Nord Canada
www.aic.gc.ca

#16 Yellowknife Airport
Yellowknife, N.W.T.
X1A 3T2

July 31, 2007

Telephone: (867) 669-2762
Facsimile: (867) 669-2720

Your file - Votre référence

Our file - Notre référence

Mackenzie Valley Land and Water Board
7th Floor, 4910-50th Avenue
YELLOWKNIFE, NT X1A 2P6

FAXED
Aug 1/07

**Mackenzie Valley Land
& Water Board**

File

AUG 01 2007

Application # MV2007C0038

Copied To TM/Reg

ATTENTION: Tyree Mullaney

Dear Ms. Mullaney,

**Re: LUPA MV2007C0038 – Uravan Minerals Inc.
Mineral Exploration
Boomerang Lake, NT**

Indian and Northern Affairs Canada (INAC) reviewed Land Use Permit Application MV2007C0038, submitted by Uravan Minerals Inc. for mineral exploration activities in the Boomerang Lake area and attached for your consideration are recommended land use operating conditions submitted by our Inspector.

Comments received from the Mining Records Office and Land Administration indicate no concerns on this application.

Should you have any questions or concerns regarding our recommendations or, require further information, please contact myself at (867) 669-2760.

Yours truly,

Darnell McCurdy
District Manager
South Mackenzie District

cc: RMO – Fort Smith Sub-district

DM/cc

FAX
Aug 1/07

Canada



Northwest Territory Métis Nation

206 McDougal Road
P.O. Box 720, Fort Smith, NT, X0E 0P0
Phone (867) 872-2770
Fax: (867) 872-2772

Fax

To: Mackenzie Valley Land and Water Board **From:** Chris Heron

Fax: 867-873-6610

Pages: 2 including cover

Phone: 867-669-0506

Date: July 31, 2007

Re: MV2007C0038

CC:

☐ **Urgent** ☐ **For Review** ☐ **Please Comment** ☐ **Please Reply** ☐ **Please Recycle**

• **Comments:**

**CONDITIONS ANNEXED TO AND FORMING PART
OF LAND USE PERMIT NUMBER MV2007C0038**

Part A: Scope of Permit

1. This permit entitles URAVAN MINERALS INCORPORATED to conduct the following activities:
 - a) Mineral Exploration Work - 62.82° to 63.25° N. and 104.453° to 104.925° W.
(Map Sheet No.s 75I - 10, 11, 15 & 16 and 75P - 1 & 2)
1. The Permit is issued subject to the conditions contained herein with respect to the use of land for the activities and area identified in Part A, Item 1 of this permit.
2. Compliance with the terms and conditions of this permit does not absolve the Permittee from responsibility for compliance with the requirements of all applicable Federal, Territorial and Municipal legislation.

Part B: Definitions

"Act" means the *Mackenzie Valley Resource Management Act*;

"Artesian Aquifer" means a water-bearing stratum, which when encountered during drilling operations, produces a pressurized flow of groundwater that reaches an elevation above the ground surface;

"Board" means the Mackenzie Valley Land and Water Board established under Part 4 of the *Mackenzie Valley Resource Management Act*;

"Dogleg" means clearing a line, trail or right-of-way that is curved sufficiently so that no part of the clearing beyond the curve is visible when approached from either direction;

"Drill Waste" means all materials or chemicals, solid or liquid, associated with the drilling of boreholes and includes borehole cuttings;

"Inspector" means an Inspector designated by the Minister under the *Mackenzie Valley Resource Management Act*;

"Oil Based Drilling Muds" means drilling fluids, which use naturally occurring solutions or refined hydrocarbons as a carrier fluid;

"Permeability" means the capacity to transmit water through a medium;

"Sewage" means all toilet wastes and grey water;

"Sewage Disposal Facilities" means sump(s) and/or sewage collection tank(s) designed to hold sewage;

"Sump" means a man-made pit, trench hollow or cavity in the earth's surface used for the purpose of depositing waste material therein;

Part C: Conditions Applying to All Activities (the headings correspond to Subsection 26 of the Mackenzie Valley Land Use Regulations)

1. 26(1)(a) LOCATION AND AREA

- | | | |
|----|--|---------------------------|
| 1. | <i>The Permittee shall not conduct this land use operation on any lands not designated in the accepted application.</i> | PLANS |
| 2. | When the Permittee is drilling within one hundred (100) metres of the ordinary high water mark of a water body, they must employ a recirculating drill and ensure that cuttings do not enter any water body. | LOCATION OF
DRILLSITES |
| 3. | The Permittee shall use an existing campsite. | CAMP
LOCATION |
| 4. | Prior to the commencement of diamond drilling the Permittee shall submit to the Inspector and the Board, proposed drill targets on a 1:50,000-scale map. | DRILL
LOCATIONS |

26(1)(b) TIME

- | | | |
|----|---|---|
| 5. | <i>The Permittee's Field Supervisor shall contact an Inspector at (867) 669-2757 at least forty-eight (48) hours prior to the commencement of this land use operation.</i> | CONTACT
INSPECTOR/
BOARD |
| 6. | <i>The Permittee shall advise an Inspector at least ten (10) days prior to the completion of the land use operation of (a) the plan for removal or storage of equipment and materials, and (b) when final clean-up and restoration of the land used will be completed.</i> | REPORTS
BEFORE
REMOVAL |
| 7. | <i>The Permittee shall provide in writing to the Board and Inspector, at least forty-eight (48) hours prior to commencement of this land use operation, the following information:</i>
<i>(a) person, or persons, in charge of the field operation to whom notices, orders, and reports may be served;</i>
<i>(b) alternates; and</i>
<i>(c) all methods for contacting the above person(s).</i> | IDENTIFY
AGENT |
| 8. | <i>The Board and/or Inspector reserve the right to impose closure of any area to the Permittee in periods when dangers to natural</i> | CLOSURE |

resources are severe.

