

Affaires indiennes et du Nord Canada

Environment & Conservation Box 1500 YELLOWKNIFE NT X1A 2R3

October 22, 2010

MVEIRB File Number: EA1011-002

Nicole Spencer Environmental Assessment Officer Mackenzie Valley Environmental Impact Review Board P.O. BOX 938 YELLOWKNIFE NT X1A 2N7

Tom Unka/Arthur Beck Fort Resolution Métis Council PO Box 1921 Fort Resolution, NT XOE OMO

Via email

Re: Follow-up to TNR Gold Project September 30, 2010 Information Session

Dear Ms. Spencer, Mr. Unka, and Mr. Beck:

At the TNR Gold Project Information Session held in N'dilo on September 30, 2010, Indian and Northern Affairs Canada (INAC) committed to provide additional information regarding the current status of the Moose Property site. The DeStaffany Mine operated at this site in the 1940s and 1950s.

INAC's Contaminants and Remediation Directorate (CARD) completed a Phase I Environmental Site Assessment (ESA) of the site in 2009 and completed fieldwork for a Phase II and III ESA in July 2010. The purpose of the assessments is to determine the current environmental and physical conditions of the site and evaluate the actual and potential environmental liabilities that may have resulted from previous land uses or activity on the site. Under separate cover, INAC is providing a copy of the Phase I report to the Review Board for placement on the public registry for the TNR Gold Project environmental assessment. The Phase II and III reports should be available within the next two months; INAC will forward copies to the Review Board if the public registry is still open at that time.

Once the ESA reports are completed, INAC-CARD will discuss appropriate next steps with TNR Gold and other affected and interested parties. INAC's Environment and Conservation division will advise the Review Board of key developments in this respect as required.

If you have any questions about the above information, please do not hesitate to contact Krystal Thompson at 669-2595 or via email at krystal.thompson@inac-ainc.gc.ca.

Yours sincerely,

Teresa Joudrie

Director, Renewable Resources and Environment

cc. INAC EA Working Group

TNR Gold Corporation/International Lithium, c/o Aurora Geosciences