

Mandell Pinder

Barristers & Solicitors

422 - 1080 MAINLAND STREET, VANCOUVER BC V6B 2T4
TEL: (604) 681-4146 FAX: (604) 681-0959

IEET

DATE: August 12, 2005

TO: Mackenzie Valley Land and Water Board
Attn.: Bob Wooley
Executive Director

CC: Ka'a'Gee Tu First Nation
Attn.: Allan Landry
Attn.: Chief and Council

CC: Indian and Northern Affairs Canada (Yellowknife)
Attn.: Bob Overvold
Regional Director General

CC: Gowlings
Attn.: Alan Hollingworth, Q.C.

CC: Paramount Resources Ltd.
Attn.: Shirley Maaskant

CC: National Energy Board
Attention: Michel Mantha

CC: Mackenzie Valley Environmental Impact Review
Board
Attn.: Gabrielle Mackenzie-Scott

FROM: Roshan Danesh

RE: Ka'a'Gee Tu First Nation - Paramount Resources

NUMBER OF PAGES INCLUDING COVER SHEET: 25 WITH ENCLOSURE 3 WITHOUT

ORIGINAL BEING SENT BY MAIL: No: X

Please see attached our letter to you of today's date (together with its enclosure). Thank you.

CONFIDENTIALITY CAUTION

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IF YOU DO NOT RECEIVE ALL THE PAGES PLEASE CALL Diane or Lynne AT (604)681-4146
AS SOON AS POSSIBLE.

216-00.400521

08/12/2005 FRI 16:16 [TX/RX NO 8379]

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Mandell Pinder
Barristers & Solicitors422 - 1080 MAINLAND STREET, VANCOUVER BC V6B 2T4
TEL: (604) 681-4146 FAX: (604) 681-0959M. LOUISE MANDELL, Q.C.*†
BRENDA GAERTNER*
BRUCE ELWOOD
LINDSAY WADDELLCLARINE OSTROVE*
MARY LOCKE MACAULAY††
ROSHAN DANESH* Personal Law Corporation
† Also of the Alberta Bar
†† Also of the Ontario Bar

August 12, 2005

Via Fax: 1-867-873-6610

Mackenzie Valley Land and Water Board
7th Floor - 4910 50th Avenue
P.O. Box 2130
Yellowknife, NT X1A 2P6Attention: Bob Wooley
Executive Director

Dear Sirs:

Re: Ka'a'Gee Tu First Nation - Paramount Resources

Thank you for copying us on your fax of August 11, 2005 addressed to DIAND. Louise Mandell is on vacation until September 6, and I am writing in her absence.

The Ka'a'Gee Tu First Nation have been trying for years to ensure that proper consultation and accommodation occur in relation to Paramount's activities. To date, the Crown's legal obligations have not been met, and the Ka'a'Gee Tu's constitutional and Treaty rights continue to be unjustifiably infringed by Paramount's activities. The Ka'a'Gee Tu remain opposed to any further approvals being granted to Paramount until meaningful consultation and accommodation take place. In this regard, you should be informed that the Ka'a'Gee Tu have filed an application in Federal Court seeking judicial review of the Responsible Ministers' decision to adopt modified recommendations. We enclose a copy of that Application for your information.

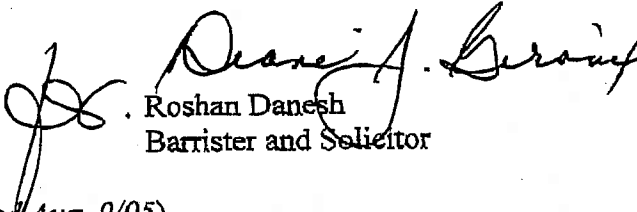
The Ka'a'Gee Tu understand that the MVLWB is taking steps to investigate this matter. The Ka'a'Gee Tu are hopeful that the Board's actions will assist Canada and the Company towards engaging in meaningful consultation and accommodation with the Ka'a'Gee Tu. The Ka'a'Gee Tu remain open to finding a solution, preferably outside of the courts.

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The Ka'a'Gee Tu request an opportunity to review and comment on any response that you receive from DIAND or the Company to your fax of August 11 prior to the Board completing its investigation.

Yours very truly,

MANDELL PINDER


Roshan Danesh
Barrister and Solicitor

RD/djg

Encl. (Copy of Notice of Application, filed Aug. 9/05)

Copies without enclosure to:

Clients

DIAND (Yellowknife, NT): Bob Overvold, Regional Director General

Gowlings: Alan Hollingworth, Q.C.

Paramount Resources: Shirley Maaskant

NEB: Michel Mantha

MVEIRB: Gabrielle Mackenzie-Scott

216-00.400520

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