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Date: February 20, 2009

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RE: YKDFN Response Correspondence

Regards/Message:

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Yellowknives Dene First Nation
Land and Environment Department
Box 2514, Yellowknife, N.T. X1A 2P8

February 20, 2009

Tawanis Testart
Mackenzie Valley Environmental Impact Review Board
Box 938, 5102 50th Avenue
Yellowknife, NT X1A 2N7

RE: Tyhee NWT Corp – Yellowknife Gold Project – Comments on Draft Terms of Reference and Work Plan (EA0809-003)

Dear Ms. Testart;

The Land and Environment office of the Yellowknives Dene First Nation (YKDFN) reviewed the draft documents released by the Mackenzie Valley Environmental Impact Review Board's (MVEIRB). We would like to offer the following comments for consideration within both the Work Plan and Terms of Reference, though our focus was on the latter.

4.1 Scope of Development

General:

The first item we would like to raise is in response to the Tyhee press release and letter of January 22nd. This exploration work has increased the indicated and inferred resources by 30%. Though these ore bodies are somewhat distinct in geography, the likelihood that these Clan and Goodwin reserves become developed increases greatly if the current proposal proceeds. Along with the development at those sites, it seems likely that the ore would be processed through the mill in the current proposal.

While we appreciate that this is 'early days' in terms of the development cycle concerning these new ore bodies, we are concerned about the finite capacity of the local environment and the need to consider both the impacts from the current proposal and those from induced developments. Tyhee's letter suggests that these ore bodies are not part of this project, but it is not clear from our perspective if that is because of the economics would require a second development, or if Tyhee is simply not planning on developing these ore bodies at this time. If the latter is the case, we need, and want, to ensure that the project vision is deep enough to handle the additional ore (i.e. tailings capacity, chemistries, etc.).

Table 1:

The table makes no mention of the open pit mining components. YKDFN believes that this list is a legacy from the former, only underground proposal. Some suggestions for components relating to open pit mining could include items such as pit access control, pit wall stability, pit water management and effluent controls (separate from underground minewater). We would also like to see the fuel storage and explosives mixing facilities separated from the other buildings considering their impacts are possibly more severe.

Other suggestions for project components include communications facilities and other towers and incinerator operations (separate from other waste management). YKDFN also would like to see the closure and reclamation activities section expanded. Some suggestions are a section that identifies the reclamation and removal of underground equipment and infrastructure, the reclamation of sand soil and aggregate borrow sources, and the reclamation of the open pit.

6. Terms of Reference

A. Description of the Existing Environment and Baseline Conditions Assessment

Item 14, we think that it would be useful if the expanded listing had some sort of indicator as to if it was at Ormsby, Nicholas Lake, connecting, or both sites

B. Development Description

Just as the explosives are dealt with specifically, we would like to see a similar treatment for hydrocarbons, their storage, handling and spill policies.

C. Consideration of Alternatives

Suggest including the term 'multiple accounts analysis' when describing the desired alternatives assessment. This is the method that has been used in other jurisdictions across Canada with similar schedule 2 projects where water bodies have been destroyed to facilitate development. I believe that this is what DFO/EC are requesting in their alternatives assessment letter, but additional clarity may be helpful to all parties.

E. Water Resources

Building on item 6, YKDFN would like to see investigation into the local toxicity that would result from the 'seasonal pulses' of water that are currently planned. To explain further, it is our understanding that Tyhee is proposed short term, high volume annual releases from the tailings containment area to maintain its water balance. It is important to look at the local chemical loadings these releases would cause in a short term period, rather than over the course of a season or a year.

F. Fish and Aquatic Habitat

In the preamble, we would suggest the inclusion of text that mentions the critical nature of the Weledeh/Yellowknife River fishery for the Yellowknives Dene First Nation, as it is the primary source of country foods in the late-spring, summer and early fall.

G. Wildlife and Wildlife Habitat

Under subjects of note, inclusion of a point directing a study of the degradation of the local environment would have on the Bathurst Caribou herd population, adult survivorship, and any potential herd recovery. Particular attention should be paid to the likelihood of increased hunting effort in the area and the effects on the overall harvest numbers, both aboriginal and resident.

We would also suggest that a study be undertaken to consider the developments on moose. By using ENR's recent population estimate, this study would be considering the sustainability of the population in light of any habitat degradation and increased hunting pressure be done with respect to Moose.

H. Vegetation

Under subjects of note, suggest the inclusion of a subpoint that examines the direct footprint and examines how much habitat of each type is destroyed or degraded by the construction.

Also suggest the expansion of item three examining the degree of degradation suffered by any one vegetation/habitat type within the local area to ensure that the local vegetation diversity remains intact. This ensures that the operation will not remove a particular habitat type that may be critically important to a particular species in a unforeseen manner.

J. Air Quality and Climate

Under Subjects of note, item 1, inclusion of the phrasing that Tyhee should consider the best practices established at other mines in the territory. At the diamond mines (particularly BHP), considerable advancements have been made in the use of the waste incinerators, and these methods should be appropriated as a starting point for this projects.

Under 'Other', In relation to items 2, 6 and especially 5, there should be wording indicating that these items should be considered on a seasonal basis, with attention to prevailing winds. The summertime entrainment and deposition regime will likely be very different than that which occurs in the winter.

K-4.2 Traditional Land Use and Wildlife Harvesting

Under Key Lines of Inquiry, we would suggest the expansion of item 2a to include not just squatters, but other recreational land users who have a lease. This development and the accompanying road makes recreational construction and use of the area much easier, degrading the value to traditional land users.

L. Accidents and Malfunctions

Under Key Lines of Inquiry, item four, the inclusion of an item pertaining to fire at the mine site, the airport, or local brush fires.

Under item 4a or 4g, we would suggest expanding the text to consider emergency situations involving these chemicals and the threats posed to environment and human health (i.e. a large fire at the mine and the possibility of cyanide release).

N. Closure and Reclamation

Under Subjects of Note, we strongly suggest the establishment of a vision for the long term condition of the site. Just as item one describe the legal and regulatory framework that Tyhee can use to guide their closure planning, the inclusion of broad closure objectives would also provide guidance. With the broad objectives, we would also like to see a conceptual closure planning timeline included, directly related to the life of mine plan.

We would like to see the inclusion of a closure research plan. Since this is a relatively short lived mine, time is not going to be a luxury. Unknowns associated with closure planning will have to be recognized early in the process. We do not expect that Tyhee will possess all of the answers to adequately close the mine site at this stage of the process, but we do expect that some of the uncertainties will be recognized, even at this early stage. Creation of an information gaps document and an accompanying plan to address those gaps will ensure that there is sufficient information available at the appropriate milestones for decisions related to closure. Obviously, the life of mine plan will influence the milestones.

Lastly, we would strongly suggest that the board consider the inclusion of stronger text in the preamble, noting the failures of the Producers Development Report (2008) with regards to closure planning (similar to other preambles). YKDFN feels that the proposal was inadequate without this section, as we consider all projects in a cradle to grave manner, and the lack of a reclamation section was of the highest concern.

If you have any questions or concerns regarding this letter, please contact the YKDFN Lands and Environment office.

Sincerely,



Todd Slack

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