

TABLE OF CONTENTS

| | | |
|------------|---|-------------|
| 17 | ABORIGINAL GROUPS CONSULTATION | 17-1 |
| 17.1 | Introduction | 17-1 |
| 17.1.1 | Consultation Requirements and Overview | 17-2 |
| 17.1.2 | Defining the Consultation Area..... | 17-3 |
| 17.1.3 | Integration of Traditional Knowledge | 17-4 |
| 17.2 | Pre-Application Consultation – Overview | 17-7 |
| 17.2.1 | Consultation Objectives and Standards | 17-7 |
| 17.2.2 | Consultation Tools | 17-8 |
| 17.2.2.1 | Project Presentations to Aboriginal Leadership | 17-8 |
| 17.2.2.2 | Meetings | 17-9 |
| 17.2.2.3 | Effects Assessment Meetings and Feedback | 17-9 |
| 17.2.2.4 | Joint Implementation Committees | 17-9 |
| 17.2.2.5 | Community Meetings/Open Houses | 17-10 |
| 17.2.2.6 | Site Tours | 17-10 |
| 17.2.2.7 | Minerals and Mining Education | 17-10 |
| 17.2.2.8 | Traditional Land Use Studies | 17-10 |
| 17.2.2.9 | Archaeological Impact Assessment | 17-10 |
| 17.2.2.10 | Project Updates and Correspondence | 17-10 |
| 17.2.2.11 | Socio-economic Initiatives and Training | 17-11 |
| 17.2.2.12 | Blackwater Project EA Working Group | 17-12 |
| 17.3 | Pre-Application Consultation by Aboriginal Group | 17-12 |
| 17.3.1 | Lhoosk’uz Dene Nation | 17-12 |
| 17.3.1.1 | Consultation Activities | 17-13 |
| 17.3.1.1.1 | Meetings and Presentations..... | 17-13 |
| 17.3.1.1.2 | Effects Assessment Meetings | 17-14 |
| 17.3.1.1.3 | Written Communications | 17-15 |
| 17.3.1.1.4 | Site Tours | 17-15 |
| 17.3.1.1.5 | Agreements | 17-16 |
| 17.3.1.1.6 | Traditional Land Use Studies | 17-16 |
| 17.3.1.1.7 | Socio-economic Studies..... | 17-17 |
| 17.3.1.1.8 | Capacity Building..... | 17-17 |
| 17.3.1.2 | Environmental Assessment Procedures | 17-18 |
| 17.3.1.2.1 | Blackwater Project Environmental Assessment Working Group | 17-18 |
| 17.3.1.2.2 | Draft Application Information Requirements | 17-18 |
| 17.3.1.2.3 | Consultation Planning and Reporting..... | 17-19 |
| 17.3.1.3 | Key Comments and Concerns | 17-19 |
| 17.3.2 | Nadleh Whut’en First Nation | 17-25 |
| 17.3.2.1.1 | Consultation Activities | 17-25 |
| 17.3.2.1.2 | Meetings and Presentations..... | 17-25 |
| 17.3.2.1.3 | Written Communications | 17-26 |
| 17.3.2.1.4 | Site Tours | 17-26 |
| 17.3.2.1.5 | Agreements | 17-26 |
| 17.3.2.1.6 | Traditional Land Use Studies | 17-26 |
| 17.3.2.1.7 | Socio-economic Studies..... | 17-26 |
| 17.3.2.1.8 | Capacity Building..... | 17-27 |
| 17.3.2.2 | Environmental Assessment Procedures | 17-27 |

TABLE OF CONTENTS (cont.)

| | | | |
|----------|------------|---|-------|
| | 17.3.2.2.1 | Blackwater Project Environmental Assessment Working Group | 17-27 |
| | 17.3.2.2.2 | Draft Application Information Requirements | 17-27 |
| | 17.3.2.2.3 | Consultation Planning and Reporting..... | 17-27 |
| 17.3.2.3 | | Key Comments and Concerns | 17-29 |
| 17.3.3 | | Saik'uz First Nation..... | 17-31 |
| | 17.3.3.1.1 | Consultation Activities | 17-31 |
| | 17.3.3.1.2 | Meetings and Presentations..... | 17-31 |
| | 17.3.3.1.3 | Effects Assessment Meetings | 17-32 |
| | 17.3.3.1.4 | Written Communications | 17-33 |
| | 17.3.3.1.5 | Site Tours | 17-33 |
| | 17.3.3.1.6 | Agreements | 17-34 |
| | 17.3.3.1.7 | Traditional Land Use Studies | 17-34 |
| | 17.3.3.1.8 | Socioeconomic Studies | 17-34 |
| | 17.3.3.1.9 | Capacity Building..... | 17-34 |
| 17.3.3.2 | | Environmental Assessment Procedures | 17-35 |
| | 17.3.3.2.1 | Blackwater Project Environmental Assessment Working Group | 17-35 |
| | 17.3.3.2.2 | Draft Application Information Requirements | 17-35 |
| | 17.3.3.2.3 | Consultation Planning and Reporting..... | 17-36 |
| 17.3.3.3 | | Key Comments and Concerns | 17-37 |
| 17.3.4 | | Stellat'en First Nation | 17-41 |
| | 17.3.4.1.1 | Consultation Activities | 17-41 |
| | 17.3.4.1.2 | Meetings and Presentations..... | 17-41 |
| | 17.3.4.1.3 | Effects Assessment Meetings | 17-42 |
| | 17.3.4.1.4 | Written Communications | 17-42 |
| | 17.3.4.1.5 | Agreements | 17-42 |
| | 17.3.4.1.6 | Traditional Land Use Studies | 17-43 |
| | 17.3.4.1.7 | Socioeconomic Studies | 17-43 |
| | 17.3.4.1.8 | Capacity Building..... | 17-43 |
| 17.3.4.2 | | Environmental Assessment Procedures | 17-43 |
| | 17.3.4.2.1 | Blackwater Project Environmental Assessment Working Group | 17-44 |
| | 17.3.4.2.2 | Draft Application Information Requirements | 17-44 |
| | 17.3.4.2.3 | Consultation Planning and Reporting..... | 17-44 |
| 17.3.4.3 | | Key Comments and Concerns | 17-45 |
| 17.3.5 | | Ulkatcho First Nation | 17-49 |
| | 17.3.5.1 | Consultation Activities | 17-49 |
| | 17.3.5.1.1 | Meetings and Presentations..... | 17-49 |
| | 17.3.5.1.2 | Effects Assessment Meetings | 17-50 |
| | 17.3.5.1.3 | Written Communications | 17-51 |
| | 17.3.5.1.4 | Site Tours | 17-51 |
| | 17.3.5.1.5 | Agreements | 17-51 |
| | 17.3.5.1.6 | Traditional Land Use Studies | 17-52 |
| | 17.3.5.1.7 | Capacity Building..... | 17-52 |
| 17.3.5.2 | | Environmental Assessment Procedures | 17-53 |
| | 17.3.5.2.1 | Blackwater Project Environmental Assessment Working Group | 17-53 |
| | 17.3.5.2.2 | Draft Application Information Requirements | 17-53 |

TABLE OF CONTENTS (cont.)

| | | | |
|--------|------------|--|-------|
| | 17.3.5.2.3 | Consultation Planning and Reporting..... | 17-53 |
| | 17.3.5.3 | Key Comments and Concerns | 17-54 |
| 17.3.6 | | Nazko First Nation | 17-59 |
| | 17.3.6.1 | Consultation Activities | 17-59 |
| | 17.3.6.1.1 | Meetings and Presentations..... | 17-59 |
| | 17.3.6.1.2 | Written Communications | 17-59 |
| | 17.3.6.1.3 | Site Tour | 17-60 |
| | 17.3.6.1.4 | Agreements | 17-60 |
| | 17.3.6.1.5 | Capacity Building..... | 17-60 |
| | 17.3.6.2 | Environmental Assessment Procedures | 17-60 |
| | 17.3.6.3 | Key Comments and Concerns | 17-61 |
| 17.3.7 | | Skin Tye Nation | 17-65 |
| | 17.3.7.1 | Consultation Activities | 17-65 |
| | 17.3.7.1.1 | Meetings and Presentations..... | 17-65 |
| | 17.3.7.1.2 | Written Communications | 17-65 |
| | 17.3.7.1.3 | Agreements | 17-65 |
| | 17.3.7.1.4 | Traditional Land Use Studies | 17-65 |
| | 17.3.7.1.5 | Socioeconomic Studies | 17-66 |
| | 17.3.7.1.6 | Capacity Building..... | 17-66 |
| | 17.3.7.2 | Environmental Assessment Procedures | 17-66 |
| | 17.3.7.3 | Key Comments and Concerns | 17-66 |
| 17.3.8 | | Tsilhqot'in National Government | 17-68 |
| | 17.3.8.1 | Consultation Activities | 17-68 |
| | 17.3.8.1.1 | Meetings and Presentations..... | 17-68 |
| | 17.3.8.1.2 | Written Communications | 17-68 |
| | 17.3.8.1.3 | Site Visit..... | 17-68 |
| | 17.3.8.2 | Key Comments and Concerns | 17-68 |
| 17.3.9 | | Métis Nation BC..... | 17-70 |
| | 17.3.9.1 | Consultation Activities | 17-70 |
| | 17.3.9.1.1 | Meetings and Presentations..... | 17-70 |
| | 17.3.9.1.2 | Written Communications | 17-70 |
| | 17.3.9.1.3 | Sponsorship and Community Investment | 17-71 |
| | 17.3.9.2 | Key Comments and Concerns | 17-71 |
| 17.4 | | Application Review Consultation | 17-71 |
| | 17.4.1 | Proposed Consultation Activities and Events..... | 17-72 |
| | 17.4.2 | Proposed Methods and Processes to Resolve Outstanding Issues | 17-74 |

TABLE OF CONTENTS (cont.)

List of Tables

| | | |
|-----------------|--|-------|
| Table 17.1.2-1: | Aboriginal Groups Identified by the BC EAO and the Agency | 17-4 |
| Table 17.3.1-1: | Key Issues, Concerns, and Interests Expressed by Lhoosk'uz Dene Nation and Responses Provided by the Proponent | 17-21 |
| Table 17.3.2-1: | Key Issues, Concerns, and Interests Expressed by Nadleh Whut'en First Nation and Responses Provided by the Proponent | 17-30 |
| Table 17.3.3-1: | Key Issues, Concerns, and Interests Expressed by Saik'uz First Nation and Responses Provided by the Proponent | 17-38 |
| Table 17.3.4-1: | Key Issues, Concerns, and Interests Expressed by Stelat'en First Nation and Responses Provided by the Proponent | 17-46 |
| Table 17.3.5-1: | Key Issues, Concerns, and Interests Expressed by Ulkatcho First Nation and Responses Provided by the Proponent | 17-55 |
| Table 17.3.6-1: | Key Issues, Concerns, and Interests Expressed by Nazko First Nation and Responses Provided by the Proponent | 17-62 |
| Table 17.3.7-1: | Key Issues, Concerns, and Interests Expressed by Skin Tyee Nation and Responses Provided by the Proponent | 17-67 |
| Table 17.3.8-1: | Key Issues, Concerns, and Interests Expressed by Tsilhqot'in National Government and Responses Provided by the Proponent..... | 17-69 |
| Table 17.3.9-1: | Key Issues, Concerns, and Interests Expressed by Métis Nation BC and Responses Provided by the Proponent | 17-71 |
| Table 17.4.1-1: | Schedule of Consultation and Information Activities | 17-73 |

List of Figures

| | | |
|------------------|--|------|
| Figure 17.1.3-1: | Integration of Traditional Knowledge and Land Use Information into the Blackwater Gold Project Development..... | 17-6 |
|------------------|--|------|

List of Appendices

| | | |
|---------------|---|--|
| Appendix 17A: | Key Records of Contact for Aboriginal Groups (AMEC E&I) | |
|---------------|---|--|

17 ABORIGINAL GROUPS CONSULTATION

This section of the Environmental Assessment Application for an Environmental Assessment Certificate/Environmental Impact Statement (Application) provides an overview of the Aboriginal consultation objectives, approach, and tools employed by New Gold Inc. (Proponent) in the advancement of the proposed Blackwater Gold Project (the Project). This section summarizes the activities undertaken to inform and consult with each Aboriginal group during the Pre-application stage and the results achieved. It also describes the planned consultation activities for the Application review stage, including proposed methods and processes to resolve outstanding issues.

