

May 23, 2008

Mr. Alan Ehrlich Senior Environmental Assessment Officer Mackenzie Valley Environmental Impact Review Board Box 938, 200 Scotia Centre 5102-50th Avenue Yellowknife, NT X1A 2N7

Dear Mr. Ehrlich:

Re: Additional Information Request, Proposed Uranium Exploration Bayswater Uranium Corporation, Crab Lake EA0708-005.

Thank you for the opportunity to provide further submissions to the Mackenzie Valley Environmental Impact Review Board (the Board) for conducting Environmental Assessment (EA) proceedings of four uranium exploration projects within the Upper Thelon River Basin.

Please find below the Government of Northwest Territory's (GNWT) response to the Board's May 2, 2008 request for additional information concerning EA0708-005.

Wildlife

In response to the current Environmental Assessment EA0708-005, Environment and Natural Resources (ENR) would like to refer to documents submitted to the Mackenzie Valley Environmental Impact Review Board (MVEIRB) during the Environmental Assessment of Ur Energy's Screech Lake exploration program (EA0607-003). The documents that have been transferred to the above listed EA accurately reflect ENR's current concerns with this proposed project.

Of particular importance are concerns regarding the proposed development and its potential effect on the Beverly and Ahiak caribou herds. These concerns have been voiced in previously submitted ENR documents, as well as joint presentations and submissions with the Beverly Qamanirjuaq Caribou Management Board (BQCMB). In

addition, ENR would like to remind MVEIRB of the following *Species at Risk* that have habitat in the development area and could potentially be negatively affected by the proposed exploration program.

The Species at Risk Act (SARA) states that adverse effects on listed species must be identified, and regardless of significance, mitigated and monitored (s.79). It is ENR's view that the treatment of those species listed under SARA be consistent with the treatment of species assessed by the Committee on the Status of Endangered Wildlife in Canada (COSEWIC).

ENR notes the following species, and their SARA/COSEWIC designation, that have habitat within, or in the vicinity of the Thelon Watershed:

- Peregrine Falcon (special concern)
- Grizzly Bear (special concern)
- Wolverine (special concern)
- Rusty Blackbird (special concern)
- Short Eared Owl (special concern)

It is uncertain how uranium exploration programs in the proposed project area will affect these species, however for most of the species listed loss of habitat, and/or habitat degradation is a potential threat to species survival. Because of the uncertainty regarding how important the habitat is to the survival of the species at risk listed above, ENR strongly suggests that prior to the commencement of this project, further research is done on the possible impacts of development on species at risk in the area.

Cultural Heritage

The Prince of Wales Northern Heritage Centre (PWNHC), a part of the Culture and Heritage Division of the Department of Education, Culture and Employment, GNWT, is responsible for managing the public's interest in the protection of archaeological sites in the Northwest Territories. The PWNHC facilitates this process by recommending management measures to land managers during land use permitting processes, engaging in the environmental assessment process, and administering a permitting program that ensures that archaeological work in the NWT is conducted to the highest standards. It is a long-standing policy in the Northwest Territories, and nationally, that developers – rather than the public – are responsible for funding and conducting heritage resource impact assessments (HRIA) for development projects. The PWNHC recommends project-specific measures to be implemented and funded by development proponents to ensure that their projects do not place sensitive heritage resources at risk.

Analysis

The PWNHC is concerned that the exploration activities proposed for the Crab Lake project area will impact areas with high potential for unrecorded heritage resources. While an archaeologist has never conducted detailed assessments of these exploration areas, our analysis of the regional archaeological record of the southern Thelon Basin indicates a high probability for the presence of unrecorded heritage resources.

Recommendations

The PWNHC recommends the following measures to reduce the risk of impact to heritage resources in relation to the Crab Lake project:

- The project proponent must hire an archaeologist to conduct a heritage resource impact assessment (HRIA) of all areas of potential ground disturbance – including drill sites, camp locations, and access routes – associated with their project before the commencement of development activities.
- The project proponent must avoid all heritage resources by a minimum of 100 m during land use operations.

Should you have any questions or concerns regarding the above, please contact me at 920-6593.

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Joel M. Holder

Environmental Assessment Analyst

Environmental Assessment and Monitoring

Environment and Natural Resources