

HR EAO3-004



Yellowknives Dene First Nation
Box 2514, Yellowknife, N.W.T. X1A 2E8

Dist: PH: 669-9002
FAX: 669-9003

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8:30 am JP
AUG 11 2005
MACKENZIE VALLEY
ENVIRONMENTAL IMPACT
REVIEW BOARD

FACSIMILE TRANSMITTAL SHEET

DATE: August 10, 2005 FAX #: See the attached letter
TO: See attached FROM: Rachel Ann Crapeau
TOTAL NO. OF PAGES INCLUDING COVER:

- URGENT FOR REVIEW PLEASE COMMENT PLEASE REPLY PLEASE RECYCLE

NOTES/COMMENTS:

Please find attached correspondence from the Yellowknives Dene First Nation Land and Environment Committee.

Please contact me if there are any issues or questions arising from the attached correspondence. I am available at 669-9003. If you can't reach me right away, please leave a detailed message as I check for them regularly.

Gabrielle Mackenzie - Scott

URGENT

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Yellowknives Dene First Nation
 Box 2514, Yellowknife, N.T. X1A 2P8

Detnah:	Ph.:	(867) 873-4307
Detnah:	Fax:	(867) 873-5969
Ndilo	Ph.:	(867) 873-8951
Ndilo	Fax:	(867) 873-8545

August 10, 2005

The Honorable Andy Scott, PC, MP
 Minister
 Department of Indian and Northern Affairs
 House of Commons
 Ottawa ON
 K1A 0A6

Via E-mail to: minister@inac.gc.ca

Via Fax to: 819.953.4941
 613.996.9955

RE: NEW SHOSHONI VENTURES LTD. (SHOSHONI) AND DRYBONES BAY

Dear Honorable Minister;

On February 10, 2004 the Mackenzie Valley Environmental Impact Review Board (MVEIRB or Review Board) issued its Report of Environmental Assessment and Reasons for Decision. On April 21 2005, the Review Board received your instructions to reconsider its decision. The Review Board responded to the request on June 23, 2005.

On August 2, 2005, the New Shoshoni Ventures sent you a letter detailing their concerns with the content and recommendations within the MVEIRB's report. The Yellowknives Dene First Nation is compelled to reply.

Throughout the environmental assessment of the proposed Shoshoni development at Drybones Bay the YKDFN emphasized they did not treat archeological sites simply as points on a map for development management and mitigation purposes. The Yellowknives tried throughout the environmental assessment to convey why it's archeological, heritage sites are so valuable, and the role they have in the context of an evolving Yellowknives social and cultural identity and history. Drybones Bay is one of the most important places for the Yellowknives Dene to communicate and pass on its culture.

It seems that New Shoshoni Ventures Ltd., is intent on reducing the environmental assessment of the Drybones Bay area to a discussion of impacts on individual archeological points. Respectfully, the analogy that comes to mind is not being able to see the forest through the trees. Individual archeological sites are important, but their collective story is fundamental to the successful transmission of YKDFN societal and spiritual values. For emphasis, Drybones Bay is important for its richness of archeological sites and for what the web of those sites conveys about the Yellowknives Dene and its living history as expressed on the landscape.

New Shoshoni Ventures Ltd. is attempting to make you focus on the trees, metaphorically speaking, so you lose sight of the forest. The Yellowknives Dene First Nation has ardently communicated numerous reasons why the Drybones Bay is so important. The proponent on the other hand is trying to reduce the discussion to archeological sites within discrete areas only. From a Yellowknives Dene perspective New Shoshoni Ltd., seems convinced, that its values and priorities trump Yellowknives Dene First Nation values and cultural priorities.

The MVEIRB wrote twice, once in its original New Shoshoni Ventures Ltd., reasons for decision of February 10, 2004, and again after reconsidering its decision on June 23, 2005. Both times the MVEIRB concluded that based on [a] review of the evidence on the public record that:

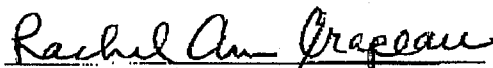
- Drybones Bay is a vitally important cultural, economic, spiritual and heritage area for the Yellowknives Dene First Nation (YKDFN), North Slave Métis Alliance (NSMA), and Lutsel K'e Dene First Nation (LKDFN).
- It is the site of ongoing year round use by Aboriginal community, holds many burial sites and archaeological sites, and is used extensively today for hunting, trapping, and providing youth with cultural exposure to traditional activities and the land.
- The developer's efforts to consult with Aboriginal parties did not lead to a greater understanding of the cultural importance and use of the area thus limiting the value of the mitigation measures proposed in the Developer's Assessment Report (DAR).