17.1 Introduction

The Proponent began engaging Aboriginal groups in April 2011 during acquisition of the mineral claims for the Project. Through early discussions with Aboriginal groups, the Proponent has focused on ensuring that each group is engaged in the Project in a way that is respectful and meaningful. In June 2011, an outreach program was established to raise the level of awareness and understanding of the Project within the Aboriginal communities that may be potentially affected by the Project. This outreach program included presentations to Aboriginal leadership, production and distribution of newsletters, open house events, site tours, and individual and community meetings. A community office was opened in Vanderhoof, British Columbia (BC) in May 2012 and staffed with a Community Relations Manager, a First Nations Coordinator, and an Office Administrator. In addition, a Project website (www.newgold.com/properties/projects/blackwater) was launched in 2012 to provide timely Project information including copies of technical studies such as environmental baseline reports, consultation opportunities, contact information, newsletters, a description of the environmental assessment (EA) process, and any related updates, as well as Frequently Asked Questions (FAQs) and answers.

The Proponent provided Project-related information and requested input from relevant Aboriginal groups in order to inform them about the Project from an early stage of development. The Proponent has entered into agreements with various Aboriginal groups to establish a structured consultation process to share information, including traditional land use (TLU) information, and to address their Project-related concerns and interests. These agreements were designed to provide a structure framework for dialogue and participation in the EA process, and capacity funding to support these activities.

Through the course of the consultation program conducted to date, Aboriginal groups have raised issues, concerns, and interests. Discussions with Aboriginal groups have covered Project components and activities, potential effects of the Project, as well as proposed measures to avoid, reduce, or otherwise mitigate the potential adverse effects of the Project. During consultation activities, the Proponent could not always easily determine when an Aboriginal group's expressed concern was confined to Project effects within their traditional territory. The Proponent has responded to all identified concerns by each Aboriginal group, even when their traditional territory was not expected to be affected by the Project activities. The Proponent has responded to the

Aboriginal groups in a respectful and timely manner and is committed to continue engaging with Aboriginal groups should the Project proceed to construction and operations.

While discussions with Aboriginal groups are ongoing and will continue throughout the life of the Project should it be approved, this section is a summary of the pre-filing Aboriginal consultation activities as they relate to the Project from April 2011 to the first quarter of 2014, consistent with the approved Aboriginal Groups Consultation Plan¹ (AGCP). It does not contain any information that, by arrangement with Aboriginal groups, is to be treated as confidential. Reference is made throughout this volume to other sections of the Application where related information can be found. This section also describes consultation activities that the Proponent plans to undertake during the Application review stage, including proposed methods and processes to resolve outstanding issues.

Sections 17.3.1 through **Section 17.3.9** present detailed discussions of consultation activities undertaken with each of the nine Aboriginal groups identified in **Table 17.1.2-1**. These sections also discuss issues, interests, and concerns raised by Aboriginal groups throughout the consultation process and how the Proponent has addressed those matters. Detailed assessments of potential Project effects on Aboriginal rights and other interests and proposed mitigation measures to address these effects are presented in **Section 15** Aboriginal Rights and **Section 16** Other Aboriginal Interests. Related material is also addressed in **Section 7.2.7** Current Land and Resource use for Traditional Purposes and **Section 3.3** Aboriginal Groups Information Distribution and Consultation. Consultation and engagement varies by Aboriginal group to align with regulatory requirements and guidance, and to match Proponent and Aboriginal group preferences. Consequently, the content of **Section 17.3.1** to **Section 17.3.9** also varies.

17.1.1 Consultation Requirements and Overview

The Project is subject to both the *Canadian Environmental Assessment Act, 2012* (Government of Canada, 2012) administered by the Canadian Environmental Assessment Agency (Agency) and the *BC Environmental Assessment Act* (BC EAA; Government of BC, 2002) administered by the BC Environmental Assessment Office (BC EAO). A coordinated federal and provincial environmental assessment will be conducted by the Agency and the BC EAO in accordance with the principles of the Canada–British Columbia Agreement for Environmental Assessment Cooperation (BC EAO, 2004).

Under the Coordinated Federal and Provincial Environmental Process, the Proponent prepares a single Application containing the information required to fulfill both provincial and federal requirements. Both the BC EAO and the Agency are responsible for determining the scope, procedures, and methods according to which the EA of the Project will be conducted, including the Aboriginal consultation requirements. The Application must include a summary of consultation activities undertaken with Aboriginal groups.

¹ Please note the Section 11 order requires an “Aboriginal Consultation Plan”. This document refers to it as an Aboriginal Groups Consultation Plan

Provincial consultation requirements are set out in the section 11 Order issued for the Project. The section 11 Order (**Appendix 2.3B**) specifies Proponent's consultation obligations related to Aboriginal groups during the pre-Application and Application review stages. This Order also instructs the Proponent to develop an AGCP describing how the Proponent intends to consult with Aboriginal Groups listed in Schedule B of the Order during the Pre-Application and Application review stages of the EA. The Environmental Impact Statement (EIS) Guidelines for the Blackwater Gold Project (**Appendix 2.4B**) also provide direction on Aboriginal consultation. The EIS Guidelines direct the Proponent to engage with Aboriginal people and groups that may be affected by the Project and to provide Aboriginal groups with relevant information to understand the Project and determine its impacts if any, on their Aboriginal rights and interests.

The Proponent has developed AGCP (**Appendix 3.3.1A**) to guide its activities and responsibilities in the consultation process with Aboriginal groups listed in Schedule B of the section 11 Order, as directed by the BC EAO. A draft of this Plan was provided to the Aboriginal groups listed in Schedule B for review and input prior its finalization. Comments and recommendations provided by Aboriginal groups were incorporated in the final Plan. This section will report on how the Proponent has implemented and met the consultation objectives stated in the Plan.

17.1.2 Defining the Consultation Area

Although the duty to consult lies with the Crown agencies responsible for regulatory approvals, the BC EAO recognizes that certain procedural aspects of consultation can be delegated to proponents. The BC EAO has formally delegated aspects of its consultation responsibilities to the Proponent through a section 11 Order distributed on 9 July 2013. The section 11 Order directs the Proponent to consult the following five Aboriginal groups (Schedule B Aboriginal Groups) with respect to the potential effects of the Project on their Aboriginal interests:

- Lhoosk'uz Dene Nation (LDN);
- Nadleh Whut'en First Nation (NWFN);
- Saik'uz First Nation (SFN);
- Stelat'en First Nation (StFN); and
- Ulkatcho First Nation (UFN).

In addition, BC EAO identifies the following three Aboriginal groups that are to be provided with notification of, and relevant information pertaining to, key milestones (Schedule C Aboriginal Groups):

- Nazko First Nation (NFN);
- Skin Tyee Nation (STN); and
- Tsilhqot'in National Government (TNG).

BC EAO directed the Proponent to implement additional measures for consultation with NFN. This included providing NFN with information on the Proponent's assessment of potential adverse effects related to the use of and potential upgrades to the Kluskus-Ootsa Forest Service Road

(FSR), and potential accidents and malfunctions along it. The Proponent continues to provide NFN with information about the Project, meet with NFN as requested, and provided a site tour for NFN representatives.

In addition to the Aboriginal groups identified above, the Agency identified the Métis Nation British Columbia (MNBC) as an Aboriginal group potentially affected by the Project, and instructed the Proponent to engage the MNBC. **Table 17.1.2-1** presents the Aboriginal groups currently identified by the BC EAO and the Agency for the Application.

Table 17.1.2-1: Aboriginal Groups Identified by the BC EAO and the Agency

| Aboriginal Group | Section 11 Order Schedule B | Section 11 Order Schedule C | EIS Guidelines |
|----------------------------------|-----------------------------|-----------------------------|----------------|
| Lhoosk'uz Dene Nation | ✓ | | ✓ |
| Nadleh Whut'en First Nation | ✓ | | ✓ |
| Saik'uz First Nation | ✓ | | ✓ |
| Stellat'en First Nation | ✓ | | ✓ |
| Ulkatcho First Nation | ✓ | | ✓ |
| Nazko First Nation | | ✓ | ✓ |
| Skin Tyee Nation | | ✓ | ✓ |
| Tsilhqot'in National Government | | ✓ | ✓ |
| Métis Nation of British Columbia | | | ✓ |

Note: EIS = Environment Impact Statement

In addition to engaging with the Aboriginal groups identified in **Table 17.1.2-1**, the Proponent has shared information with the Burns Lake Band, the Cheslatta Carrier Nation, the Esdilagh, Tsi Del Del, Xení Gwet'in and Toosey First Nations, and the Yunesit'in Government. The Proponent has also engaged in discussions with the Carrier Chilcotin Tribal Council (CCTC) and the Carrier Sekani Tribal Council (CSTC). The CSTC provides political and technical support to eight First Nations belonging to the CSTC Association, including the Nadleh Whut'en, Saik'uz, and Stellat'en First Nations. The CCTC provides support services to four communities, including the LDN and UFN.

17.1.3 Integration of Traditional Knowledge

Traditional Knowledge/Traditional Land Use (TK/TLU) refers to the unique knowledge held by Aboriginal peoples about the local environments in which they live. TK/TLU is often difficult to define; BC EAO defines it as “a body of knowledge built up over time, mainly through oral history. It includes an understanding of plants and animals, the functioning and management of ecosystems, and may entail knowledge of uses of certain species of flora and/or fauna for food, medicines, fuel or shelter” (BC EAO, 2006). Although it is not required, BC EAO encourages proponents to consider TK/TLU in EA applications.

The Proponent understands the importance of collecting TK/TLU information and ensuring it is considered. Individuals and families most dependent on local resources for spiritual, cultural, and basic needs are best positioned to articulate the importance of places, areas, and activities but also to share knowledge that is grounded in learned experience. With this in mind, the Proponent has implemented the following approaches to consider TK/TLU information:

- Funding TK/TLU-related studies for Aboriginal groups and collecting associated TK/TLU information directly where possible;
- Literature reviews;
- Focus groups and one-on-one interviews with knowledge holders;
- Interviews with Aboriginal trapline holders;
- Site tours with key community representatives including knowledge holders;
- Community meetings; and
- Informal discussions.

The collection and integration of TK/TLU information into the Project design, environmental management plans, Project permitting and ongoing monitoring during construction, operations, and closure is considered integral to Project development by the Proponent.

The Proponent provided funding for TK/TLU studies to four of the five Aboriginal Groups listed on Schedule B of the Provincial section 11 Order directing consultation activities (LDN, SFN, StFN, and UFN)). The Proponent is in discussions with the fifth group NWFN to complete these studies. In addition, the Proponent has completed an agreement with the STN (on Schedule C of the section 11 Order) to also complete TK/TLU studies.

Information from TK/TLU studies will be integrated when it is available, including during the Application review stage, and should an EA certificate be issued, subsequent permitting phase, construction, operations, closure, and post-closure phases. **Figure 17.1.3-1** illustrates how TK/TLU information will be integrated as the Project is developed.