26(1)(c) TYPE AND SIZE OF EQUIPMENT

- | | | |
|-----|--|--|
| 9. | <i>The Permittee shall not use any equipment except of the type, size, and number that is listed in the accepted application.</i> | ONLY
APPROVED
EQUIPMENT |
| 10. | The Permittee shall ensure a garbage container is on site. | GARBAGE |

26(1)(d) METHODS AND TECHNIQUES

- | | | |
|-----|---|--|
| 11. | The Permittee shall plug all boreholes as the land use operation progresses. | PLUG HOLES |
| 12. | The Permittee shall not store material other than that required for immediate use on the ice surface of water bodies. | STORAGE ON
ICE |
| 13. | The Permittee shall remove or cut off and seal all drill casings at ground level immediately upon completion of drilling. | REMOVAL AND
SEALING OF
DRILL CASINGS |

26(1)(e) TYPE, LOCATION, CAPACITY AND OPERATION OF ALL FACILITIES

- | | | |
|-----|--|---------------------|
| 14. | The Permittee shall not locate any sump within one hundred (100) metres of the ordinary high water mark of any water body, unless otherwise authorized in writing by an Inspector. | SUMPS FROM
WATER |
| 15. | The Permittee shall ensure that the land use area is kept clean at all times. | CLEAN WORK
AREA |

26(1)(f) CONTROL OR PREVENTION OF PONDING OF WATER, FLOODING, EROSION, SLIDES AND SUBSIDENCE OF LAND

- | | | |
|-----|---|--------------------------|
| 16. | (a) The Permittee shall, where flowing water from bore holes is encountered, plug the bore hole in such a manner as to permanently prevent any further outflow of water; and

(b) the artesian occurrence shall be reported to the Inspector immediately. | PLUG ARTESIAN
WELLS |
| 17. | The land use operation shall not cause obstruction to any natural drainage. | NATURAL
DRAINAGE |
| 18. | The Permittee shall not cut any stream bank. | STREAM BANKS |
| 19. | The Permittee shall prepare the site in such a manner as to prevent rutting of the ground surface. | PREVENTION OF
RUTTING |
| 20. | The Permittee shall suspend overland travel of equipment or | SUSPEND |

	vehicles at the first sign of rutting.	OVERLAND TRAVEL
21.	The Permittee shall not move any equipment or vehicles unless the ground surface is in a state capable of fully supporting the equipment or vehicles without rutting or gouging.	VEHICLE MOVEMENT FREEZE-UP
26(1)(g) USE, STORAGE, HANDLING AND ULTIMATE DISPOSAL OF ANY CHEMICAL OR TOXIC MATERIAL		
22.	The Permittee shall not use chemicals in connection with the land use operation that were not identified in the accepted application.	APPROVAL OF CHEMICALS
23.	The Permittee shall deposit all non-toxic drill waste into a sump or natural depression approved by the inspector.	DRILL WASTE
24.	The Permittee shall remove all drill waste off ice surfaces.	DRILL WASTE DISPOSAL
25.	The Permittee shall not allow any drilling waste to spread to the surrounding lands.	DRILL WASTE CONTAINMENT
26.	When drilling on ice, the Permittee shall use a closed circuit drilling system with the disposal of cuttings into a land-based sump.	DRILLING ON ICE
27.	The Permittee shall dispose of all combustible waste petroleum products by incineration or removal.	WASTE PETROLEUM DISPOSAL
28.	<i>The Permittee shall report all spills immediately to the 24 hour Spill Report Line (867) 920-8130, which is in accordance with instructions contained in "Spill Report" form N.W.T. 1752/0593.</i>	REPORT CHEMICAL AND PETROLEUM SPILLS
26(1)(h) WILDLIFE AND FISHERIES HABITAT		
29.	<i>The Permittee shall minimize damage to wildlife and fish habitat in conducting this land use operation.</i>	HABITAT DAMAGE
30.	The Permittee shall use food handling and garbage disposal procedures that do not attract bears.	BEAR/MAN CONFLICT
31.	The Permittee shall construct and maintain the water intake using the DFO recommended 2.54 mm fine mesh size to prevent entrainment of fish. Other dimensions must follow DFO's <i>Freshwater Intake End-of-Pipe Fish Screen Guidelines</i> .	PREVENT ENTRAINMENT
26(1)(i) STORAGE, HANDLING AND DISPOSAL OF REFUSE OR SEWAGE		
32.	The Permittee shall dispose of all sewage and grey water as proposed in the accepted application.	SEWAGE DISPOSAL
33.	The Permittee shall remove all non-combustible garbage and	REMOVE

- | | | |
|-----|---|-----------------------------|
| | debris, including plastics from the land use area to a disposal site as specified in the accepted application. | GARBAGE |
| 34. | The Permittee shall burn all combustible garbage and debris, except plastics, daily, in a container acceptable to an Inspector. | INCINERATION |
| 35. | The Permittee shall keep all garbage and debris in a covered metal container on site until disposed of. | GARBAGE
CONTAINER |
| 36. | The Permittee shall remove all scrap metal, discarded machinery, parts, barrels and kegs, buildings and building material to an approved waste disposal facility. | REMOVE
WASTE
MATERIAL |

26(1)(j) PROTECTION OF HISTORICAL, ARCHAEOLOGICAL AND BURIAL SITES

- | | | |
|-----|---|------------------------------|
| 37. | The Permittee shall not operate any vehicle within thirty (30) metres of a known or suspected archaeological site. | OPERATE
VEHICLE |
| 38. | The Permittee shall not knowingly remove, disturb, or displace any archaeological specimen or site. | DISTURBANCE
OF SITE |
| 39. | The Permittee shall immediately cease any activity which disturbs an archaeological, historical, and/or burial site and contact the Mackenzie Valley Land and Water Board at (867) 669-0506 should an archaeological site or specimen be encountered or disturbed by any land use activity. | CONTACTS |
| 40. | The Permittee shall ensure that all persons working under authority of the permit are aware of these conditions concerning archaeological land use activity. | NOTIFICATION
TO EMPLOYEES |