The MVEIRB considered all the evidence on the public record twice and concluded that significant adverse cumulative impacts on culture of the Yellowknives Dene First Nation and other aboriginal parties would result from the continued development of the Wool and Drybones Bay areas. The Review Board therefore recommended pursuant to section 128(1)(d) of the MVRMA the rejection of this project because the proposed development is likely, in its opinion, to cause an adverse impact on the environment so significant that it cannot be justified.

There has been considerable politicking and positioning going on about access to the Drybones Bay area, and to the shoreline of Great Slave Lake down to Gros Cap and Talthielie Narrows. Recently, following overtures by Don Morin to open the Drybones Bay area up, the YKDFN wrote to Morin and categorically declined to revisit or reopen discussions and expressed "resolute support of the recommendations made by the Mackenzie Valley Environmental Impact Review Board regarding New Shoshoni Ventures Ltd.'s proposed development at Drybones Bay."

Finally, New Shoshoni Ventures Ltd.'s suggestion that having Morris Martin accompany them and their archaeologist somehow sanctions their work is exploitive and unproductive. The Yellowknives Dene First Nation urges the Minister to affirm the Review Board's decision.

Sincerely,



Rachel Ann Crapeau
Chair, Land and Environment

c.c. **Gabrielle Mackenzie-Scott**
Chair, Mackenzie Valley Environmental Impact Review Board
Fax: (867) 766-7074

David Livingstone
Director, Renewable Resources and Environment
Indian and Northern Affairs Canada
Fax: (867) 669-2707

The Honourable Stephane Dion
Minister, Environment Canada
Fax: (819) 953-0279

The Honourable Geoff Regan
Minister, Fisheries and Oceans Canada
Fax: (613) 947-7081

The Honourable Michael Miltenberger
Minister, Environment and Natural Resources
Government of the Northwest Territories
Fax: (867) 873-0169

Akaiitcho Treaty 8 Negotiators, NWT Treaty 8 Tribal Corporation,
Yellowknife NT Office Fax: 867-766-3497

Yellowknives Dene First Nation Legal Counsel
Fax: (780) 424-6862

Stephen Ellis, Akaiitcho IMA Implementation Coordinator,
Fax: 867-370-3209

Chiefs Peter Liske & Fred Sangris, Yellowknives Dene First Nation
Dettah & Ndilo, NT Fax: 867-5969 Fax: 867-873-8545



Yellowknives Dene First Nation
 Box 2514, Yellowknife, N.T. X1A 2P6

Dettah:	Ph.:	(867) 873-4307
Dettah:	Fax:	(867) 873-5969
Ndilo	Ph.:	(867) 873-8951
Ndilo	Fax:	(867) 873-8545

August 10, 2005

Bob Woolly & Angela Plautz
 Executive Director & Regulatory Officer
 Mackenzie Valley Land and Water Board (MVLWB)
 Box 2130
 7th Floor - 4910 50th Avenue
 Yellowknife, NT X1A 2P6
 Fax: (867) 873-6610

Attention: Mr. Woolly and Ms. Plautz:

**RE: Mineral Exploration at Drybones Bay - Consolidated Goldwin Ventures Inc.
 (Consolidated) MV2004C0038 and Mr. Lawrence Stephenson of Sidon
 International Corporation (Sidon) MV2004C0039**

The Yellowknives Dene First Nation (YKDFN) Land and Environment Committee (L&EC) considered the MVLWB's letter requesting additional information dated June 10, 2005 directed to Mr. Stephenson and Stephenson's reply of July 25, 2005.

The MVLWB asked Mr. Stephenson to provide a letter documenting discussion with the YKDFN and to state whether the target locations of the development fall within areas of high archeological potential. The MVLWB also informed Mr. Stephenson the Department of Indian and Northern Affairs and the MVLWB would consider land use permits in shoreline zones. Mr. Stephenson wrote to the MVLWB on July 25, 2005 that he could not contact the YKDFN, but that whenever he conducted any disturbing activity he would definitely have Yellowknife Dene input.

Observations

The discussion is discouraging and disheartening after years of work. Throughout the environmental assessments of the proposed developments at Drybones and Wool Bay, the YKDFN made it clear beyond any reasonable doubt that it did "not want its archeological sites to be simply treated as points on a map for development management and mitigation purposes. The Yellowknives Dene view those sites and the Drybones Bay area as profoundly valuable. That is, the area is a part of our social and cultural identity and is a living vibrant part of the Yellowknives current generations and distant generations. It is one of the more important places for the Yellowknives Dene to communicate and pass on its culture.