The Proponent proposes to establish a TK/TLU Committee with participation of the Aboriginal groups on which territories the Project is located. The main goal of this committee will be to monitor Project development to ensure that the commitments made by the Proponent in regards to TK/TLU are being complied with. Some of these commitments involve but are not limited to facilitating access to areas of the mine site and reviewing the Project design and permits to avoid or minimize effects on sensitive areas. In addition, the Proponent will implement a Country Food Monitoring Program (CFMP) to ensure that baseline levels of contaminants in country foods are understood, and that possible changes in these levels are monitored and reported over the life of the Project. Results of the CFMP will help prevent any Project-related human health risks from consumption of country foods obtained from the study area. If metal concentrations increase to levels of concern, further consultation and planning to address necessary mitigation measures will be undertaken with regulators and Aboriginal groups (**Appendix 9.2.2B**).

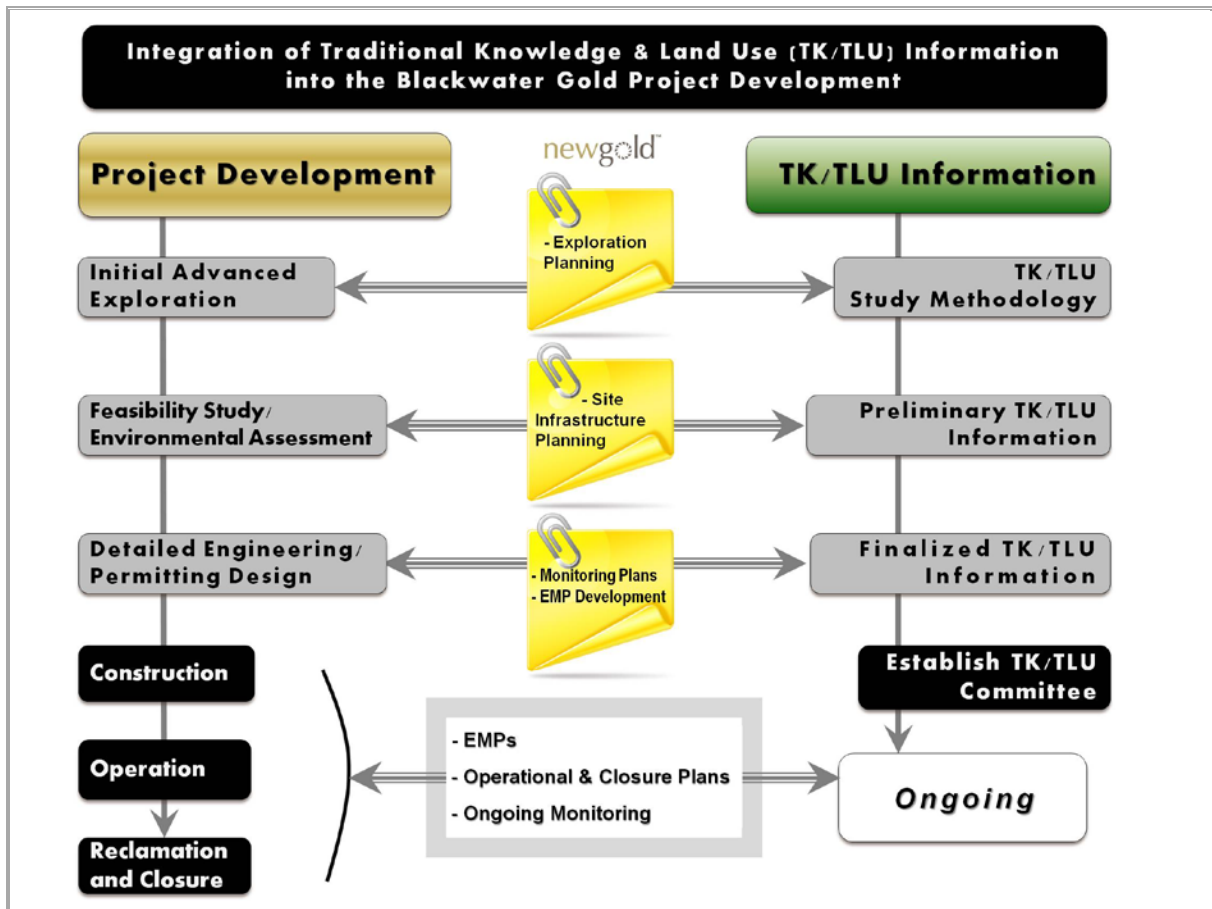


Figure 17.1.3-1: Integration of Traditional Knowledge and Land Use Information into the Blackwater Gold Project Development

Consultation activities with Aboriginal groups have been another valuable source for TK/TLU. Since 2011, the Proponent has provided site tours, attended numerous meetings with leadership, held/encouraged community meetings, and participated in one-on-one meetings with key community members (e.g., Elders and knowledge holders, land users such as trappers and harvesters). These activities have helped to identify issues and interests that are of traditional and cultural importance for Aboriginal groups. The information obtained has been disseminated regularly to the scientists and researchers involved in the Baseline studies and Application. In addition, numerous workshops have been held with key Application chapter authors to review relevant TK/TLU information (e.g., plant and wildlife species important to Aboriginal groups) as well as other comments and concerns raised by Aboriginal groups.

Secondary information on TK/TLU has also been considered (**Section 14**). Sources utilized include ethnographic studies, land and resource management plans, memoirs, and working papers. These sources have provided key TK/TLU information on traditional fishing, hunting, and plant food harvesting activities.

The Proponent treats TK/TLU information garnered through consultation activities carefully. Information that is not deemed confidential is captured in a formal information management system—the Stakeholder and Issues Information Management System (SIIMS). Confidential information was not shared publically but Project specialists reviewed and considered the information in the development of the effects assessments and mitigation and monitoring, as well as in other aspects of the Application. Most importantly, interests and TK/TLU was used to develop monitoring plans (e.g. Country Foods Monitoring Plan) and has affected the Project Design (**Appendix 9.2.2B**).

This database system allows for tracking and monitoring of contact information, types of contact/meetings held, the dates and times of contact, and a detailed summary of what was discussed. Information was distributed to appropriate scientific and research teams and was carefully considered and where appropriate incorporated into baseline studies, effects assessments, and mitigation and monitoring strategies. Examples of these changes include:

- The VC, ecosystem composition was modified to include an assessment of traditional use plants. 19 traditional use plants were added to the assessment including plant species identified for harvesting by First Nations.
- Input received from First Nations on issues related to caribou was incorporated in the effects assessment, mitigation and influenced the writing of the Wildlife Management Plan.
- A Country Foods Monitoring Program was included as part of the Application due to input from Aboriginal groups.
- As a result of input from Aboriginal groups, the Proponent proposes establishing an access management working group with First Nations and other representatives to develop access management strategies.

Input provided by Aboriginal groups played a critical role in the preparation of the Application, in particular the assessment of effects on current use of lands and resources.

Section 7.2.7 includes an assessment of potential Project effects on current land and resource uses for traditional purposes, and provides information on mitigation and avoidance methods. **Section 15** and **Section 16** identify potential effects on Aboriginal rights and other interests respectively. They also include information regarding how those potential effects may be mitigated or avoided.

17.2 Pre-Application Consultation – Overview

The following section describes the consultation objectives and tools employed by the Proponent during the pre-Application consultation period.

17.2.1 Consultation Objectives and Standards

The Proponent recognizes consultation must respect Aboriginal knowledge, culture, processes, and opinions. Ongoing dialogue between the Proponent and Aboriginal groups is important, and

the Proponent is committed to open and transparent communication and the continued enhancement of positive relationships with Aboriginal groups.

In accordance with the Aboriginal Consultation Plan, the objectives of the Proponent's Aboriginal Consultation Program are:

- Fulfill section 11 Order directives and the Application Information Requirements (AIR);
- Identify and understand Aboriginal groups' interests and rights the Project could potentially affect;
- Identify how Aboriginal groups wish to be consulted on an ongoing basis;
- Provide Aboriginal groups with timely and credible information on the Project and ensure meaningful discussion occurs;
- Seek Aboriginal groups' input into Project design and environmental studies;
- Seek Aboriginal groups' input into culturally appropriate approaches to mitigation or avoidance measures; and
- Discuss ways to avoid, reduce, or mitigate potential adverse effects of the Project on Aboriginal rights and interests and to identify ways to optimize potential benefits.

These consultation objectives aim to ensure that meaningful input from Aboriginal groups is included in the design of mitigation and avoidance measures and to identify ways to optimize benefits, resulting in a Project design that acknowledges and incorporates Aboriginal knowledge and input.

17.2.2 Consultation Tools

The following consultation tools were utilized during pre-Application consultation.

17.2.2.1 Project Presentations to Aboriginal Leadership

The Proponent delivered regular Project presentations to Aboriginal leadership. To date, over 45 formal presentations have been given. Presentations have focused on:

- Providing information about the Project, including updates or changes;
- Providing information on employment, training, and contracting opportunities;
- Gathering information on Aboriginal interests, including any concerns;
- Discussing potential Project effects on Aboriginal interests and proposed mitigation and management measures to address those effects;
- Providing information on the provincial and federal EA processes; and
- Furthering development of relationships with Aboriginal leadership.

17.2.2.2 Meetings

The Proponent regularly met with Aboriginal groups' representatives and individuals to provide Project updates and to address any comments or concerns about the Project. To date, over 150 in-person meetings have been held with Aboriginal representatives, trapline holders, and Elders. The focus of these meetings ranged from discussions regarding TLU to discussions regarding agreements, future planning, and employment opportunities.

17.2.2.3 Effects Assessment Meetings and Feedback

The Proponent met with Aboriginal groups, communities, and representation to disclose the results of effects assessments, discuss potential effects to Aboriginal rights and interests, and share proposals to avoid, mitigate or otherwise address effects as appropriate and obtain input into the mitigation proposed. These meetings provided Aboriginal groups with an explanation of:

- How information they provided through the consultation process had been addressed; and
- Proposed commitments and design-related decisions that have been made as a result of their input in the planning and assessment process.

The Proponent incorporated Aboriginal groups' input into the EA and Project design, where possible and practical, and addressed any issues and concerns through avoidance, mitigation, or management, as appropriate. For example, in response to concerns raised by Aboriginal groups and other stakeholders, the Proponent redesigned the mine site to avoid the Ungulate Winter Range (UWR) by modifying the tailings storage facility (TSF) to be located completely outside of the UWR. In addition, the use of the existing exploration road, which passes through UWR, will be discontinued and new access to the mine site is proposed. Access to the mine site will not be from the west but from the north starting at KM 124 of the Kluskus FSR. A summary table of concerns and interests expressed by all Aboriginal groups throughout the consultation process, the source of the input, and the Proponent's response is included in **Appendix 3.1.3B**.

Following the submission of the Application to BC EAO and the Agency, the Proponent will continue consultations with Aboriginal groups regarding the potential Project effects and proposed mitigation (**Section 17.4**).

17.2.2.4 Joint Implementation Committees

The Proponent has implemented two separate Joint Implementation Committees (JICs) with LDN and UFN to provide Aboriginal representatives with a collaborative forum for open and frank dialogue relating to implementing agreements the Proponent has with First Nations. The JICs also provide an opportunity for the Proponent and First Nations to share information, questions, comments, and concerns about the Project. Meetings occur quarterly. To end of the first quarter of 2014, eight JIC meetings have been held, four with LDN and four with UFN.

17.2.2.5 Community Meetings/Open Houses

The Proponent hosted and/or attended a number of community meetings and open houses to provide Aboriginal groups with information about the Project, answer questions, and discuss issues of importance.

17.2.2.6 Site Tours

The Proponent hosted site tours with members from the LDN, UFN, SFN, and individual trapline holders. Collectively, over 35 people from these communities have participated in these site tours, conducted both on the ground and by helicopter. Numerous invitations to participate in site tours have been extended to other Aboriginal groups. Additional tours to operating mines such as New Afton and Mount Milligan have also been provided to Aboriginal groups.