26(1)(l) SECURITY DEPOSIT

- | | | |
|-----|--|--|
| 41. | All costs to remediate the area under this permit are the responsibility of the Permittee. | RESPONSIBIL
Y FOR
REMEDIA
TION
COSTS |
|-----|--|--|

26(1)(m) FUEL STORAGE

- | | | |
|-----|--|-------------------------|
| 42. | The Permittee shall report in writing to an Inspector the location and quantity of all fuel caches within ten (10) days of their establishment. | REPORT FUEL
LOCATION |
| 43. | The Permittee shall not place any fuel storage containers within one hundred (100) metres of the normal high water mark of any water body, unless otherwise authorized in writing by an Inspector. | FUEL BY
STREAM |
| 44. | The Permittee shall locate mobile fuel facilities on land when stationary for any period of time exceeding twelve (12) hours. | FUEL ON LAND |
| 45. | The Permittee shall not allow petroleum products to spread to | FUEL |

	surrounding lands or into water bodies.	CONTAINMENT
46.	The Permittee shall mark all fuel containers, including 45-gallon drums, with the Permittee's name and permit number.	MARK CONTAINERS
47.	<i>The Permittee shall ensure that adequate contingency plans and spill kits are in place, prior to commencement of operations, to respond to any potential spills.</i>	<i>SPILL RESPONSE</i>
26(1)(n) METHODS AND TECHNIQUES FOR DEBRIS AND BRUSH DISPOSAL		
48.	The Permittee shall not use any self-propelled machinery for clearing the brush.	HAND CREWS ONLY
26(1)(o) RESTORATION OF THE LANDS		
49.	The Permittee shall complete all clean-up and restoration of the lands used prior to the expiry date of this Permit.	CLEAN-UP
50.	The Permittee shall backfill and restore all sumps prior to the expiry date of this Permit.	BACKFILL SUMPS
26(1)(p) DISPLAY OF PERMITS AND PERMIT NUMBERS		
51.	<i>The Permittee shall display a copy of this Permit in each campsite established to carry out this land use operation.</i>	<i>DISPLAY PERMIT</i>
52.	<i>The Permittee shall keep on hand, at all times during this land use operation, a copy of the Land Use Permit.</i>	<i>COPY OF PERMIT</i>
26(1)(q) MATTERS NOT INCONSISTENT WITH THE REGULATIONS		
53.	<i>The Permittee shall ensure that all persons working under the authority of the Land Use Permit are aware of and will adhere to the conditions as stated in the Land Use Permit.</i>	<i>NOTIFICATION TO ALL EMPLOYEES/ CONTRACTORS</i>
54.	The Permittee shall not conduct activities on this land use permit within 300 metres of a cabin used for traditional activities including trapping, hunting or fishing.	AVOID CABINS

PRO 708-003

0708-003



NORTHWEST TERRITORY MÉTIS NATION

Mackenzie Valley Land and Water Board
7th Floor 4910-50th Avenue
PO Box 2130
Yellowknife, NT X1A 2P6

July 31, 2007

Sir/Madam:

Re: MV2007C0038 – Uravan Minerals Inc.

Mackenzie Valley Land
& Water Board

File

JUL 31 2007

Application # MV2007C0038Copied To TM / Reg

The Northwest Territory Metis Nation (NWTMN) is not in support of this application. With the pace of development this type of development will take more time to clearly understand the issues that surround the mining of uranium. Issues of how the materials will be moved, and when, are also of concern to the NWTMN. As this proposal is within the asserted NWTMN Traditional lands, and also contained within the Interim Measures Agreement area, the NWTMN cannot support this application.

Should you have any questions please do not hesitate to contact the Interim Measures Agreement offices.

Marci cho,

Chris Heiron
Environment Manager
Northwest Territory Metis Nation
Phone: 867-872-2770 ext. 32
Fax: 867-872-3586

c. President, NWTMN
All NWTMN Metis Councils Offices

FAX MESSAGE

**Prairie and Northern Region
5204 - 50th Avenue, Suite 301
Yellowknife, NT X1A 1E2**

DATE: July 31, 2007

TO: Ms. Tyree Mullaney

Regulatory Officer

MVLWB

PHONE:

FAX: (867) 873-6610

Lorraine Sawdon

Environmental Assessment

Environment Canada

PHONE: (867) 669-4782

FAX: (867) 873-8185

Number of pages including cover: 15

Subject:

Dear Ms. Mullaney,

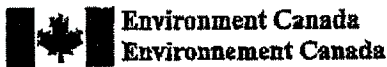
Please find enclosed Environment Canada's responses to Uravan Mineral Inc.'s amendment to land use permit MV2006C0008 and land use permit application MV2007C0038.

If you have any questions, please do not hesitate to contact me at (867) 669-4782 or at lorraine.sawdon@ec.gc.ca

Sincerely,

A handwritten signature in black ink, appearing to read "L Sawdon", written over the word "Sincerely".

Lorraine Sawdon
Environment Canada



Environmental Protection Operations Directorate
Suite 301, 5204 - 50th Avenue
Yellowknife, NT X1A 1E2
tel: (867) 669-4700

July 31, 2007

Mackenzie Land and Water Board
7th Floor, 4910-50 Avenue
P.O. Box 2130
Yellowknife, NT
X1A 2P6

Attention: Tyree Mullaney

Our File: 4708 001 049
Mackenzie Valley Land
& Water Board

File

JUL 31 2007

Application # MV2007C0038

Copied To TM/Reg

Re: **MV2007C0038 Land Use Permit Review Uravan Minerals Inc. Mineral Exploration in the Thelon Basin- Boomerang Property**

On behalf of Environment Canada, I have reviewed the information submitted with the above application, received July 16, 2007. The following advice is provided pursuant to Section 22 of the *Mackenzie Valley Resource Management Act*. Environment Canada's (EC) contribution to your request for specialist advice is based primarily on the mandated responsibilities for the enforcement of Section 36(3) of the *Fisheries Act*, the *Canadian Environmental Protection Act* (CEPA) the *Migratory Birds Convention Act* (MBCA), and the *Species at Risk Act* (SARA).