It seems that the developer's intent during and after the three completed environmental assessments of the Drybones Bay area is to reduce the discussion to only impacts on individual archeological points. Respectfully, the analogy that comes to mind is not being able to see the forest through the trees. Individual archeological sites are important, but it is about a collection of sites and their collective societal and spiritual value. For emphasis, Drybones Bay is important for its richness of archeological sites and for what the web of sites conveys regarding the living history of the Yellowknives Dene.

Background

Putting the proposed application in context the MVLWB could reasonably decide not to consider the application at this time as the Drybones Bay proposal is encompassed within the geographic scope of an environmental assessment for which no decision has yet been made. There is also concern about the MVLWB accepting land use permit applications in areas when there are outstanding environmental assessments that could result in developers not gaining access to subsurface resources in favour of overriding social, cultural, economic and coexistence compromises. The YKDFN also respectfully suggests there is an obvious public concern, thus warranting an environmental assessment of the subject developments. The YKDFN is intervening assertively because it is very concerned about what is happening at Drybones Bay.

Context

The MVEIRB wrote that [a] review of the evidence on the public record has convinced it that:

- Drybones Bay is a vitally important cultural and heritage area for the Yellowknives Dene First Nation (YKDFN), North Slave Métis Alliance (NSMA), and Lutsel K'e Dene First Nation (LKDFN).
- It was the site of ongoing year round use by Aboriginal community, holds many burial sites and archaeological sites, and is used extensively today for hunting, trapping, and providing youth with cultural exposure to traditional activities and the land.
- The developer's efforts to consult with Aboriginal parties did not lead to a greater understanding of the cultural importance and use of the area thus limiting the value of the mitigation measures proposed in the Developer's Assessment Report (DAR).

The MVEIRB after considered all the evidence on the public record, concluded that significant adverse cumulative impacts on culture of the YKDFN and other aboriginal parties would result from the continued development of the Wool and Drybones Bay area. The Review Board therefore recommended pursuant to section 128(1)(d) of the MVRMA the rejection of this project because the proposed development is likely, in its opinion, to cause an adverse impact on the environment so significant that it cannot be justified.

The YKDFN reiterates its original comments regarding the proposed applications because nothing has changed between Stephenson's original application, the July 25 supplementary, and at the present time.

Categorically, Mr. Stephenson did not consult the L&EC, and the questions raised by the YKDFN remain unanswered. For clarity:

- a. No consultation has occurred between Mr. Stephenson of Sidon International Resource Corporation (Sidon) and the YKDFN regarding the above-cited applications. For emphasis, the YKDFN has not received any verbal, email, fax or written communication from Mr. Laurie Stephenson regarding the above applications.

The L&EC recommends the MVLWB postpone its Sidon decision until the YKDFN has had meaningful dialogue with Mr. Stephenson and reported the results back to the MVLWB. As with other proponents whom the YKDFN works with, the L&EC welcomes a meeting with him to discuss his proposed development.

- b. Inadequate graphic and map information regarding the location of the proposed Sidon and Consolidated developments. The maps submitted by Mr. Stephenson describing the location and scope of the proposed developments are inadequate and lack sufficient detail. Without better and more accurate and more complete mapped information, the YKDFN cannot provide any meaningful response to the requested authorizations.

The YKDFN L&EC requests the proponent provide digital geo-referenced data and maps and meet with the YKDFN L&EC to review the proposals. No suitable maps were provided except for the simple line diagram most recently provided by the proponent

- c. Consultation is for the purposes of accommodation, and if appropriate, consent. The YKDFN is negotiating its Treaty Rights with Canada. Canada through the MVLWB is considering allowing third parties to occupy and use YKDFN lands. Therefore, it is important to ensure administrative and policy decisions occur in a fair and open process, and that the process fits the institutional and social context of the YKDFN.

The YKDFN L&EC recommends that the Sidon application be set aside until Mr. Stephenson demonstrates meaningful discussion and consultation with the YKDFN. Failing that, that the YKDFN recommends the MVLWB refer the Sidon development application to the Mackenzie Valley Environmental Impact Review Board (MVEIRB) for an environmental assessment (EA).