17.2.2.7 Minerals and Mining Education

The Proponent supported delivery of a mineral and mining educational course to Aboriginal groups (SFN, NFN). All of the other Schedule B First Nation groups were offered the training. The training (Mine Training 101) was delivered by the British Columbia Institute of Technology and funded by the Proponent. The course was delivered on-reserve and provided community members with a detailed introduction to the mining process, from exploration through EA, construction, operations, and reclamation. The purpose of the course was to ensure that community members learn about the mining process, thereby improving informed decision making in the communities.

17.2.2.8 Traditional Land Use Studies

The Proponent actively engaged Aboriginal groups in the collection and documentation of TLU. This information assisted in the assessment of the potential effects associated with the Project and provided insight into how potential effects can be avoided, mitigated, or managed, and, if necessary, accommodated. As part of this, the Proponent provided capacity funding to the LDN, SFN, STN, StFN, and UFN to complete TLU studies. The Proponent is committed to working with other First Nations (i.e. NWFN) in understanding TLU and knowledge in the region. Three TLU studies have been completed and considered in the preparation of the Application.

17.2.2.9 Archaeological Impact Assessment

All of the Schedule B Aboriginal groups were asked to participate in the related fieldwork. The Proponent actively worked with Aboriginal groups (LDN, UFN) to gain their participation in the Archaeological Impact Assessment (AIA) to support appropriate cultural engagement within the AIA process.

17.2.2.10 Project Updates and Correspondence

The Proponent has provided Aboriginal groups with information and updates about the Project on a regular basis and/or when significant Project milestones occurred (as appropriate), using various

means including newsletters, e-mails, and meetings. In addition, extensive telephone communication has been used to facilitate information sharing, arrange meetings and communicate regarding administrative tasks.

The Proponent developed and is maintaining a website (www.newgold.com) that includes information on topics such as a Project overview, the EA process, the environment, which includes status of and access to baseline studies, community initiatives including its work with Aboriginal groups, sustainability, the mine plan as well as a media section. Within the main links there are sub-links that allow users to sign-up to receive Project updates, and to review baseline reports and press releases, and to link to documents such as section 11 Order and EIS Guidelines. When requested, the Proponent also provides copies of materials such as baseline studies directly to the requesting Aboriginal group. Contact information, including e-mail and phone options, are provided as is a FAQ section that provides information on many topics important to Aboriginal groups.

The Proponent offered to provide results of baseline studies to all First Nations. Groups interested in reviewing the documents, were provided copies of the baseline study.

Input provided by Aboriginal groups played a critical role in the preparation of the Application, in particular the assessment of effects on current use of lands and resources.

17.2.2.11 Socio-economic Initiatives and Training

The Proponent will continue to develop a robust approach to provide socioeconomic benefits to Aboriginal groups potentially affected by the Project. A major focus has been on providing employment and economic opportunities to Aboriginal communities. The Proponent targets 25% Aboriginal employment and, although this proportion varies, during exploration there have been 50 workers of Aboriginal descent (approximately 28% of the total as of fall 2013). This has been achieved through close cooperation with Aboriginal communities. In addition, the Proponent has:

- Provided funding for Drill Core Technician/Field Exploration programs;
- Hosted Nazko First Nation youth from the BladeRunners employment program;
- Provided a number of contracting opportunities to Aboriginal businesses;
- Started a Contractor Registration Database to ensure local businesses are given priority in opportunities;
- Organized meetings between key Aboriginal representatives and the Proponent's Human Resources Manager and Project Engineer Manager to ensure communities were informed regarding upcoming employment and contracting opportunities; and
- Opened a Project Office in Vanderhoof where applicants are encouraged to drop off applications.

Training to prepare Aboriginal staff for employment during construction and operations of the mine is being explored with regional Aboriginal training institutions and local Aboriginal groups. In

addition, the Proponent encouraged Aboriginal groups to participate in the socioeconomic studies through interviews and focus groups.

17.2.2.12 Blackwater Project EA Working Group

In April 2013, the BC EAO and the Agency established the Blackwater Project Environmental Assessment Working Group to meet during the pre-Application phase of the EA process to provide technical advice to BC EAO with respect to concerns and information requirements related to the EA.

The Aboriginal groups invited to participate in the working group include the LDN, NWFN, SFN, StFN, and UFN.

Additional information regarding the working group and Aboriginal participation is included in **Section 3.1** and **Appendix 3.1.3A** AIR Tracking Tables, which provide a comprehensive list of concerns, comments, and issues raised by working group members during preparation of the AIR. **Section 3.1** also describes how these matters were dealt with, including changes made to the AIR, where applicable.

17.3 Pre-Application Consultation by Aboriginal Group

Since 2011, the Proponent has been proactive in establishing relationships and meeting with Aboriginal groups whose Aboriginal interests may potentially be affected by the Project. This is guided by the direction from the BC EAO in the section 11 Order that provides advice on the level of consultation and engagement required for Aboriginal groups listed in Schedules B and C (**Section 17.1.2**). The Proponent has engaged in consultation that has ranged from notification of key Project milestones for those Aboriginal groups where little to no potential adverse effects from the Project are anticipated, to structured consultations aimed at identifying, assessing, and addressing potential effects of the Project on those Aboriginal groups identified in Schedule B of the section 11 Order.

This section summarizes the pre-Application consultation activities that have been conducted with each Aboriginal group and provides a summary of the key issues, concerns, and interests identified during the engagement, as well as the Proponent's responses to those matters. Consultation information is presented for each Aboriginal group in the order in which they appear in the section 11 Order from the BC EAO.

17.3.1 Lhoosk'uz Dene Nation

The Proponent engaged the LDN soon after acquiring the mineral rights. Since that time, the Proponent has continued to develop the relationship with the LDN through the Chief and Council, as well as other LDN representatives. Consultation between the parties has been tailored to meet the LDN's interests through creation of a formal process captured in the Exploration Agreement negotiated between the LDN and the Proponent. The Agreement describes how consultation activities will be carried out with the LDN. It defines a consultation process to address Project-

related issues, sets forth an agreement as to the frequency and location of meetings with the community and with leadership, and provides for the sharing of information through formal Conclusion Reports.

The sections below describe the pre-filing consultation that has occurred with the LDN from April 2011 until August 2014. A summary of key communications between the LDN and the Proponent and additional consultation conducted with LDN from May 2014 to November 2014 is summarized in **Appendix 17A** (Summary of Communications with Aboriginal Groups)

17.3.1.1 Consultation Activities

Consultation activities between LDN and the Proponent during this period included meetings and presentations, written communications, agreement negotiations, a TK/TLU study, socioeconomic interviews, JIC meetings, capacity building, community gatherings, and site tours.

17.3.1.1.1 Meetings and Presentations

Over 26 in-person recorded meetings were held with the LDN and the Proponent representatives from August 2011 to the first quarter of 2014. Details with respect to these meetings are included in the summary of communications in **Appendix 17A**.

Three of these meetings included formal presentations to the LDN community. On 8 September 2011, LDN organized a community gathering regarding its Community Audit and invited the Proponent to provide the community with a Project introduction. It was held at the Kluskus 1 Reserve and was open to all LDN members. The Proponent provided a second presentation to the community on 29 November 2012 during the LDN Annual General Assembly. The presentation described the Project, its schedule, and the EA process. During the presentation, an LDN member noted the Project was in close proximity to their family trapline (TR0512T027). The Proponent met with the individual and other family members, and continues to engage with the family on this issue. In 2013, the Proponent proposed additional dates for community meetings with LDN; however, during this time a mutually agreeable date was not reached.

On 6-7 August 2014, LDN organized a large community meeting in the Kluskus Village to discuss matters of interest to its members. The Proponent was asked to present on 6 August 2014. During the 2-hour presentation, the Proponent described the Project, its timelines, employment opportunities and 2014 Project goals. In addition, the Proponent reviewed the key concerns raised by LDN members since consultation commenced and how the Proponent intends to address the concerns. To facilitate additional feedback from LDN members, the Proponent provided members with feedback forms (forms where members can provide input, document concerns or request additional information), Project newsletters, and Project Office Business Cards. The Proponent and LDN continue to communicate about additional community meetings including a meeting proposed for the fall of 2014 as well as community meetings for the Application review stage (**Section 17.4**).

In addition to community meetings, over 20 meetings were held with LDN representatives since the Project commenced. In 2011, the Proponent met with LDN leadership twice to introduce the Project and discuss issues of importance to LDN including water quality, archaeological sites, wildlife, and employment and training opportunities. In 2012, the Proponent and LDN leadership continued to meet regularly to discuss aspects of the Project. The Proponent also began meeting with LDN residents to discuss upcoming field work taking place nearby or to obtain information about the use of nearby traplines. In 2013, the Proponent and LDN representatives met a number of times to obtain socioeconomic data, continue Project related discussions, and support employment and training initiatives.

In total, the Proponent and LDN representatives participated in four JIC meetings. The meetings provided opportunities for both parties to share information, questions, comments, and concerns about the Project. JIC meetings also provided an opportunity for the Proponent to gain insight into issues, comments, or concerns held by the LDN. To date, expressed interests have focused on increasing employment and training opportunities for LDN members, providing contracting opportunities to the LDN, addressing concerns about the tailings and how ongoing monitoring will be conducted, and clarifying the Project's incinerator permit, the EA process, and the permitting process.

The Project overlaps two traplines registered to members of the LDN (TR0512T014 and TR0512T027). Eight in-person meetings and site tours were held with the registered LDN trapline holders. During the meetings, the Proponent described the Project and its potential effects and requested information on the current use of these traplines. The meetings provided important information into past and present land uses in the area as well as information on sites of importance to LDN people. This information was disseminated to scientific and research teams for consideration in the EA. The Proponent will continue to meet with trapline holders during the Application review stage to address their concerns and interests.

17.3.1.1.2 Effects Assessment Meetings

The Proponent and LDN have met to discuss potential effects of the Project on Aboriginal rights and interests and share proposals to avoid, mitigate or otherwise address effects as appropriate. Effects Assessment meetings with LDN commenced in October 2013 when the Proponent and its consultants delivered a presentation to an LDN representative and other federal and provincial Working Group members regarding preliminary water quality modeling results. In December 2013 the Proponent met with LDN representatives and other stakeholders to explain the fish habitat evaluation underway and the instream flow modeling results.

In 3 March 2014, the Proponent delivered a presentation to various representatives including LDN regarding the groundwater modelling and effects assessment results. On 21 March 2014, the Proponent met LDN representatives in Quesnel to specifically discuss the potential effects of the Project on LDN interests. The objectives of the meeting were to:

- Provide an overview of the issues, concerns, and interests of the LDN that were identified through the consultation process, and discuss how these were reflected in the AIR and EA;

- Review and seek input from the LDN regarding potential Project effects on the exercise of their Aboriginal rights; and
- Present information and request input from the LDN regarding proposed mitigation measures.

During this meeting the Proponent provided an update regarding progress on the draft AIR and EA process. Copies of presentations and supporting documents were made available to the LDN for further review and analysis. No new issues were identified through these discussions and representatives indicated that meaningful feedback on the assessment of potential effects and adequacy of proposed mitigation will be provided during the Application review phase.

On 2 April 2014, the Proponent met with representatives from LDN, the Agency and BC EAO to discuss issues and comments raised by LDN pertaining to potential effects on its Aboriginal rights and interests. Key items of importance to LDN included potential effects on water quality, wetlands, wildlife and wildlife habitat (in particular moose), fish (Char, Lingcod, Mountain Whitefish), and cultural practices. The Proponent proposed a number of methods to avoid, mitigate or otherwise address effects as appropriate and these matters were discussed with LDN.

A copy of the Wildlife Management Plan was also provided to LDN in the second quarter of 2014.