It is the understanding of Environment Canada that Uravan Minerals Inc. has applied to the MVLWB for a land use permit to conduct uranium exploration in the Thelon Basin, NT. The proposed works consist of drilling 30-40 holes, located in the Boomerang Lake area. A helicopter will be used to transport the drill, fuel, and personnel to the drilling locations. All drill sites will not exceed 100 m² in area. Drill holes that produce water will be plugged and reported to the Inspector; drill cuttings will be contained in natural depressions. Absorbent matting and drip trays will be used to capture any discharges during the drilling operations and while re-fueling. A calcium chloride solution will be used if permafrost is found at the drilling sites. If uranium mineralization is found, the best management practices in the *Mineral Exploration Guidelines for Saskatchewan* will be observed. Drilling locations will be returned to their natural state upon completion of the drilling operations. An established camp is located on Boomerang Lake, located at Latitude 104° 95'25" West and Longitude 62° 68' 12" North, under land use permit MV2006C0008.

The described works are scheduled to commence June 10 to September 30, 2007. If Uravan Mineral Inc. is unable to be complete the program in this time frame, the program will continue the following year, June 10-September 30.

Comments and Recommendations:

1. In the land use permit application, Uravan Minerals Inc. indicates that a solution of 12% calcium chloride may be used to prevent permafrost from enclosing the drill hole. Salinity levels of this concentration may damage surrounding vegetation when disposed of in a natural depression. Environment Canada requests the following:

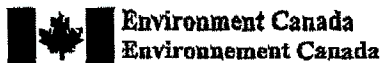


Environment Canada
Environnement Canada

- a. Justification for the proposed saline concentration (including the depth of expected permafrost and the temperature to which the drilling fluids must be suppressed), and
- b. Alternatives methods for temperature suppression.

If the 12% saline solution is used, Uravan Minerals Inc. is requested to collect the drilling waste in appropriate spill-proof containers and transport to a suitable facility for disposal.

2. Meeting the requirements of the *Fisheries Act* is mandatory, irrespective of any other regulatory or permitting system. Section 36(3) of the *Fisheries Act* specifies that unless authorized by federal regulation, no person shall deposit or permit the deposit of deleterious substances of any type in water frequented by fish, or in any place under any conditions where the deleterious substance, or any other deleterious substance that results from the deposit of the deleterious substance, may enter any such water. The legal definition of deleterious substance provided in subsection 34(1) of the *Fisheries Act*, in conjunction with court rulings, provides a very broad interpretation of deleterious and includes any substance with a potentially harmful chemical, physical or biological effect on fish or fish habitat.
3. Section 35 of the *Migratory Birds Regulations* states that no person shall deposit or permit to be deposited, oil, oil wastes or any other substance harmful to migratory birds in any waters or any area frequented by migratory birds.
4. A copy of the spill contingency plan should be posted where crew members have access to it, and at each fuel cache and refuelling station.
5. The Proponent should reference in their Spill Contingency plan the attached *Schedule 1 from the Spills Working Agreement* for conditions that require immediate reporting as well as immediately reportable quantities.
6. Environment Canada recommends the use of secondary containment with an impervious liner, such as self-supporting insta-berms, for storage of all barreled fuel rather than relying on natural depressions to contain spills.
7. Fuel containers, including barrels, should be marked with the responsible party's name, product type, and year purchased or filled.
8. The fuel caches shall be inspected on a regular basis.
9. A spill kit including shovels, barrels, sorbents, pumps, etc. shall be consistently maintained and readily available at each fuel cache and re-fueling station.
10. Fuel or hazardous substance transfers – Secondary containment or a surface liner (drip pans, fold-a-tanks, etc) should be placed under all containers or vehicle fuel tank inlet and outlet points, hose connections and hose ends during fuel or hazardous substance transfers. Secondary containment should be of adequate size and volume to contain and hold fluids for the purpose of preventing spills (the worst-case scenario). Appropriate spill response equipment and clean-up materials (absorbents, containment devices, etc) must be on hand during any transfer of fuel or hazardous substances and at vehicle-maintenance areas.



11. Transfer operations should be attended by trained personnel at all times.
12. Berm areas - Decanting of snow or water from the berm area should proceed only if the appropriate chemical analysis has determined the contents meet the requirements of Section 36(3) of the *Fisheries Act*.
13. Environment Canada operates a 24 hour emergency spill line that is monitored by Emergency and Enforcement Officers. The number that should be called to contact the Duty Officer is (867) 766-3737.
14. The Spill Contingency Plan included in the land use application could be improved in the following areas:
 - Clearly defined responsibilities of specific company staff (by individual or job title) and/or contractors on site, and a clear path of response.
 - List(s) of equipment available at each site where fuel storage and/or transfer will occur within the project area, and a clear path of response.
 - Copies of the spill plan should be readily available at all work sites and fuel storage and transfer locations.
15. Waste tracking, or "manifesting," should be implemented to ensure proper use, storage, and management of materials. Manifests provide detailed information to first responders in the event of an accident and serve as a tool for confirming that shipments of dangerous or hazardous waste are properly handled, transported, and disposed of.
16. All non-combustible solid wastes (e.g. potable water bottles) shall be disposed of at an appropriate facility, e.g., Yellowknife, NT. The proponent is encouraged to make use of recycling facilities for all recyclable materials.
17. If the proponent chooses to use incineration as a waste management option, they should ensure that appropriate incineration technology and best management practices are used. The proponent should develop an incineration management plan in consultation with EC and GNWT.
18. UraVan Minerals Inc. is requested to provide the following information pertaining to the incineration of camp waste:
 - Year, manufacturer and model of incinerator
 - The training of incinerator operators
 - The volume of waste to be incinerated
 - Description of waste segregation plan
 - Disposal of incineration ash
 - How will the Proponent demonstrate compliance with the Canada Wide Standards for the Dioxins & Furans and Mercury
19. Environment Canada requests that Ur-Energy Inc. supply confirmation that they have received permission from the City of Yellowknife to transfer proposed waste types and quantities to community waste handling facilities.
20. The permittee shall not erect camps or store materials other than for immediate use on the surface ice of any waterbody or watercourse.