As the MVLWB is aware, the YKDFN intervened in four environmental assessments of proposed developments in the immediate area Mr. Stephenson of Sidon and Consolidated are proposing to undertake exploration work. The Minister approved three developments with conditions and suggestions. The MVEIRB declined one development in almost the exact area proposed by Mr. Stephenson therefore, understandably, there is considerable interest and concern regarding the proposed developments.

- As stated by the MVEIRB, exploration along the shoreline of Great Slave Lake near Dettah and Ndilo is a very sensitive issue that requires considerable consultation with the Yellowknives Dene.

In addition, the YKDFN cannot support any consideration of development near areas of high cultural and spiritual value until:

- INAC establishes a prospecting permit approach pursuant to section 29 of the Canada Mining Regulations for this area in order to provide Aboriginal communities concerned about the Wool and Drybones Bay areas the opportunity to provide input into staking areas and to avoid conflict over land use.
- Until the Crown facilitates the development of a plan to identify the vision, objectives, and management goals based on the resource and cultural values for the area. This plan should be drafted and implemented with substantive input from Aboriginal parties. The plan should specifically address future development and include provisions for protecting sensitive environmental, economic (trapping), cultural, and spiritual sites.
- The federal and territorial governments organize and conduct a thorough archaeological, burial and cultural site survey of the area extending from the western headland of Wool Bay to the southern tip of Gros Cap, within the Shoreline Zone.