17.3.1.1.3 Written Communications

In addition to meetings, there have been ongoing, extensive written communications between the LDN and the Proponent via letters, faxes, and e-mails. These are included in the summary of communications in **Appendix 17A**. The Proponent issues regular newsletters with updates at Project milestones about the Project to the LDN.

The Project baseline studies are available on the Project website, including Air Quality, Archaeology, Economic, Environmental Health, Fish and Aquatic Resources, Noise, Social, Soils, Terrain, and Surficial Geology, Vegetation, Water and Sediment Quality, Wetlands, and Wildlife and Wildlife Habitat. The Proponent contacted the LDN to inform them that the baseline studies were available on the Project website for their access and review and requested feedback from them.

17.3.1.1.4 Site Tours

The Proponent hosted four site tours of the Project site for LDN representatives. The first tour was conducted on 3 November 2011 and involved a two-day helicopter overflight of the Project area as well as a ground inspection of the area. On 13 September 2012, the Proponent provided an Elder residing at the Tatelukus Lake #28 Reserve with a tour of the Project site and lunch at the camp. A similar tour was provided to a trapline holder (TR0512T014) on 18 June 2013.

In addition to tours of the Project site, the Proponent also arranged for LDN members to undertake a number of other related tours. On 24 October 2011, the Proponent arranged for the LDN to conduct a site visit of the New Afton Mine near Kamloops, BC. The Proponent, the Skeetchestn

Indian Band, the Tk'emlúps te Secwépemc, and LDN representatives (including the LDN Chief, a number of Councillors, youth, and administration team) toured the New Afton Mine. The goal was to provide the LDN with an opportunity to gain insight into the Participation Agreement that the Proponent has with Stk'emlupsemc and to demonstrate how the Proponent operates a producing mine. In addition, members of the LDN attended the grand opening of the New Afton Mine as guests of the Proponent in September 2012.

In response to LDN's request to view an *operating* open pit mine, the Proponent arranged a tour of the Mount Milligan Mine for two LDN representatives on 26 August 2014. It included a full tour of the mine site including: the access road, operations center, and the open pit, an up close view of the crusher, processing plant and construction camp.

17.3.1.1.5 Agreements

Ongoing discussions with the LDN regarding agreements began in 2011. On 30 November 2011, the LDN and the Proponent signed an Exploration Agreement outlining how the two parties would cooperate on matters such as consultation protocols, employment and contracting, the EA, and JIC meetings. The Exploration Agreement also provides capacity funding to the LDN in order to facilitate its participation in the EA and complete a TK/TLU study.

Meetings continued through to 2014 with the aim of negotiating a mutually beneficial Participation Agreement between the Proponent and LDN. This arrangement, if entered into, could provide further provisions for economic benefits, ongoing participation, employment and education opportunities, and measures for local cultural and environmental protection.

17.3.1.1.6 Traditional Land Use Studies

The Proponent and the LDN engaged in a number of discussions to determine a process for collecting TLU information for the Project. With the signing of the Exploration Agreement in 2011, the LDN and the Proponent agreed on a framework to guide the Proponent's treatment and use of confidential information provided by the LDN. Pursuant to the Exploration Agreement, the Proponent has also provided the LDN with financial support to undertake a Land Use and Occupancy study. The study, titled An Ethnohistory of LDN Traditional Territory, was completed and provided to the Proponent in September 2013. The study examined historical and ethnographic evidence regarding Aboriginal ownership, occupation, and use of LDN traditional territory. It also conducted ethnographic research on LDN social organization, genealogy, land ownership, and inheritance. The study was considered in the development of the Project's effects assessments and mitigation and monitoring plans as applicable (**Section 7.2.7**, **Section 15**, and **Section 16**). **Section 7.2.7** relies heavily on the TK/TLU information provided by LDN to understand how the Project may interact with the ways LDN members use the land. It was used in Part C to understand how the Project may interact with the identified Aboriginal rights and interests of LDN.

17.3.1.1.7 Socio-economic Studies

The Proponent engaged LDN membership in the socioeconomic study program. The purpose of the study was to validate information collected from secondary sources and to obtain a better understanding of the social, economic, and land use characteristics of LDN people. During 2013, the Proponent met with various LDN knowledge holders to gather information. The meetings provided the Proponent with insight into how the Project may potentially affect (both positively and negatively) the rights and interests of LDN people.

17.3.1.1.8 Capacity Building

The Proponent has had ongoing discussions with the LDN about various capacity initiatives. In May 2013, the Proponent provided funding for the LDN to hire a full-time coordinator to assist on aspects related to the Project. The Proponent will pay the coordinator until the end of the Application review stage. The role of the coordinator is to act as a liaison between the Proponent and the LDN on matters related to lands, permitting, employment, and other topics.

The Proponent remains committed to capacity building through provision of contracting and employment opportunities.

The LDN expressed an interest in being involved in any studies conducted in LDN's traditional territory. The Proponent facilitated participation of LDN members in the wildlife and archaeology baseline studies. The underlying fieldwork for these studies where Aboriginal people were involved was conducted in 2013. During this time, LDN participants worked in the field with various consultants for the studies occurring in LDN's traditional territory. The Proponent also hired a member of the LDN as an Environmental Monitor for the Project. This person is being mentored by a number of consultants and has received Environmental Monitoring Training at Northwest Community College; the Proponent funded this training.

The Proponent provided funding for LDN citizens to attend a Drill Core Technician basic training course at Northwest Community College where students develop and apply the technical skills to observe, measure, and record information from diamond drill core work, while learning to safely handle core boxes, use core splitters, and core samples. A number of LDN citizens attended the course and the Proponent hired a number of those participants.

The Exploration Agreement addresses how training activities will be conducted. This includes development of a relationship with the BC Aboriginal Mine Training Association where the Proponent sponsors training opportunities for LDN members in order to assist them in securing employment with the Project.

In addition, LDN members are employed at the exploration camp. The Proponent is collecting and retaining resumes of LDN members interested in employment with the Project.

The Proponent provided funding for two members of the LDN to attend the Annual Minerals North Conference held in Vanderhoof on May 2014.

The Proponent also has had numerous discussions with LDN representatives to encourage LDN employment with the Project; these will continue.

17.3.1.2 Environmental Assessment Procedures

The LDN and the Proponent have had many meetings, e-mails, and telephone conversations on procedures related to the completion of the EA. These included discussions regarding consultation, archaeology and heritage, and the AIR.

The Exploration Agreement defines a process for how consultation with the LDN should be carried out, focusing on opportunities for the LDN to participate in the EA process, including development of the AIR and identification of potential benefits and adverse effects, as well as strategies to enhance positive effects or avoid or mitigate adverse effects of the Project on LDN's Aboriginal interests.

17.3.1.2.1 Blackwater Project Environmental Assessment Working Group

As mentioned earlier, the BC EAO and the Agency formed the Blackwater Project Environmental Assessment Working Group in April 2013 and invited LDN representatives to participate as members of the WG. Through the Blackwater Project Environmental Assessment Working Group, the LDN had an opportunity to review and provide verbal and written comments on the selection of Valued Components (VCs) for the effects assessment, design of the baseline study programs, proposed environmental and socioeconomic studies, and any issues and information requirements related to the Project EA. Comments provided were considered in the development of the VCs and other aspects of the Application noted in this paragraph.

17.3.1.2.2 Draft Application Information Requirements

The BC EAO provided LDN members the opportunity to provide input into the AIR. LDN reviewed the first version of the AIR developed by the Proponent. Feedback was obtained from the LDN on matters related to potential effects on fish and fish habitat, water quality, potential spills and/or seepage, concerns about potential contamination of berry-picking sites, potential archaeological sites on trails near Mount Davidson, effects on migratory birds and mammals, and concerns regarding potential social effects associated with increased income and working schedules. The LDN provided additional input on the AIR on 28 October 2013 on matters related to the selection of VCs, in particular, fish, furbearers, and plant species and ecosystems at risk, and the assessment methodology to evaluate potential Project effects on Aboriginal rights. The LDN also provided input in March 2014. Feedback focused on potential effects on fish and fish habitat, wetlands and moose, concerns related to potential drinking water contamination and mammals that are relied upon as food sources, and methodology for assessing Aboriginal rights and title. Comments provided were considered in the development of the approved AIR, VCs and other aspects of the Application noted in this paragraph. The draft AIR Issues Tracking Table (**Appendix 3.1.3A**) presents all input gained from LDN as it pertains to the AIR, as well as the Proponent responses and actions taken.

17.3.1.2.3 Consultation Planning and Reporting

As directed in the section 11 Order, the Proponent developed an Aboriginal Groups Consultation Plan (**Appendix 3.3.1A**) to guide its activities and responsibilities in the consultation process with Aboriginal groups listed in Schedule B, including the LDN, during the pre-Application and Application review stages. A draft of the AGCP was provided to the LDN for review and comments on 25 October 2013. The Proponent received comments from the LDN in December 2013 and these comments were incorporated in revised versions of this Plan.

In addition, pursuant to subsections 11.1.5 and 11.1.6 of the section 11 Order, the Proponent prepared consultation reports summarizing the progress of the consultation activities undertaken with the LDN in relation to the Project, as specified in the AGCP. This report was provided to the LDN for comments together with the draft AGCP on 25 October 2013. The Proponent received comments from LDN in December 2013 and these comments were considered in the EA and are included in this section.

The Proponent prepared a second consultation report on the progress and results of the consultation activities undertaken with the LDN as specified in the AGCP. This report was shared with the LDN for review and comments on 7 April 2014.

Pursuant to subsection 11.1.7 of the section 11 Order the Proponent provided LDN with a third consultation report summarizing consultation between May and November 2014 with LDN on November 12, 2014 (**Appendix 3.3.1B** Aboriginal Groups Consultation Reports (November 2014)). The report builds on the Proponent's September 16, 2014 letter, which outlined consultation to date and proposed further consultation. The LDN were asked by the BC EAO to provide comments on the LDN consultation report prepared by the Proponent as part of the EAO's assessment of the adequacy of consultation pursuant to the section 11 Order (July 2013). Additional issues raised in the Aboriginal Groups Consultation Reports were added to the Issues Tracking Table in **Section 3 (Appendix 3.1.3B)**.

17.3.1.3 Key Comments and Concerns

The Proponent has tracked the issues, concerns, and interests identified by the LDN throughout the consultation process. A summary of these issues, concerns, and interests, and how the Proponent has considered and addressed them is provided in **Table 17.3.1-1**. These issues, concerns, and interests have informed the identification and assessment of potential effects of the Project on the LDN Aboriginal rights and other interests. Detailed assessments of these effects and proposed mitigation measures to address adverse effects are presented in **Section 15** Aboriginal Rights and **Section 16** Other Aboriginal Interests. Many of the issues, concerns, and interests raised by Aboriginal groups are also addressed in **Section 7.2.7** Current Land and Resource use for Traditional Purposes.

A detailed Aboriginal issues tracking table that documents the issues and concerns raised by Aboriginal groups until November, 2014 along with the Proponent's responses is included in **Appendix 3.1.3B2**. Issues documented in **Appendix 3.1.3B2** were raised via the consultation

process (e.g. during meetings with Aboriginal leadership, community meetings, and in communication with the Proponent), LDN comments on the AIR are included in **Appendix 3.1.3A**, and are not carried over into **Appendix 3.1.3B2**.

Table 17.3.1-1 summarizes the key issues LDN raised through the consultation process in addition to through the Ethnohistory of LDN Traditional Territory report, LDN comments on the AIR, and in LDN socio-economic interviews.

