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FAX COVER SHEET

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AM

DATE: April 28, 2005 **CLIENT #:** 216-00.4

TO: Indian Affairs and Northern Development
Attention: The Hon. Andy Scott **FAX:** 1-819-953-4941

CC: Ka'a'Gee Tu First Nation
Attention: Allan Landry **FAX:** 1-867-825-2002

CC: Joe Acorn **BY EMAIL**

CC: Government of the Northwest Territories
Attention: Hon. Joe Handley, Premier **FAX:** 1-867-873-0169

CC: National Energy Board
Attention: Kenneth Vollman, Chair **FAX:** 1-403-292-6507

CC: Government of Northwest Territories
Attention: Hon. Brendan Bell
Minister of Resources, Wildlife and
Economic Development **FAX:** 1-867-873-0169

CC: Government of Canada
Attention: Hon. Geoff Regan
Minister of Fisheries and Oceans **FAX:** 1-613-947-7081

CC: Government of Canada
Attention: Hon. Stéphane Dion
Minister of Environment Canada **FAX:** 1-819-953-3457

CC: Mackenzie Valley Environmental Impact
Review Board **FAX:** 1-867-766-7074
Attention: Gabrielle Mackenzie-Scott, Chair

CC: Mackenzie Valley Land and Water Board **FAX:** 1-867-873-6610
Attention: Todd Burlingame, Chair

FROM: Louise Mandell, Q.C.

NUMBER OF PAGES: 3

RE: Paramount Resources Ltd. Cameron Hills Extension Environmental Assessment

Please see attached.

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AS SOON AS POSSIBLE.**

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04/28/2005 THU 10:02 [TX/RX NO 7836]

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* Personal Law Corporation
† Also of the Alberta Bar
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April 27, 2005

By Fax: (819) 953-4941

Indian Affairs and Northern Development
Terrasses de la Chaudière, North Tower
Suite 2100 - 10 Wellington Street
Gatineau, Quebec K1A 0H4

Attention: **The Honourable Andy Scott,**
Minister

Dear Honourable Minister Scott:

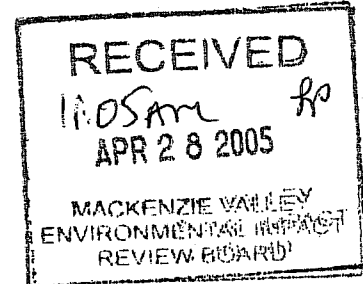
**Re: Paramount Resources Ltd.
Cameron Hills Extension Environmental Assessment**

The Ka'a'Gee Tu are extremely disappointed by the decision of the NEB received April 26, 2005 stating the NEB's acceptance of modified recommendations in the Paramount Cameron Hills environmental assessment. As we have outlined previously, the Ka'a'Gee Tu have extensive concerns with aspects of both the original and modified recommendations. Further, many of the proposed modifications are tantamount to rejections of the original recommendations. We hope and expect, consistent with your constitutional obligations, that you will not err in the same manner as the NEB. The honour of the Crown is at stake, and the Ka'a'Gee Tu will use all options at their disposal to ensure their Aboriginal and treaty rights are respected.

The Ka'a'Gee Tu remain extremely concerned that the EA report and the modified recommendations still fail to address key concerns that the Ka'a'Gee Tu have had with this project since the beginning, including the lack of baseline environmental studies and a community Traditional Knowledge (TK) study on the Cameron Hills area.

Paramount repeatedly applies for, and receives, approval to do work without doing the baseline socio-environmental work that should first be required. As a result, the regulators have piled monitoring program after monitoring program on this project instead of properly requiring Paramount to do the necessary studies, in conjunction with the Ka'a'Gee Tu, before it can receive any further approvals.

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As the Ka'a'Gee Tu have stated previously, including in our letter of March 24, 2005, INAC should now reject the modified recommendations and ensure that a proper impacts and benefits agreement is concluded with the Ka'a'Gee Tu prior to any approval being given to Paramount. In addition, the Ka'a'Gee Tu request that, prior to any approval, INAC:

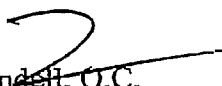
- 1) require that baseline environmental studies finally be completed on the Cameron Hills area;
- 2) ensure that the Ka'a'Gee Tu have funding to complete these baseline studies; and
- 3) ensure that the Ka'a'Gee Tu have funding to complete a community Traditional Knowledge (TK) study of the Cameron Hills area.

The Minister could address these outstanding matters by ordering that an EIR take place pursuant to the *MVRMA*, with clear conditions that the above items, and the need for an impacts and benefits agreement, be addressed prior to further approvals, and as part of the EIR.

Unless and until INAC requires environmental baseline studies and a community TK study of the Cameron Hills area to be completed, this project is going to continue to cause problems for all parties. There have been three environmental assessments within the last five years and it is likely that more will be required. By continually granting Paramount approval to move ahead with this project without these necessary studies being completed first, INAC is further exacerbating the frustrating situation that we all find ourselves in with respect to this project.

Yours very truly,

MANDELL PINDER


Louise Mandell, Q.C.
Barrister and Solicitor

LM/tu

cc: Clients
Herb Norwegian, Grand Chief of Dehcho First Nations
Joe Handley, Premier of the Northwest Territories
Kenneth Vollman, Chair of the National Energy Board
Brendan Bell, Minister of Resources, Wildlife and Economic Development
Geoff Regan, Minister of Fisheries and Oceans Canada
Stephane Dion, Minister of Environment Canada
Gabrielle Mackenzie-Scott, Chair, Mackenzie Valley Environmental Impact Review Board
Todd Burlingame, Chair, Mackenzie Valley Land and Water Board
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