Environment Canada
Environnement Canada

21. If ice-based drilling occurs, the Interim Guidelines for On-Ice Drilling will apply. Return water released to the lake must be non-toxic. Return water released must not result in an increase in total suspended solids in the waters of the lake that exceeds Canadian Council of Ministers of the Environment (CCME) Guidelines for the Protection of Freshwater Aquatic Life (i.e., 10 mg/L for lakes with background levels under 100 mg/L, or 10% for those above 100 mg/L.)
22. Drilling additives or muds shall not be used in connection with holes drilled through lake ice unless they are re-circulated, contained such that they do not enter the water, or are demonstrated to be non-toxic.
23. Drilling waste from land-based drilling should be disposed of in such a manner that it does not enter any body of water.
24. All sumps shall be backfilled upon completion of the project.
25. Environment Canada recommends that any uranium-rich drill cuttings should be encapsulated, or removed by the proponent, as indicated in the land use permit.
26. Section 6 (a) of the Migratory Birds Regulations states that no one shall disturb or destroy the nests or eggs of migratory birds. Therefore, Environment Canada recommends that all activities in which there is a risk of disturbing or destroying nests or eggs be conducted outside the migratory bird breeding season, which extends from approximately May 15 to July 31. These dates are approximate, and if active nests (i.e. nests containing eggs or young) are encountered outside of these dates the proponent should avoid the area until nesting is complete (i.e. the young have left the vicinity of the nest).
27. For activities permitted to occur during the breeding season, Environment Canada recommends that the proponent confirm there are no active nests (i.e. nests containing eggs or young) in the vicinity of their operations before activities commence. If active nests of migratory birds are discovered, the proponent should halt all activities in the nesting area until nesting is completed (i.e. the young have left the vicinity of the nest).
28. In order to reduce disturbance to nesting, moulting, and migrating birds, Environment Canada recommends that aircraft used in conducting project activities maintain a flight altitude of at least 650 m during horizontal (point to point) flight unless safety or cloud ceiling do not permit.
29. In order to reduce disturbance to resting, feeding, or moulting birds, Environment Canada recommends that aircraft used in conducting project activities maintain a vertical distance of 1000 m and minimum horizontal distance of 1500 m from any observed concentrations (flocks / groups) of birds.
30. Environment Canada recommends that camp waste be made inaccessible to wildlife at all times. Camp waste can attract predators of migratory birds (e.g., foxes and ravens) to an area if not disposed of properly.
31. Implementation of these measures may help to reduce or eliminate some effects of the project on migratory birds, but will not necessarily ensure that the proponent remains in compliance with the *Migratory Birds Convention Act* (the Act) and *Migratory Birds*



Environment Canada
Environnement Canada

Regulations (the Regulations). The proponent must ensure they remain in compliance with the *Act* and *Regulations* during all phases and in all undertakings related to the project.

32. The following comments are pursuant to the Species at Risk Act (SARA), which came into full effect on June 1, 2004. Section 79 (2) of SARA, states that during an assessment of effects of a project, the adverse effects of the project on listed wildlife species and its critical habitat must be identified, that measures are taken to avoid or lessen those effects, and that the effects need to be monitored. This section applies to all species listed on Schedule 1 of SARA. However, as a matter of best practice, Environment Canada suggests that species on other Schedules of SARA and under consideration for listing on SARA, including those designated as at risk by the Committee on the Status of Endangered Wildlife in Canada (COSEWIC), be considered during an environmental assessment in a similar manner.

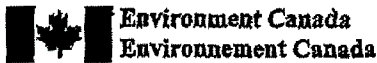
Species at Risk that may be encountered	COSEWIC Designation	Schedule of SARA	Government Organization with Primary Management Responsibility ¹
Short-eared Owl	Special Concern	Schedule 3	GNWT
Peregrine Falcon (subspecies <i>tundrius</i>)	Special Concern	Schedule 3	GNWT
Grizzly Bear	Special Concern	Pending	GNWT
Wolverine (Western Population)	Special Concern	Pending	GNWT

¹ Environment Canada has a national role to play in the conservation and recovery of Species at Risk in Canada, as well as responsibility for management of birds described in the *Migratory Birds Convention Act* (MBCA). Day-to-day management of terrestrial species not covered in the MBCA is the responsibility of the Territorial Government. Thus, for species within their responsibility, the Territorial Government is best suited to provide detailed advice and information on potential adverse effects, mitigation measures, and monitoring.

Impacts could be disturbance and attraction to operations.

Environment Canada recommends:

- Species at Risk that could be encountered or affected by the project should be identified and any potential adverse effects of the project to the species, its habitat, and/or its residence noted. Refer to species status reports and other information on the Species at Risk registry at www.sararegistry.gc.ca for information on specific species.
- If Species at Risk are encountered or affected, the primary mitigation measure should be avoidance. The proponent should avoid contact with or disturbance to each species, its habitat and/or its residence.
- The proponent should record the locations and frequency of any observations of Species at Risk and note any actions taken to avoid contact or disturbance to the species.
- For species under the responsibility of the Territorial Government, the Territorial Government should be consulted to identify other appropriate mitigation and/or monitoring measures to minimize effects to these species from the project.



- Mitigation and monitoring measures must be taken in a way that is consistent with applicable recovery strategies and action/management plans.