Table 17.3.1-1: Key Issues, Concerns, and Interests Expressed by Lhoosk'uz Dene Nation and Responses Provided by the Proponent

| Topic | Issues/Concerns/Interests | Asserted Rights/Other Interests Potentially Affected | Proponent Response |
|--|--|--|---|
| Aquatic Resources Fish and Fish Habitat | Potential effects on water quality and how that may affect water users, and fish and fish habitat in Tatelkuz Lake and in the Nechako Reservoir | Fishing; interest in water resources | <p>Additional surface and groundwater monitoring stations were established as part of the baseline program. Results of all water quality sampling will continue to be posted for Aboriginal groups' review. Water will be monitored on an ongoing basis throughout the life of the Project and post-closure. Surface water and sediment quality will meet applicable provincial and federal standards downstream of the mine site to avoid effects on fish, furbearers, or other animals that use those waters. The mine site will aim to operate as a zero discharge facility during operations and closure. Erosion and sediment control measures, including control matting, rip-rap, and hydro-seeding will be implemented to protect erodible soils from entering waterbodies. Design and operational procedures to limit risks associated with malfunctions and accidents will be implemented. Establish a group including affected Aboriginal group representatives to discuss access management for the transmission line corridor and the mine site. The Proponent will implement environmental management plans, addressing mine water management; water quality and liquid discharges management; transportation and access management; emergency and spill preparedness and response; landscape, soils, and vegetation management and restoration; erosion and sediment control; aquatic resources management; and wetlands management (refer to Section 12.2 for additional information). The Proponent will implement a Country Foods Monitoring Plan around the mine site to monitor species that represent potential pathways for metals concentrations in country foods. Metal concentrations in a set of indicator plants, mammals, and fish will be analyzed to assess levels against existing baseline levels. If metal concentrations increase to levels of concern, further consultation and planning to address necessary mitigation measures will be undertaken with regulators and First Nations. The drainage from the proposed mine site to the Nechako reservoir is approximately 50 km long and receives contributions from a large number of streams. It is not anticipated that water quality effects will occur in the Nechako Reservoir as a consequence of the Project. Details of the effects assessment on surface water flow and quality are presented in Section 5.3.2 and Section 5.3.3. The assessment of fish and fish habitat are presented in Section 5.3.8 and Section 5.3.9. The assessment of potential Project effects on Aboriginal rights and other interests are described in Section 15 and Section 16. Section 7.2.7 presents an assessment of Current Land Use for Traditional Purposes.</p> |
| | Potential effects from contamination (including acid rock drainage) of the water system and fish (Tatelkuz Lake, Tascha Lake, and/or Davidson Creek) | Fishing; Interest in water resources | <p>Tascha Lake is within the Blackwater drainage basin. The mine site was designed to be outside of the Blackwater drainage basin to avoid any potential effects. The mine site will aim to operate as a zero discharge facility during operations and closure. Surface water and sediment quality will meet applicable provincial and federal standards downstream of the mine site to avoid effects on fish, furbearers, or other animals that use those waters. During post-closure the mine site will discharge water back to Davidson Creek. This water will meet applicable provincial and federal quality standards to avoid effects on aquatic life and other wildlife. Details of the effects assessment on surface water quality is presented in Section 5.3.3. The assessment of fish and fish habitat are presented in Section 5.3.8 and Section 5.3.9. The Proponent will implement environmental management plans addressing mine water management; water quality and liquid discharges management; and aquatic resources management (Section 12.2). The Proponent will implement a Country Foods Monitoring Plan around the mine site to monitor species that represent potential pathways for metals concentrations in country foods. Metal concentrations in a set of indicator plants, mammals, and fish will be analyzed to assess levels against existing baseline levels. If metal concentrations increase to levels of concern, further consultation and planning to address necessary mitigation measures will be undertaken with regulators and First Nations. A Health Effects Assessment has also been conducted (Section 9.2).</p> |
| Vegetation | Potential displacement and contamination of berry-picking sites | Traditional plant harvesting | <p>Locations of berry sites where collection takes place were identified in the LDN TLU study and interviews with Elders and this information was considered in the EA. The following measures will be implemented to minimize or avoid effects on plants and plants gathering for traditional purposes: Establishing a group including affected Aboriginal group representatives to discuss access management for the transmission line corridor and the mine site; Minimizing the Project footprint; Implementing environmental management plans to reduce dust deposition, nitrogen deposition, and invasive species proliferation (Air Quality and Emissions Management Plan; Transportation and Access Management Plan; Landscape, Soils, and Vegetation Management and Restoration Plan; Invasive Species Management Plan); Including traditional use plant species habitat in reclamation prescriptions; Implementing design and operational procedures to limit risks associated with malfunctions and accidents; and Implementing a no plant harvesting policy for all workers while resident at the Project site. The Proponent will implement a Country Foods Monitoring Plan around the mine site to monitor species that represent potential pathways for metals concentrations in country foods. Metal concentrations in a set of indicator plants, mammals, and fish will be analyzed to assess levels against existing baseline levels. If metal concentrations increase to levels of concern, further consultation and planning to address necessary mitigation measures will be undertaken with regulators and First Nations. A Health Effects Assessment has also been conducted (Section 9.2). The assessment of potential Project effects on Aboriginal rights and other interests are presented in Sections 15 and 16, Section 7.2.7 presents the effects assessment on Current Land and Resource Use for Traditional Purposes that addresses changes in plant gathering activities. The effects assessment on Ecosystem Composition in Section 5.4.5 includes traditional use plant habitat as an indicator.</p> |

BLACKWATER GOLD PROJECT

APPLICATION FOR AN
ENVIRONMENTAL ASSESSMENT CERTIFICATE /
ENVIRONMENTAL IMPACT STATEMENT
ABORIGINAL CONSULTATION



| Topic | Issues/Concerns/ Interests | Asserted Rights/Other Interests Potentially Affected | Proponent Response |
|-------------|--|---|---|
| Mine Design | Effects from cyanide | Human health | <p>The mine site will aim to operate as a zero discharge facility during operations and closure. During post-closure water will meet applicable provincial and federal quality standards to avoid effects on aquatic life and other wildlife.</p> <p>The Proponent provided a fact sheet on cyanide and cyanide management. The Project will not treat waste rock with cyanide. Waste rock from the open pit will be disposed of at the waste rock dumps located adjacent to the open pit. Only the ore will be subject to treatment using a whole ore leach process. The tailings residue of this process will be deposited in the TSF after a cyanide destruction process has been applied. Mitigation measures for storage of cyanide include:</p> <ul style="list-style-type: none"> Use of ISOtainers that are designed for controlled dissolution upon delivery to the Project site; Storage at the transload facility is designed to minimize contact of solid cyanide with water (e.g., under a roof, off the ground, in specially designed containers); Adequate ventilation in the storage facility; Containment systems in place should there be spilled cyanide materials; and Warning signs to alert workers that cyanide is present. <p>Mitigation measures for the safe transport of cyanide include:</p> <ul style="list-style-type: none"> Cyanide off-loading and storage facilities will be located away from surface waters and within fenced and access-controlled boundaries with locked security fencing; Gas detectors in the off-loading and storage area; and Signage for workers. <p>Detail mitigation measures are presented in Section 12.2 Environmental Management Plans, which addresses mine site water management plan, and Section 10 Accidents and Malfunctions, which address risk mitigation for the transport of hazardous materials.</p> <p>The Proponent is a member of the International Cyanide Management Institute, adhering to the International Cyanide Management Code. The Proponent commits to have its mining operations audited by an independent third party from the Institute.</p> <p>The Proponent will implement a Country Foods Monitoring Plan around the mine site to monitor species that represent potential pathways for metals concentrations in country foods. Metal concentrations in a set of indicator plants, mammals, and fish will be analyzed to assess levels against existing baseline levels. If metal concentrations increase to levels of concern, further consultation and planning to address necessary mitigation measures will be undertaken with regulators and First Nations. A Health Effects Assessment has been conducted and is presented in Section 9.2.</p> |
| | Interest expressed in viewing an operating open pit mine | N/A | <p>The Proponent provided LDN representatives with a guided tour of the New Afton Mine on 24 October 2011.</p> <p>The First Nations involved in the New Afton Mine were present during the tour to assist LDN representatives in understanding their experience and involvement with a Proponent's mine currently in operation.</p> |
| | Interest expressed regarding environmental monitoring during reclamation | N/A | <p>Mine closure and reclamation are regulated under the BC <i>Environmental Assessment Act</i> and the BC <i>Mines Act</i>. A Reclamation and Closure Plan is presented in Section 12.2 of the Application. This plan includes management and monitoring strategies to verify reclamation success, and a timeline for reclamation and monitoring activities.</p> |
| Wildlife | Effects on caribou herds and UWR (e.g., loss of UWR from direct and indirect impacts, as well as effects related to wildlife mortality and caribou health) | Hunting | <p>The Proponent redesigned the mine site to avoid the UWR by modifying the TSF to be located completely outside of the UWR. In addition, a new mine access road will replace the existing exploration access road to the site. This new access road will avoid the UWR and will start at KM 124.5 of the Kluskus-Ootsa FSR as described in Section 2.2.</p> <p>The Proponent has developed mitigation and avoidance strategies through ongoing discussions with the Caribou Sub-working Group, these include:</p> <ul style="list-style-type: none"> Participating in regional wildlife and resource management initiatives (specifically for ungulates). Setting reclamation goals to re-establish later winter habitat. Decommissioning mine access roads at post-closure. Minimizing ground disturbance and damage to vegetation in areas adjacent to footprints by flagging or fencing sensitive habitats. Modifying the timing of clearing trees in lichen conifer forest habitat where caribou may feed. Implementing progressive reclamation using local native vegetation wherever possible. Restoring disturbed habitats at mine closure or developing habitats capable of supporting caribou. Implementing caribou awareness and protocols in regular safety and environmental orientations performed by the Project. Implementing invasive plant management techniques as defined in the Invasive Species Management Plan. Implementing dust control measures as defined in the Air Quality and Emissions Management Plan. Enforcing speed limits along the FSR and mine access road and implementing best management practices for road maintenance to reduce potential wildlife collisions. Prohibiting mine employees from hunting on mine site property. Implementing the environmental management plans addressing wildlife management; caribou management; transportation and access management; landscape, soils, and vegetation management and restoration; and invasive species management (Section 12.2). <p>The detailed effects assessment on caribou is presented in Section 5.4.11 and potential Project effects on Aboriginal rights and other interests are presented in Sections 15 and 16.</p> |
| | Effects on trapline holders (e.g., loss of trapline and effects to wildlife in area of the mine site) | Trapping | <p>The Proponent has met with all trapline holders in the proposed mine site area.</p> <p>The Project has been designed to minimize the entire footprint through effective Project design. Measures to mitigate the potential effects on trapping include the following:</p> <ul style="list-style-type: none"> Establishing a group including affected Aboriginal group representatives to discuss access management for the transmission line corridor and the mine site; Compensating affected trapline holders in accordance with industry and provincial protocols with associated proof of lost revenue; Prohibiting mine employees from trapping on mine site property; Informing holders of affected trapline areas of Project activities, schedules, and locations; |

