



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

8 August, 2007

**RE: Hunter Bay Resources Inc. Land Use Permit S07C-004
MVEIRB Information Requests – HBR, 27 July, 2007**

In a letter to the Sahtu Land and Water Board (SLAWB) dated July 26th, 2007, the Mackenzie Valley Environmental Impact Review Board (MVEIRB) states that it has been reviewing the Land Use Permit (LUP) issued by the SLAWB, in order to exercise its option to order an Environmental Assessment of the project. Hunter Bay Resources Inc. (HBR) received an Information Request (IR) by email on July 30th, 2007, stating that the MVEIRB is "currently considering exercising this discretion with respect to the proposed Hunter Bay Resource development in the Sahtu region". Information Requests were directed to the Deline Renewable Resources Council (DRRC), Sahtu Renewable Resources Board (SRRB), GNWT Department of Environmental and Natural Resources, Sahtu Land Use Planning Board (NWT Protected Areas Strategy Secretariat) and HBR, with responses due into the MVEIRB prior to Wednesday August 8th, 2007, at 5:00 pm.

In response to the IR received, the company offers the following comments:

IR number 1.4

Additional Comments

The MVEIRB is considering two general issues which factor into deciding whether to call for an Environmental Review on the project:

- The area has been described as being very important to caribou
- Drill targets are located in areas which have been recently designated as either an area of interest by the NWT Protected Area Strategy or as a proposed Conservation Area as identified in the Draft Land Use Plan.

1. *Potential Impacts on Caribou*

The GNWT Department of Environment and Natural Resources, in a letter to the SLAWB dated May 15th, 2007, states that the proposed mitigation measures as presented in the HBR LUP application are not sufficient, and identifies three specific mitigation measures pertaining to caribou that it considers necessary. HBR, in its May 5th, 2007, reply to this letter, fully agrees to implement the mitigation as suggested. The company stated in this letter that HBR is aware our project area occurs within the range of the Bluenose-East barrenground caribou herd as well as on the eastern edge of the Boreal Woodland caribou range, and will follow recommendations to reduce potential impact to caribou. Specifically, HBR agrees:

- No mineral salt licks are known in the project area. If any are identified through the course of our exploration, HBR will endeavor to maintain a 500 metre buffer zone between any development activities and the salt lick to minimize any disturbance to the animals
- We are prepared to *immediately* shut down drilling operations if caribou are encountered within 500 metres of the site. Operations will resume *only* when the caribou are further than 500 metres away from a drill site. HBR has hired two environmental monitors through the DRRC at a cost of \$650 a day per person. They will be on hand to ensure that our activities do not do anything which will in any way disturb any caribou.
- HBR recognizes the importance of water crossings to caribou, and will work closely with the Wildlife Monitor to ensure no disturbances to caribou result from any drilling activity in the vicinity of a recognized caribou water crossing. Our drill sites will be operational for a brief period of time in each location. HBR feels that by working closely together with the Wildlife Monitor and by being aware and sensitive to the needs of any caribou that may come through, we can successfully mitigate any potential disruptions to caribou in the area through the plans we have in place. We will be working together with the Sahtu Renewable Resources Board to obtain collared caribou locations, and can alter our schedule to work around any ingress of caribou onto our project area.

The company strongly feels that by fully adopting the mitigating measures proposed by both the GNWT Department of Environment and Natural Resources and the SRRB, that we are significantly reducing any possible adverse impact on the environment due to our activities.

The company has conformed to all requests for further mitigating measures, and will continue to conform to requests provided by agencies involved. HBR is striving to do everything possible to respect and protect the caribou in the area.

2. Consultation and Public Concern

The company has made several presentations in Deline to a variety of agencies, and has held Public Consultations open to the entire community. Large scale maps were presented during the meetings and page sized copies were made available as hand-outs. The maps showed the recognized boundaries of the Sahtu Settlement area with respect to the claim boundaries of HBR. Project areas within these claims were identified, including the Hunter Bay / Sloan Project area, the Boadway Project, Stevens Island (Sahtu) Project, Mariner Project and Tommy Lake / Mile Lake Project areas. The maps clearly showed the outline of the Sahtu Settlement Area and the claim boundaries of HBR. Detailed maps of the claim area highlighted the proposed drill targets and the proposed camp location.

HBR feels that the DRRC has been adequately consulted in regards to its LUP application. The company has provided full and complete maps of our area of interest



with our project areas clearly indicated on such. As well, the company has outlined exactly where our property sits in relation to the Sahtu Settlement Area, and paid for a professional TEK study to be conducted to identify any areas deemed to be culturally or environmentally sensitive. The community of Deline and specifically the DRRC has had every opportunity to be able to identify any specific areas within our claim block. HBR has been and continues to work closely with the community of Deline on this project

3. Intent of the Draft Land Use Plan

A May 18th, 2007, letter by the SLAWB states the draft plan is not legally binding. This is reinforced with a June 27th, 2007, letter from INAC emphasizing that the draft plan is not legally binding.

The start of any program is a time for all parties to understand each other. The company remains firmly committed to working closely with all agencies and peoples involved to the best of our ability to ensure there are no adverse environmental impacts resulting from our exploration activities.

Sincerely,

A handwritten signature in black ink, appearing to read "W. Kushner", with a long horizontal flourish extending to the right.

Willie Kushner
Project Geologist, Hunter Bay Resources