33. Please note that any spill of fuel or hazardous materials, adjacent to or into a water body, regardless of quantity, shall be reported immediately to the NWT 24-hour Spill Line, (867) 920-8130.
34. All mitigation measures identified by the proponent, and the additional measures suggested herein, should be strictly adhered to in conducting project activities. This will require awareness on the part of the proponents' representatives (including contractors) conducting operations in the field. Environment Canada recommends that all field operations staff be made aware of the proponents' commitments to these mitigation measures and provided with appropriate advice / training on how to implement these measures.
35. Environment Canada should be notified of changes in the proposed or permitted activities associated with this land use permit application.

Please do not hesitate to contact me at (867) 669-4782 or lorraine.sawdon@ec.gc.ca with any questions or comments with regards to the foregoing.

Sincerely,

A handwritten signature in black ink, appearing to read "Lorraine Sawdon", written over a horizontal line.

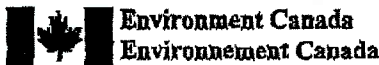
Lorraine Sawdon
Environment Canada

cc: Carey Ogilvie (Head, Environmental Assessment, EPOD)
Mike Fournier (Northern Assessment Coordinator, EPOD)
Myra Robertson (Environmental Assessment Coordinator, CWS)
Dave Fox (Air Pollution Management Analyst North, EPOD)



Schedule 1 – Immediately Reportable Quantities

TDG Class	Substance	Immediately Reportable Quantities for NWT/NU 24-Hour Spill Reports
1	Explosives	Any amount
2.3	Compressed gas (toxic)	
2.4	Compressed gas (corrosive)	
6.2	Infectious substances	
7	Radioactive	
None	Unknown substance	
2.1	Compressed gas (flammable)	Any amount of gas from containers with a capacity greater than 100 L
2.2	Compressed gas (non-corrosive, non-flammable)	
3.1	Flammable liquid	≥ 100 L
3.2		
3.3		
4.1	Flammable solid	≥ 25 kg
4.2	Spontaneously combustible solids	
4.3	Water reactant	
5.1	Oxidizing substances	≥ 50 L or 50 kg
9.1	Miscellaneous products or substances excluding PCB mixtures	
5.2	Organic peroxides	≥ 1 L or 1 kg
9.2	Environmentally hazardous	
6.1	Poisonous substances	≥ 5 L or 5 kg
8	Corrosive substances	
9.3	Dangerous wastes	
9.1	PCB mixtures of 5 or more parts per million	≥ 0.5 L or 0.5 kg
None	Other contaminants, e.g., crude oil, drilling fluid, produced water, waste or spent chemicals, used or waste oil, vehicle fluids, wastewater, etc.)	≥ 100 L or 100 kg
None	Sour natural gas (i.e., contains H ₂ S) Sweet natural gas	Uncontrolled release or sustained flow of 10 minutes or more
3.1-3.3	Flammable liquid	≥ 20 L
None	Vehicular fluid	When released on a frozen waterbody used as a working surface



Environmental Protection Operations Directorate
Suite 301, 5204 - 50th Avenue
Yellowknife, NT X1A 1E2
tel: (867) 669-4700

July 31, 2007

Our File: 4708 001 049

Mackenzie Land and Water Board
7th Floor, 4910-50 Avenue
P.O. Box 2130
Yellowknife, NT
X1A 2P6

Attention: Tyree Mullaney

Re: MV2006C0008 Land Use Permit Amendment Review Uravan Minerals Inc. Mineral Exploration – Boomerang Lake, NT

On behalf of Environment Canada, I have reviewed the information submitted with the above application, received July 19, 2007. The following advice is provided pursuant to Section 22 of the *Mackenzie Valley Resource Management Act*. Environment Canada's (EC) contribution to your request for specialist advice is based primarily on the mandated responsibilities for the enforcement of Section 36(3) of the *Fisheries Act*, the *Canadian Environmental Protection Act* (CEPA) the *Migratory Birds Convention Act* (MBCA), and the *Species at Risk Act* (SARA).

It is the understanding of Environment Canada that Uravan Minerals Inc. has applied to the MVLWB for an amendment to land use permit MV2006C0008. The proposed works entail the drilling of 20 holes, located in the Boomerang Lake area. A helicopter will be used to transport the drill, fuel, and personnel to the drilling locations. All drill sites will not exceed 100 m² in area. Drill holes that produce water will be plugged and reported to the Inspector and drill cuttings will be contained in natural depressions. Absorbent matting and drip trays will be used to capture any discharges during the drilling operations and while re-fueling. A calcium chloride solution shall be used if permafrost is found at the drilling sites, and if a considerable uranium mineralization is found, the best management practices in the *Mineral Exploration Guidelines for Saskatchewan* will be observed. Drilling locations will be returned to their natural state upon completion of the drilling operations.

An established camp is located on Boomerang Lake, located at Latitude 104° 95'25" West and Longitude 62° 68' 12" North. The camp consists of 14 tent structures: 7 sleep tents, one wash/shower facility, one kitchen/mess, one office, two geological logging tents, one geotechnical rock preparation tent and one first aid tent. Grey water will be disposed of into a sump and garbage will be taken to Yellowknife, NT for disposal. Combustible materials will be incinerated using an approved incinerator. The described works are scheduled to commence June 10 to September 30, 2007. If Uravan Mineral Inc. is unable to be complete the program in this time frame, the program will continue the following year, June 10-September 30.

Comments and Recommendations:

1. In the amendment application, Uravan Minerals Inc. indicates that a solution of 12% calcium chloride may be used to prevent permafrost from enclosing the drill hole.



FAX MEMORANDUM

**TO: Willard Hagen – Interim Chair
Mackenzie Valley Land and Water Board**

FROM: Uravan Minerals –Larry Lahusen

DATE: August 8, 2007

**RE: Response to the LUP Application MV2006C0008 &
MV2006C0038**

7

Hello Mr. Hagen,

**Please find attached the Uravan response to the LUP Application MV2006C0008 (Amendment) &
MV2006C0038 (New Application).**

Sincerely,

Larry Lahusen

**Mackenzie Valley Land
& Water Board**

File MV2007C0038

AUG 08 2007

Application # MV2006C0008

Copied To TM / Reg.