BLACKWATER GOLD PROJECT

APPLICATION FOR AN
ENVIRONMENTAL ASSESSMENT CERTIFICATE /
ENVIRONMENTAL IMPACT STATEMENT
ABORIGINAL CONSULTATION



| Topic | Issues/Concerns/ Interests | Asserted Rights/Other Interests Potentially Affected | Proponent Response |
|-----------------|--|---|--|
| | | | <p>Locating and maintaining breaks in the rollback along the transmission line corridor to facilitate access to trapping trails during clearing; Disposing of wastes generated on site to limit the attraction of wildlife to the mine site (environmental management plans addressing industrial and domestic waste management, Section 12.2); Implementing design and operational procedures to limit risks associated with malfunctions and accidents (Section 10); and Implementing the respective environmental management plans (Section 12.2), addressing air quality and emissions management, transportation and access management landscape, soils and vegetation management and restoration, wildlife management, and visual resources and aesthetics management. Section 7.2.6 presents the effects assessment on Non-Traditional Land and Resources that considers the interaction of the Project footprint and activities against non-traditional land and resource uses, including registered traplines. Section 7.2.7 presents the effects assessment on Current Land and Resource Use for Traditional Purposes that addresses changes in hunting and trapping activities. Effects on wildlife, including animals that are trapped, have been assessed as presented in Sections 5.4.7 to 5.4.15. Effects on Aboriginal Rights are assessed in Section 15 and effects on other Aboriginal Interest are presented in Section 16.</p> |
| | Effects on migratory birds and mammals that may access water in the tailings ponds | Hunting and trapping | <p>Effects on water birds, including migratory birds, are assessed in Section 5.4.8. The effects assessment for mammals is presented in Sections 5.4.10 (Moose), 5.4.11 (Caribou), 5.4.12 (Grizzly Bear), 5.4.13 (Furbearers) and 5.4.14 (Bats). Surface water and sediment quality will meet applicable provincial and federal standards so as not to affect wildlife. Water will also be monitored on an ongoing basis throughout the life of the Project and after closure. The effects assessment on surface water quality and sediment quality is presented in Sections 5.3.3 and 5.3.4 of the Application. Section 13 provides details on follow-up monitoring and compliance reporting. Effects on Aboriginal Rights including hunting and trapping are assessed in Section 15. The Project will implement environmental management plans addressing wildlife management; transportation and access management; and landscape, soils, and vegetation management and restoration; mine water management; water quality and liquid discharges management (Section 12.2).</p> |
| Archaeology | Potential effects on archaeological and sacred sites | Use of Spiritual/Traditional Sites | <p>The LDN identified a number of sacred or culturally significant sites, none of which will be affected by the Project footprint. The following measures will be implemented to minimize or avoid effects on archaeological and cultural sites: Avoiding or minimizing potential effects during construction and mitigating effects through reclamation programs. Physical remains of cultural sites, such as cabins, archaeological sites, culturally modified trees, and trails have been fully documented. The environmental management plans (Section 12.2) addressing archaeological and heritage resource management will provide further opportunities to address cultural sites that may be identified; Informing workers of sensitive cultural areas, and implementing a policy of reporting and respectful use; Implementing the respective environmental management plans, addressing air quality and emissions management, transportation and access management, and visual resources and aesthetics management to address potential noise, emissions, and effects on visual resources; and Developing alternative access plans with Aboriginal groups, where access to or use of specific cultural sites needs to be altered or is impeded. Section 8.2.2 presents the effects assessment of archaeological sites. The assessment of Current Land and Resource use for Traditional Purposes is presented in Section 7.2.7 and addresses changes in other cultural and traditional uses of land.</p> |
| Traditional Use | Interest in completing a traditional use study was expressed. | Traditional land use | An LDN traditional land use study was completed and findings were incorporated into the EA as appropriate. |
| Employment | Interest expressed in employment and training with the Project and concerns about limited access to employment for those with limited skills | Economic development | <p>The Proponent is committed to increasing the percentage of Aboriginal employees by working closely with the employment and training officers in Aboriginal communities as well as with Band Councils to establish conditions at the Project that support a multicultural workforce. The Project will require a wide range of positions, many of which will be unskilled positions. In addition, the Project will provide opportunities for on-the-job training. Additional details on Project effects on Regional and Local Employment and Businesses are presented in Section 6.2.3. Environmental management plans are presented in Section 12.2 that addresses recruitment, training, and employment as a topic. The Proponent encourages Aboriginal employment. The Proponent's New Afton Mine has 23% Aboriginal employees and, the Project currently has 25% to 28% (self-declared).</p> |

BLACKWATER GOLD PROJECT

APPLICATION FOR AN
 ENVIRONMENTAL ASSESSMENT CERTIFICATE /
 ENVIRONMENTAL IMPACT STATEMENT
 ABORIGINAL CONSULTATION



| Topic | Issues/Concerns/ Interests | Asserted Rights/Other Interests Potentially Affected | Proponent Response |
|--------|--|---|--|
| Social | Concern expressed that in-migration of workers and increases to disposable income could bring additional social problems | Community well-being | <p>The Proponent will continue to provide new employees with a comprehensive site orientation and introduction to Project policies, including policies on drug and alcohol use. The Proponent will continue to employ drug and alcohol testing for employees.</p> <p>The following measures will be implemented to avoid or minimize potential social problems:</p> <ul style="list-style-type: none"> Provide construction and operations camps for workers; Implement a no drugs and no alcohol policy on site; Provide recreational facilities and activities for workers at the Project site; Provide a respectful workplace with no harassment and with safety and security, multicultural workforce considerations, and cultural awareness training; Offer counselling services to employees; Provide access to money management training; Deposit workers' salaries directly to their bank accounts; Work with local agencies to assist in monitoring community well-being and cooperate in taking corrective actions where appropriate. <p>Additional details are provided in Section 7.2. Social Effects Assessment and Section 16 Other Aboriginal interest.</p> |

Note: km = kilometre; FSR = Forest Service Road;
 LDN = Lhoosk'uz Dene Nation; N/A = not applicable; TSF = Tailings Storage Facility; UWR = Ungulate Winter Range.

17.3.2 Nadleh Whut'en First Nation

Engagement and consultation activities with the NWFN began in September 2012. The Proponent's objective was to engage the NWFN in a respectful manner. The Proponent has continued to develop the relationship with the NWFN Chief and Council, as well as other NWFN representatives.

This section describes the pre-filing consultation that has occurred from September 2012 until August 2014. A summary of communications between the NWFN and the Proponent as well as additional consultation conducted with NWFN from May 2014 to November 2014 is summarized in **Appendix 17A** (Summary of Communications with Aboriginal Groups).

17.3.2.1.1 Consultation Activities

Consultation activities between the NWFN and the Proponent included meetings and various forms of written communications.

17.3.2.1.2 Meetings and Presentations

From September 2012 until August 2014, six in-person meetings were held with the Proponent and NWFN representatives. These meetings, as well as additional meetings held from August 2014 to November 2014, are included in the summary of communications in **Appendix 17A**. During the initial two meetings, the Proponent introduced the Project and provided the background on the Project to Chief and Council, and the Band Manager. During the third and fourth meetings, the Proponent provided updated Project information and an overview of the timeline for the Project over the next few years. Discussions also included NWFN participation in the EA process.

A meeting was held on 11 July 2013, during which the Proponent answered questions regarding mine design, construction and operations workforces, the EA process, and the transmission line. NWFN expressed a need for capacity funding to properly participate in the EA. At the time of writing this report, negotiations towards a Capacity Funding Agreement between the parties are ongoing.

Other concerns raised during in-person meetings related to the water flow as it leaves the Project and concerns that NWFN food fish (e.g., spring salmon) may potentially be affected. In response, the Proponent provided NWFN with shape files of the Project and a map outlining the water flow direction.

In addition to the six in-person meetings, the Proponent has endeavored to arrange meetings with NWFN to acquire information related to the NWFN communities, use of the area around the proposed transmission line, and potential Project effects on NWFN Aboriginal rights and interests. In July 2013, NWFN gave the Proponent permission to conduct socioeconomic interviews within the community in support of the Application; however the Proponent was later advised that no meetings would take place until capacity funding was provided by the Proponent to NWFN. In October 2013, the Proponent provided NWFN with a draft AGCP and a Consultation Report outlining the project-related concerns raised to date by NWFN. No comments were received. The

Proponent provided the BC EAO on 6 May 2014 with a summary of consultation efforts made to engage NWFN.

On 4 July 2014, the Proponent met with NWFN to provide an overview of the environmental, water quality and waste water studies conducted at the Project as well as an outline of the Application Review process. The Proponent also summarized the key concerns and issues raised by NWFN since consultation commenced and how the Proponent proposes to avoid, mitigate or otherwise address effects as appropriate.

17.3.2.1.3 Written Communications

In addition to meetings, there have been ongoing written communications between the NWFN and the Proponent via e-mails, text messages, and letters. These are included in the summary of communications in **Appendix 17A**. Written communication included regular Project updates, providing Project shape files, and communications about organizing meetings. A copy of the Wildlife Management Plan was also provided to NWFN in the second quarter of 2014.

17.3.2.1.4 Site Tours

A number of site tours were offered to the NWFN, including a helicopter tour of the transmission line and an opportunity to tour New Afton Mine, the Proponent's operating mine. While the NWFN have not yet participated in site tours, the invitation remains open. The Proponent will continue to offer the opportunity for site tours during the Application review stage (**Section 17.4.2**).

17.3.2.1.5 Agreements

The Proponent has discussed with the NWFN a Capacity Funding Agreement to participate in the EA process. Discussions continue between the parties, but at the time of writing an agreement was not reached. Initial capacity funding for a review by experts retained by NWFN was provided by the Proponent

17.3.2.1.6 Traditional Land Use Studies

At the time of writing, the Proponent continues to discuss the negotiation of a Capacity Funding Agreement which would include provisions for the undertaking of a NWFN TK/TLU study. It is expected that TK/TLU related discussions with NWFN will be ongoing.

17.3.2.1.7 Socio-economic Studies

The Proponent endeavored to engage NWFN leadership and membership in the socioeconomic study program undertaken in 2013 and in July 2013 permission was granted to the Proponent to conduct socioeconomic interviews within the community. However the Proponent was later advised that no meetings would take place until a Capacity Funding Agreement was finalized. The Proponent continues to encourage NWFN to participate in the socioeconomic study and it is expected that socioeconomic discussions will be ongoing.

17.3.2.1.8 Capacity Building

The Proponent had some discussion with the NWFN about various capacity initiatives and it is expected that these discussions will be ongoing. The Proponent remains committed to capacity building through funding for EA participation.

The NWFN expressed an interest in being involved in wildlife, fisheries, and archaeology fieldwork undertaken around the proposed transmission line. At the time, the Proponent provided the NWFN with a list of potential employment opportunities as well as a draft Master Services Agreement for consideration. To date, attempts by the Proponent to involve NWFN members in the fieldwork have been unsuccessful. The Proponent will continue to encourage NWFN employment with the Project.

17.3.2.2 Environmental Assessment Procedures

The NWFN and the Proponent have had discussions around NWFN's participation in various aspects of the EA. These included discussions regarding capacity funding, consultation, socioeconomics, and the AIR. These discussions are continuing.

17.3.2.2.1 Blackwater Project Environmental Assessment Working Group

The BC EAO and the Agency invited NWFN representatives to participate as members of the WG. Through the Blackwater Project Environmental Assessment Working Group, the NWFN had an opportunity to review the selection of VCs for the effects assessment, design of the baseline study programs, proposed environmental and socioeconomic studies, and any issues and information requirements related to the Project EA. Comments provided were considered in the development of the VCs and other aspects of the Application noted in this paragraph. The draft AIR Issues Tracking Table (**Appendix 3.1.3A**) presents all input gained from members of the working group as it pertains to the AIR. It is expected that working group meetings will continue to provide additional opportunities for the NWFN to provide input into other aspects of the EA.

17.3.2.2.2 Draft Application Information Requirements

Members of the working group, including members of the NWFN, reviewed the first version of the AIR developed by the Proponent. Up to the time of AIR approval, no feedback was obtained from the NWFN on the AIR.

