

Note to File

EA0809-003

Tyhee NWT Corp., Yellowknife Gold Project

Re: EA Update - November 26, 2008

As a result of the issues scoping sessions for Tyhee NWT Corp.'s Yellowknife Gold Project, the Mackenzie Valley Review Board presents the following recap of the environmental assessment thus far.

Background

In March 2005 Tyhee NWT Corp. ("Tyhee" or the "developer") applied to the Mackenzie Valley Land and Water Board (MVLWB) for approval to develop an underground gold mine and milling operation at the historic Discovery Mine site. The MVLWB subsequently referred the Yellowknife Gold Project (YGP or the "development") to environmental assessment by the Mackenzie Valley Environmental Impact Review Board (the "Review Board"). This original application called for underground workings with surface infrastructure. Upon further analysis, Tyhee opted to change the project design from a primarily underground operation to accommodate a transitional open pit/underground mine plan. As a result, in July 2008 Tyhee withdrew their original application, which concluded the accompanying environmental assessment (EA), and submitted a new application to the MVLWB that encompassed the project design changes. As part of the new application, Tyhee produced a 2008 YGP Project Description Report (PDR) that outlines Tyhee's plans for the development, and also communicates Tyhee's initial interpretation of how the project will impact the environment. On August 27, 2008, Environment Canada referred the new YGP to EA, citing a concern that the development might have potential to adversely impact the environment.

2008 EA Scoping Phase

At the November 20th-21st meeting, the Review Board discussed the results from the Yellowknife Gold Project issues scoping sessions that were held October 16th/17th. Consequently, the Review Board staff received instructions from the Board to begin developing both a Work Plan and a draft Terms of Reference for the YGP-EA, using the 2005 Terms of Reference (ToR) as a template for the combination of outstanding issues and new concerns that parties identified at the issues scoping session. Review

Board staff will also prioritize these issues as Key Lines of Inquiry, Issues of Note and Other (in decreasing order of weight), with a projected publishing date of late December. At that time, the Review Board will invite parties and the public to comment on the adequacy of the draft ToR/Work Plan.

Parties and the public are encouraged to review the various documents related to the YGP-EA that are available on the web at http://mveirb.nt.ca/registry/index.php.

Correspondence related to this assessment should be directed to:

Paul Mercredi, Environmental Assessment Assistant

Phone: (867) 766-7063 Fax: (867) 766-7074

Email: pmercredi@reviewboard.ca

The Review Board office can also provide electronic copies of the *Project Description Report* for the Yellowknife Gold Project upon request.

Sincerely,

Paul Mercredi Environmental Assessment Assistant Mackenzie Valley Review Board