Fax: 867.873.6610

Pages incl. cover: 5



August 8, 2007

Stephen Ellis – Akaitcho IMA Implementation Coordinator
 NWT Treaty #8 Tribal Corporation
 Box 28
 Lutsel K'e, NT X0E 1A0

Rosy Bjornson – IMA Coordinator DKFN
 PO Box 1899
 Fort Resolution, NT X0E 0M0

Chief Adeline Jonasson – Chief LDFN
 PO Box 28
 Lutsel K'e, NT X0E 1A0

Chris Heron – Environment Manager
 Northwest Territory Métis Nation
 Box 720
 Fort Smith, NT X0E 0P0

Sheryl Grieve – Environment Manager
 North Slave Métis Alliance
 Box 340
 Yellowknife, NT X1A 2N3

Willard Hagen – Interim Chair
 Mackenzie Valley Land and Water Board
 Box 2130
 Yellowknife, NT X1A 2P6

Dear Respondents,

RE: UraVan Land Use Permit (LUP) Application – MV2006C0008 (Amendment) & MV2006C0038 (New) (the "Applications")

With respect to the above referenced Applications, UraVan appreciates the response from all the Aboriginal communities and groups and government bodies (the "Stakeholders") who have expressed concerns, made comment and recommendations regarding UraVan's proposed mineral exploration programs on its Boomerang property, consisting of 258 mining claims located in the Thelon Basin, NT. It is UraVan's desire to keep the dialog open, share information and provide opportunities to work through the issues and mitigate concerns with all the Stakeholders of the area and avoid conflict and constraint. To this end, this letter will address issues raised that pertain directly to the Applications.

Upon review of the comments made with respect to UraVan's Applications, UraVan believes the main theme raised by the Aboriginal respondents (Akaitcho First Nations people, both Dene and Metis), is pivotal around how UraVan's exploration activities and competing rights and obligations pertaining to its Boomerang property may compromise:

- The assertion of certain Aboriginal treaty rights, title and interests ("Aboriginal Rights") to their traditional lands (the "Akaitcho Traditional Territory") and;
- how exploration and development activities in the upper Thelon River area may affect their traditional lands ("Akaitcho Traditional Territory"), their relationship with the land, water and resources; and their social and cultural values as it may impact their way of life and the environment.

In view of these concerns, UraVan is mindful of the current land claims and land withdrawal negotiations between the Government of Canada (the "Crown") and the Akaitcho First Nations people, groups and communities (the "AKFN") as it pertains to the Akaitcho Traditional Territory and the issues referenced above and how important these negotiations are to the AKFN. UraVan also recognizes that the AKFN Aboriginal Rights include the right to be consulted by the Crown when development may conflict with those rights. UraVan also recognizes that its exploration activities being conducted on its Boomerang property may affect the AKFNs traditional lands, their relationship with the land, water and resources, their social and cultural values, their way of life and the environment. In recognition of these issues and concerns, UraVan believes it has taken positive steps to mitigate potential conflicts and cumulative impacts to the environment and traditional lifestyles and in doing so has strived to develop a respectful and working relationship with the AKFN to solve these issues.

UraVan believes it has been steadfast and persistent in scheduling and holding meaningful face-to-face information sharing meetings with the AKFN community leadership and the people, getting the people directly involved in UraVan's exploration

UraVan Minerals Inc.

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activity through employment and information sharing meetings. UraVan believes it has been a leader in building positive relationships with its Aboriginal neighbours and stakeholders in the Akaitcho area. On April 17 and April 19, 2007 UraVan held face-to-face meetings with the leadership and community members of the Deninu Kue First Nation (DKFN) in Fort Resolution and the Lutsel K'e Dene First Nation (LDFN) in Lutsel K'e respectively. At these meetings UraVan presented a summary of its 2006 exploration activities on its Boomerang property and outlined its future exploration plans plus provided an overview of uranium health and safety information. The primary issues and questions discussed by the community and community leadership regarding UraVan's Boomerang uranium exploration activity focused on land use and land claim issues, uranium health and safety, environment, wildlife and socio-cultural-economic concerns and the pursuit of business opportunities. Both communities, DKFN and LDFN, expressed a strong desire to participate at a much higher level in the decisions made regarding exploration/development activity on the Akaitcho Traditional Territory. To this end, UraVan continues to encourage the AKFN to work directly with UraVan on monitoring its exploration activities and for the community leadership to make site visits to become more familiar with UraVan's operations as a means of mitigate environmental and cultural concerns.

Further, UraVan has pursued negotiations with the Steve Ellis, AKFN IMA Coordinator NWT Treaty #8 Tribal Corporation, on implementing an "AKFN Exploration Agreement" as a means of moving beyond the competing rights issues and compromising concerns related to land claim negotiations, as indicated above. UraVan believes an AKFN exploration 'type' agreement could provide a method by which the AKFN and UraVan could jointly participate and monitor exploration/development on UraVan's Boomerang property located within the Akaitcho Traditional Territory and as a way to mitigate concerns pertaining to cumulative impacts to the environment and traditional lifestyles. UraVan also believes this 'type' agreement could provide a monetary benefit to the AKFN that could eliminate any potential compromise of Aboriginal Rights that may occur or be perceived as a result of exploration success prior to the AKFN settlement of the existing land claim negotiations with the Crown. Conceptually this type of arrangement would permit exploration to go forward, thereby allowing the AKFN to participate directly in the subsurface resource potential of the entire Akaitcho Traditional Territory, to the extent covered by UraVan's Boomerang property, not just portions that may result from any future land claim settlement with the Crown.