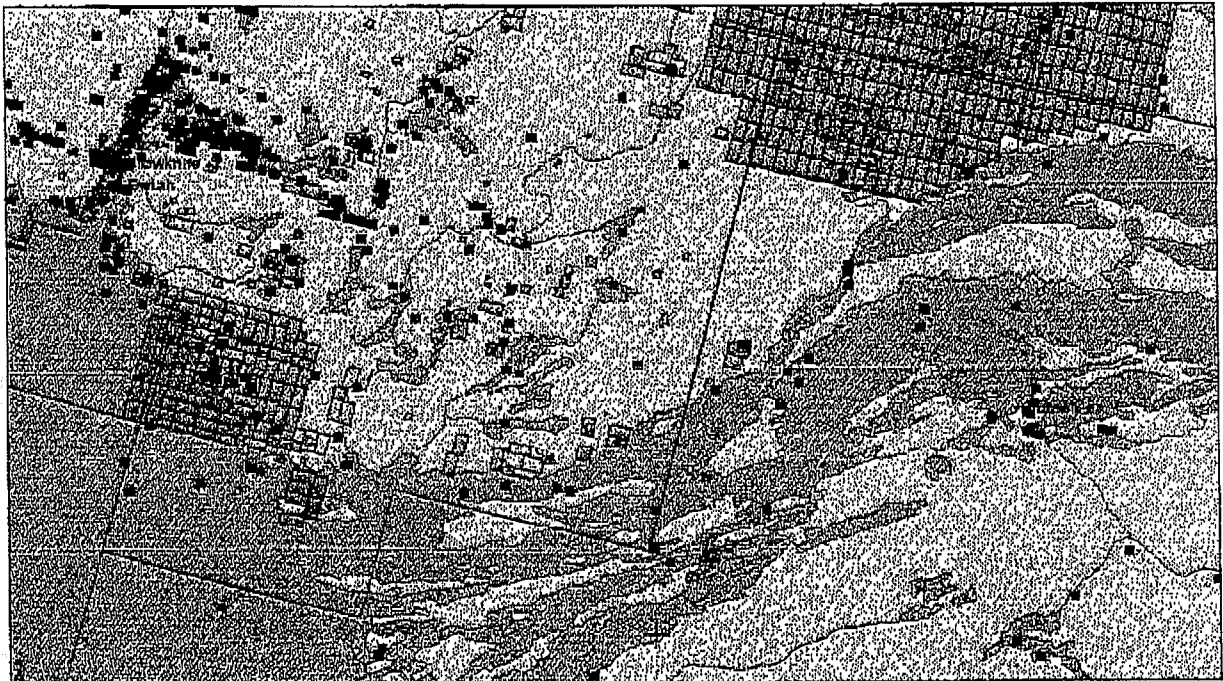


Figure 1: DIAND Source Regarding YKDFN Land Alienation

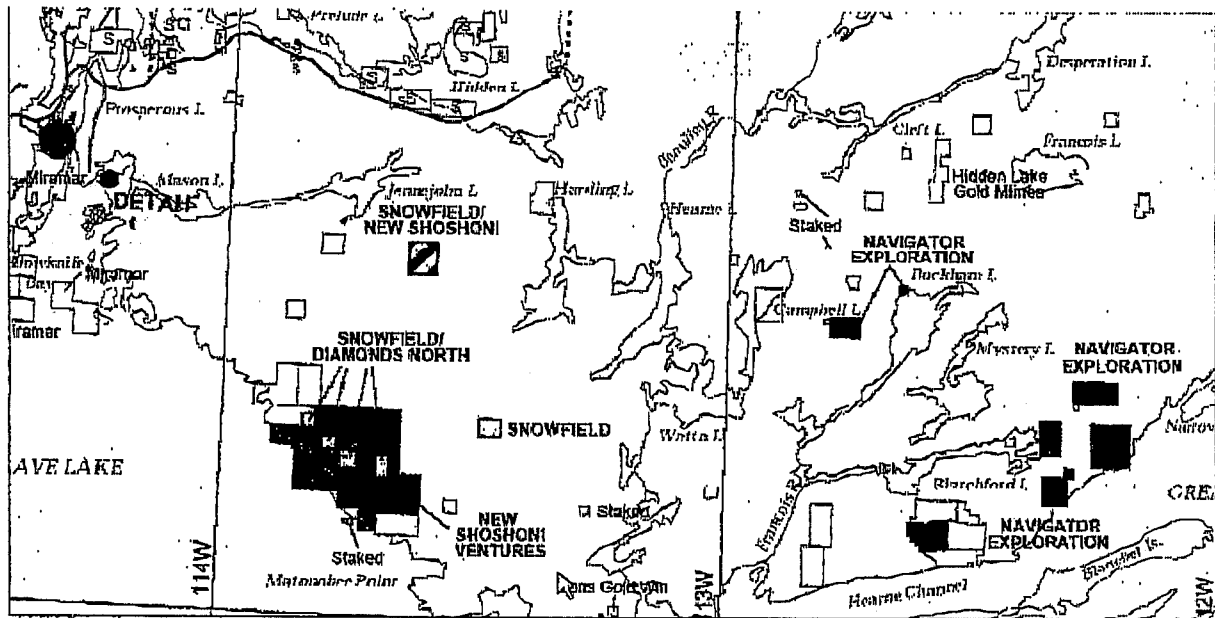


Figure 2: 1992 Mineral Rights Map

Sidon and Consolidated's proposed development area has a high potential for significant spiritual and cultural importance to the Akaitcho Treaty 8 First Nations and the YKDFN specifically. There are also unknown cumulative impacts associated with other existing and proposed development proposals in an area.

There has been considerable politicking and positioning going on about access to the Drybones Bay area, and to the shoreline of Great Slave Lake down to Gros Cap and Taithielle Narrows. It is and remains firmly the Yellowknives Dene goal to protect Drybones Bay from development. Recently, following overtures to open the Drybones Bay area up, the YKDFN declined to revisit or reopen discussions and expressed "resolute support of the recommendations made by the Mackenzie Valley Environmental Impact Review Board regarding New Shoshoni's proposed development at Drybones Bay." Mr. Stephenson's proposed application cannot be justified.

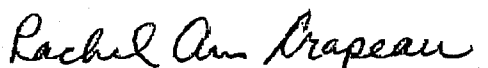
The MVEIRB concluded that even with the implementation of the commitments made by the proponent, and with the implementation of all reasonable mitigation measures, there were no effective means to reduce or mitigate the significant adverse environmental impact of New Shoshoni Ventures Ltd.'s proposed development at Drybones Bay. The proposed development in the Review Board's opinion would cause an adverse impact on the environment so significant that it cannot be justified. Mr. Stephenson's proposed development also cannot be justified.

Conclusion

The YKDFN urges the Mackenzie Valley Land and Water Board (MVLWB) to refer the proposed development authorizations to environmental assessment or, preferably, to have the Minister accept the MVERIB's recommendations as the proposed applications cannot be justified.

If you have any questions regarding this letter, please contact me at our Land and Environment program office at 669-9002 and you can also fax me a letter to 669-9003.

Sincerely,



Rachel Ann Crapeau
Manager Land and Environment

Copy: Negotiators, NWT Treaty 8 Tribal Corporation, Yellowknife NT Office Fax: 867-766-3497

Gabrielle Mackenzie-Scott, Chair Mackenzie Valley Environmental Impact Review Board (MVEIRB) Fax: (867) 766-7074

Yellowknives Dene First Nations Legal Counsel, Fax: (780) 424-5852

Stephen Ellis, Akaitcho IMA Implementation Coordinator, Fax: 867-370-3209