Aug 19 2004

Mr. Todd Burlingame Chair Mackenzie Valley Environmental Impact Review Board PO Box 938 YELLOWKNIFE NT X1A 2N7

Dear Mr. Burlingame:

As the federal Minister of Indian Affairs and Northern Development, and on behalf of the Responsible Ministers (RMs) with jurisdiction for this development (Resources, Wildlife and Economic Development; Government of the Northwest Territories (GNWT), Fisheries and Oceans, and Environment Canada), I am writing to convey our decision on the Report of Environmental Assessment for the Snowfield Development Corporation's Diamond Exploration Program (EA Report). This decision was taken after:

considering the above-noted EA Report;

 undertaking consultation with the Mackenzie Valley Environmental Impact Review Board (Review Board) on measures contained in the EA Report, pursuant to paragraph 130(1)(b)(ii) of the Mackenzie Valley Resource Management Act (MVRMA);

considering the letter to the Review Board from the Snowfield

Development Corporation (March 4, 2004);

 considering the letters to Indian and Northern Affairs Canada from the Snowfield Development Corporation (March 12, 2004); and from the Review Board (July 7, 2004);

considering the letter from the Review Board to the Snowfield

Development Corporation (May 20, 2004);

 considering the letter to the GNWT from the Review Board (June 30, 2004); and

considering the letter to the Review Board from the GNWT (July 5, 2004).

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Pursuant to section 130(1)(b)(ii) of the MVRMA, the RMs and I have agreed to adopt the recommendation of the Review Board with modifications. The modifications are in regard to four of the five recommended measures identified by the Review Board as being necessary to prevent a likely significant adverse impact on the environment. The final approved measures are enclosed, and reflect the views expressed by the Review Board in the consultation process and in its letter of July 7, 2004.

I wish to thank the Review Board for discharging its duties under the MVRMA in this matter.

Yours sincerely,

Original signed by a signé l'original

The Honourable Andy Scott, PC, MP

Encl.

c.c.: The Honourable Stéphane Dion, PC,MP

The Honourable Geoff Regan, PC, MP

The Honourable Brendan Bell, MLA

Mr. Robert Patterson

Ms. Melody McLeod

Ms. Susan Weaver

Ms. Monica Kreiger

Ms. Kris Johnson

Mr. Jason Lepine

Chief Peter Liske

Chief Darryl Beaulieu

Mr. Patrick Simon

Mr. Glen Abernethy

His Worship Mayor Gordon Van Tighem

Mr. Mike Vaydik

Report of Environmental Assessment on the Snowfield Development Corporation's Diamond Exploration Program

Measure No. 1 (as modified)

The Snowfield Development Corporation will not commence any development activity requiring a Land Use Permit, either within or outside of the three kilometre Shoreline Zone, until an archaeological impact assessment detailing suspected archaeological, historical, burial or cultural sites has been completed by a qualified archaeologist accompanied by an Aboriginal Elder and a translator if required.

Measure No. 2 (as modified)

This measure has been removed.

Measure No. 3 (as modified)

This measure has been removed.

Measure No. 4 (as modified)

Aboriginal parties and the Prince of Wales Northern Heritage Centre will provide the locations and the extent of recorded archaeological, historical, burial or cultural sites to the Snowfield Development Corporation for its claim blocks.

Measure No. 5 (not modified)

The Snowfield Development Corporation will maintain a 100 metre buffer around all known and suspected archaeological, historical, burial or cultural sites.



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MACKENZIE VALLEY ENVIRONMENTAL IMPACT REVIEW BOARD

August 4, 2004

Robert T. Paterson, President Snowfield Development Corp. 100-1009 Expo Boulevard Vancouver, British Columbia Canada, V6Z 2V9 Facsimile: 604-681-6937

Attention: Mr. Patterson,

RE: Interim Report on The Archaeological Assessment Of Exploration Claim Blocks Between Drybones Bay and Matonabbee Bay, Great Slave Lake.

We are writing to acknowledge Snowfield's contribution to this summer's archaeological fieldwork, and express our gratitude to Mr. Mike Beauregard and Mr. David Smith for their help throughout.

The interim report identifies forty new archaeological sites, and three new, recent campsites. Fortunately, Snowfield's proposed exploration work, does not impact them. Your contribution to ensuring the exploration program protects our heritage resources is also helping us, all better understand and appreciate how we lived on the land not so long ago. For that, we are grateful.

Mr. Patterson, during the environmental assessment process you probably felt that your work was thankless. That is not the case however. We are pleased to say your efforts to work with us in good faith, and your willingness to implement the mitigation measures provided by the Review Board are recognized and appreciated.

We look forward to working with you in the future and wish you the best of luck in Snowfield's continued exploration work.

Sincerely,

Copy: Todd Burlingame, Chair Mackenzie Valley Environmental Impact Review Board Box 938, 200 Scotia Centre, (5102-50th Avenue), Yellowknife, NT. X1A 2N7 Phone: (867) 766-7050 Fax: (867) 766-7074

Bob Overvold Regional Director General Indian and Northern Affairs Bellanca Bldg, P.O. Box 1500 Yellowknife, Northwest Territories Canada X1A 2R3 Fax: (867) 669-2703

Tom Andrews Territorial Archaeologist Prince of Wales Northern Heritage Centre Fax: 867-873-0205 Email: tom_andrews@ece.learnnet.nt.ca

Callum Thomson Thomson Heritage Consultants Calgary, AB