With respect to the "Report of Environmental Assessment" by the Review Board (MVEIRB) (the "Review Board Report") on Ur-Energy's LUP application, in UraVan's opinion *".....the cumulative effects of other present and reasonably foreseeable future developments in the Upper Thelon basin, will cause adverse cultural impacts of a cumulative nature to areas of very high spiritual importance to aboriginal people"*, as concluded by the Review Board, was not expressed or only moderately so at either the DKFN or LDFN UraVan meetings discussed above or any of UraVan's on-going business relationships with these communities. What UraVan heard at these meetings from both communities regarding UraVan's exploration activities in the upper Thelon River Basin is, how will this activity compromise their Aboriginal Rights in light of the lack of meaningful consultation and accommodation by the Crown, or more succinctly, "in the absence of a land claim settlement, what is in this for us?" UraVan believes this is an appropriate and rightful question; however, a question that the AKFN so far believe can only be answered and mitigated by the Crown with the exclusion of industry (i.e. UraVan and other operators active in the area); UraVan believes otherwise. UraVan believes the "no exploration - no development" stance taken by the Aboriginal communities at the Ur-Energy hearing really means "What is in this for us?" UraVan believes the Review Board erred and did not look deeper into the lower levels of Aboriginal concern to determine what was really being said by the Aboriginal community at the Ur-Energy hearing and by doing so missed an opportunity in its decision by recommending the exclusion of industry (i.e. rejecting Ur-Energy's LUP) in these land use issues and hence has created more uncertainty for both the AKFN and industry, not less. It is UraVan's view that the AKFN are looking for substantive recognition by the Crown of their Aboriginal Rights, direct economic involvement, and a higher level of participation in the land that is at least equal with government in the decisions made regarding the land that is tied so closely to their traditional ways. UraVan believes the objective of the AKFN in asserting their Aboriginal Rights cannot be accomplished with the exclusion of industry nor by the non-recognition of industries competing rights in future decisions by the Review Board.

Regarding the AKFN land claim and Aboriginal Rights issues, UraVan has no authority to resolve or hasten its outcome and believes these issues are matters that are best addressed and can only be resolved between the AKFN and the Crown in their own time. However, UraVan believes these land claim issues should not exclude UraVan's competing rights and obligations by pre-empting or to preclude the approval of LUP applications, provided good sustainable development best practices are in place, with the idea that by doing so will accelerate their land claim negotiating process. With respect to



the AKFNs concerns that UraVan's exploration activities and competing rights may compromise future land claim settlements, UraVan believes an "AKFN Exploration Agreement" between the AKFN and UraVan would go along way to mitigate these concerns. The current draft of the AKFN Exploration Agreement allows for the direct participation and monitoring by the AKFN of potential environmental and cultural impacts, however this agreement could also provide a means by which the AKFN could participate in the future economic benefits of successful exploration/development on the Akaitcho Traditional Territory, to the extent covered by UraVan's Boomerang property, prior to a land claim settlement with the Crown.

However, failing that, UraVan does not believe that its exploration activities and the fulfillment of its competing rights and obligations on its Boomerang property will compromise or prejudice these land claim negotiations and that any additional studies, environmental assessments or public hearings will not contribute to what is currently known and practiced by UraVan or provided for by existing land use regulations as a means to minimize any cumulative environmental or cultural impacts. UraVan believes that any expressed 'public concern' is best mitigated through a proactive program of community interaction with UraVan and its field operations to better understand the mineral exploration process and specifically uranium exploration as this activity relates to environmental or socio-cultural-economic concerns. Also, UraVan believes direct interaction between UraVan field personnel and AKFN leadership and people will allow UraVan to better understand the AKFN 'traditional knowledge' and lifestyle concerns. To this end UraVan has employed community people and adopted a policy to provide transportation and access to the project area for Aboriginal community members to experience actual drilling operations as a means of providing information and understanding to mitigate 'public concern' issues and for UraVan to better understand AKFN traditional ways.

UraVan believes most 'public concern' issues are not related to specific or perceived environmental impacts but are related more to concerns of a socio-economic-cultural nature given the fear of possible infringement of Aboriginal rights and other land use issues that may impact 'land claim' negotiations with the Crown. Also, UraVan believes the best way to evaluate or determine the cumulative effects or impacts of environmental or socio-cultural-economic concerns are by direct observation/monitoring by concerned parties of actual exploration/drilling operations. UraVan believes the joint participation with UraVan and Aboriginal environmental committees, teams or groups would be a more valuable activity to determining potential impacts versus conducting costly hypothetical studies or environmental assessments given the level of activity on the land.

In closing, UraVan is mindful of the current land claims and land withdrawal negotiations between the Crown and the AKFNs and how important these negotiations are to the AKFNs. It is UraVan's view that the AKFN are looking for balance, both economically and culturally and seek a higher level of participation in the decisions made by all the Stakeholders regarding their traditional land. In the foregoing paragraphs, UraVan believes it has provided a way the AKFN can include industry thereby realizing these goals now and outside the Crown's future decisions and negotiating time frame, which the AKFN nor UraVan have any control over.

UraVan would encourage MVLWB to consider fully and impartially the responses to all of the stakeholder's issues and concerns and grant approval to UraVan's Applications.

Respectfully Submitted,

UraVan Minerals Inc

Larry Lahusen, President and CEO

UraVan Minerals Inc

Suite 124, 2526 Battleford Ave. SW, Calgary, AB T3J 7J4

Phone: 403 264 2629



CC: Tyree Mullaney – Regulatory Officer, MVLWB
Darnell McCurdy – District Manager, South Mackenzie District, INAC
Ginger Arnold – Area Habitat Biologist, Fisheries and Oceans, Canada
Lorraine Sawdon – Environment Canada
Chief Bill Norn – DKFN
Chief Fred Sangris – YKDFN (Ndilo)
Chief Peter Liske – YKDFN (Dettah)
Rachel Crapeau – YKDFN Environment Committee
Florence Catholique – Wildlife, Lands and Environment Manager, LKDFN
Phil Moonson – Lands Director, YKDFN
Steven Joudry – Director General, Natural Resources and Environment, INAC
Gary Potts – Manager, Mineral Development, INAC
Zoe Raemer – Associate Regional Director General, INAC
James Lawrance – Director, Aboriginal & Territorial Relations, INAC
Gabrielle Mackenzie-Scott – Chair, MVEIRB

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