17.3.2.2.3 Consultation Planning and Reporting

As directed in the section 11 Order, the Proponent has developed an AGCP (**Appendix 3.3.1A**) to guide its activities and responsibilities in the consultation process with Aboriginal groups listed in Schedule B, including the NWFN, during the pre-Application and Application review stages. The Proponent provided a draft of the AGCP to the NWFN for review and input on 23 October 2013 and sent it electronically on 25 October 2013. A follow-up e-mail was sent on 31 October 2013 to confirm NWFN received the Plan and to request a review meeting. A confirmation of receipt of the AGCP was provided the same day but no meeting was scheduled. In addition, the Proponent

followed up with letters to Chief Martin Louie requesting feedback on 14 November 2013 and 7 April 2014. No comments have been received to date

In addition, pursuant to subsections 11.1.5 and 11.1.6 of the section 11 Order, the Proponent prepared consultation reports summarizing the progress of the consultation activities undertaken with the NWFN in relation to the Project, as specified in the AGCP. This report was provided to the NWFN for comments together with the draft AGCP on 25 October 2013. Pursuant to subsection 11.1.7 of the section 11 Order the Proponent provided NWFN with a third consultation report on November 12, 2014 summarizing consultation between May and November 2014 with NWFN (**Appendix 3.3.1B**). The report builds on the Proponent's 16 September 2014 letter, which outlined consultation activities to date and proposed further consultation. The NWFN were asked by the BC EAO to provide comments on the NWFN consultation report as part of the EAO's assessment of the adequacy of consultation pursuant to the section 11 Order (July 2013).

NWFN wrote to the BC EAO on 8 December 2014 to comment on the Proponent's consultation activities. The letter included comments on the November 2014 NWFN consultation report. In their comments, the NWFN requested a revision to the description of the 4 July 2014 and 27 October 2014 meetings, and indicated additional resources were required to complete a TK/TLU study, and there was a lack of capacity and consultation to determine potential adverse effects and proposed mitigation measures including accommodation. In their letter, the NWFN noted the following main deficiencies in the consultation process:

- Lack of capacity funding from the BC EAO to enable meaningful participation;
- Insufficient capacity funding from the BC EAO to enable meaningful participation;
- No resources to conduct a TK/TLU study to properly identify traditional use, occupancy and other site-specific values and assess potential project interactions with same;
- Insufficient one-on-one meetings with the Proponent to address effects of project components, such as transmission line and transportation corridor;
- Lack of access to decision-makers within New Gold; and
- Lack of meaningful discussion regarding potential adverse effects of the project, and how to avoid, mitigation or otherwise accommodate these effects.

With respect to the NWFN Consultation Report (November 2014), the NWFN provided the following comments on the content of consultation meetings summarized in the consultation report:

- Noted the 4 July 2014 meeting was "...primarily taken up by the Proponent providing background presentations on the company and the proposed Project, and what little discussion took place focused almost exclusively on water quality issues close to the mine".
- Noted the level of discussion at the 27 October 2014 meeting "was very general in nature and definitely does not constitute meaningful consultation".

17.3.2.3 Key Comments and Concerns

The Proponent has tracked the issues, concerns, and interests identified by the NWFN throughout the entire consultation process. A summary of these issues, concerns, and interests, and how the Proponent has considered and addressed them are provided in **Table 17.3.1-1**. These issues, concerns, and interests have also informed the identification and assessment of potential effects of the Project on the NWFN Aboriginal rights and other interests. Detailed assessments of these effects and proposed mitigation measures to address adverse effects are presented in **Section 15** Aboriginal Rights and **Section 16** Other Aboriginal Interests. Many of the issues, concerns, and interests raised by Aboriginal groups are also addressed in **Section 7.2.7** Current Land and Resource use for Traditional Purposes.

A detailed Aboriginal issues tracking table that documents the issues and concerns raised by Aboriginal groups until November, 2014 along with the Proponent's responses is included in **Appendix 3.1.3B2**. Issues documented in **Appendix 3.1.3B2** were raised via the consultation process (e.g. during meetings with Aboriginal leadership, community meetings, and in communication with the Proponent).

Table 17.3.2-1 summarizes the issues NWFN raised through the consultation process.

Table 17.3.2-1: Key Issues, Concerns, and Interests Expressed by Nadleh Whut'en First Nation and Responses Provided by the Proponent

| Topic | Issues/Concerns/ Interests | Asserted Rights/Other Interests Potentially Affected | Proponent Response |
|--|---|--|--|
| Aquatic Resources and Wildlife | Effects on the Nechako River from the transmission line crossing, including effects on salmon and water quality | Fishing; Interest in water resources | <ul style="list-style-type: none"> Additional surface and groundwater monitoring stations were established as part of the baseline program. Results of all water quality sampling will continue to be posted for working group and Aboriginal groups review. Water will be monitored on an ongoing basis throughout the life of the Project and post-closure. Surface water and sediment quality will meet applicable provincial and federal standards to avoid effects on fish, furbearers, or animals that use those waters. The mine site will aim to operate as a zero discharge facility during operations and closure. Erosion and sediment control measures, including erosion control matting, rip-rap, and hydro-seeding, will be implemented to protect erodible soils from entering waterbodies. Design and operational procedures to limit risks associated with malfunctions and accidents will be implemented. Establish a group including affected Aboriginal group representatives to discuss access management for the transmission line corridor and the mine site. Implementation of environmental management plans, addressing mine water management; water quality and liquid discharges management; transportation and access management; emergency and spill preparedness and response; landscape, soils, and vegetation management and restoration; erosion and sediment control; aquatic resources management; and wetlands management (Section 12). No residual effects by the transmission line are anticipated on fish and fish habitat. Water flow and water quality in the Nechako River will not be affected by the mine site or transmission line. Details of the effects assessment on fish and fish habitat are presented in Section 5.3.8 and Section 5.3.9. The detail effects assessments on water quality and sediment quality are presented in Section 5.3.3 and Section 5.3.4. Potential Project effects on Aboriginal Rights are assessed in Section 15 and potential effects on other Aboriginal Interests, including water quality, are presented in Section 16. |
| | Water flow into the NWFN traditional territory and the potential effects it may have on NWFN traditional territory and food fish (e.g., spring salmon) and fish habitat | Fishing, Interest in water resources | |
| Employment and Contracting Opportunities | Interest expressed for training, employment, and contracting opportunities for NWFN members at the Project | Economic development | <ul style="list-style-type: none"> The Proponent is committed to increasing the percentage of Aboriginal employees by working closely with the employment and training officers in Aboriginal communities as well as with Band Councils to establish conditions at the Project that support a multicultural workforce. In addition, the Project will provide opportunities for on-the-job training through a variety of mandatory and elective training initiatives. The Proponent encourages Aboriginal employment. The Proponent's New Afton Mine has 23% Aboriginal employees, and the Project currently has 25% to 28% (self-declared). The Proponent is committed to providing Aboriginal groups with the opportunity to provide contracting services to the Project. The Proponent will work with communities and the provincial and federal governments to discuss business capacity and opportunities for Aboriginal peoples to prepare for the mine during construction and operations. Additional details on Project effects on Regional and Local Employment and Businesses are presented in Section 6.2.3. Section 12.2 presents environmental management plans that address recruitment, training, and employment as a topic. |
| Consultation | Lack of capacity to properly participate in the EA process, including insufficient resources to conduct a TK/TLU study, and a lack of capacity to participate in the consultation process on related effects of the Project and mitigation measures | Consultation | <ul style="list-style-type: none"> The Proponent has discussed capacity funding with the NWFN to facilitate participation in the EA process. Discussions between the parties are ongoing. If achieved, the agreement will provide financial support to fund a third party review of the EA studies, including the archaeological studies, on behalf of the NWFN during the Application review phase. The Proponent has committed to considering TK/TLU information, as available, in the development of environmental management plans, operational and closure plans and ongoing monitoring (Section 17.1.3 and Section 12.2.1.5). The Proponent has and will continue to consult the NWFN. |

Note: EA = environmental assessment; km = kilometre; NWFN = Nadleh Whut'en First Nation; TK/TLU = Traditional Knowledge/Traditional Land Use.

17.3.3 Saik'uz First Nation

Engagement and consultation activities with the SFN began in February 2012. Consultation between the Proponent and the SFN has been tailored to meet the SFN's interests. On 26 February 2014, the Proponent and the SFN signed a Capacity Agreement to provide the SFN with support to review the Application and develop a TK/TLU study.

This section describes the pre-filing consultation that has occurred from February 2012 until August 2014. A summary of communications between the SFN and the Proponent as well as additional consultation conducted with SFN from May 2014 to November 2014 is summarized in **Appendix 17A** (Summary of Communications with Aboriginal Groups).

17.3.3.1.1 Consultation Activities

Consultation activities between the SFN and the Proponent included meetings and presentations, written communications, agreement negotiations, a TLU study, socioeconomic interviews, workshops, and site tours.

17.3.3.1.2 Meetings and Presentations

From March 2012 to the first quarter of 2014, over 27² in-person meetings were held with the SFN and the Proponent representatives. These meetings as well as additional meetings held from August 2014 to November 2014, are included in the summary of communications in **Appendix 17A**.

A formal community meeting (Open House) was held at the Stony Creek reserve on 14 August 2012. The purpose of the meeting was to introduce the Project to the SFN community and demonstrate the Proponent's commitment to open communication. The meeting was well attended with 68 people from the community present. It commenced with a presentation given by the Proponent's First Nations Coordinator who explained the process of Project development as well as a detailed summary of the Project design. After the presentation and lunch, a Talking Circle was formed to solicit information from participants about the Project. Talking Circles are a traditional form of communication that provides a safe non-hierarchical platform for Aboriginal people to speak without interruption. The approach used was intended to make participants feel comfortable in sharing views, opinions, and comments about the Project.

During the Talking Circle, a number of comments were heard and questions were asked, including questions about the mine design (tailings and potential seepage), ongoing monitoring of the mine site and surrounding waterways, consultation with traditional landowners, employment and economic opportunities, and the location of the transmission line. Talking Circle comments and

² In-person meetings include those SFN members that visited the Proponent offices in Vanderhoof to discuss the Project, request information, and raise concerns about potential project effects.

questions were responded to by the Proponent during the meeting and considered and tracked in the EA as appropriate (**Table 17.3.3-1** and **Appendix 3.1.3B**).

In addition to the community meeting, the Proponent participates in ongoing meetings and discussions with SFN leadership. The first meeting was 20 March 2012 when the Proponent met SFN and introduced the Project. In 2012, three additional meetings were held with leadership to discuss the SFN Traditional Territory, the proposed route of the transmission line, employment and training opportunities, and a Cooperation Agreement. Each meeting included an update on Project activities.

Other meetings, including one in October 2013, two in November 2013 and one in May focused on:

- Providing updates to Chief and Council about the Project;
- Requesting SFN approval to host information meetings with membership;
- Reviewing the status of studies;
- Negotiating potential agreements;
- Informing SFN about employment and contracting opportunities;
- Obtaining input into fish habitat compensation, water and waste management, and closure plans; and
- Requesting information on potential concerns that SFN may have regarding the Project.

A number of meetings were held with SFN leadership in 2014 to finalize the Capacity Funding Agreement, describe studies underway and preliminary results, provide Project updates, and discuss the AIR. On 16 July 2014 a Traditional Knowledge Protocol Agreement was signed with SFN.

On 17 June 2014, Proponent presented an overview of the EA process, discussed SFN's role in the process and provided a Project update. On 19 June 2014, the Proponent met with SFN to get direction on how SFN wished to be consulted.

The transmission line will traverse portions of two registered traplines (and Keyohs). The registered owners and family are SFN members and consultation is ongoing. Eight in-person meetings were held, including two in-depth interviews (one with Chief and Council and the other with the traditional owners of both traplines) to gain understanding about activities on the trapline (**Section 14** presents more detailed information). Meetings and phone calls between the Proponent and the trapline holder provided key information on past and current land use of the trapline. This information was used in the assessment of potential effects of the Project (**Section 7.2.7** and **Section 15**).

17.3.3.1.3 Effects Assessment Meetings

The Proponent and SFN have met to discuss potential effects of the Project on Aboriginal rights and interests and share proposals to avoid, mitigate or otherwise address effects as appropriate. On 18

March 2014, the Proponent met SFN members during its Industry Update Meeting to provide an update on the Project and seek input on the effects assessment and proposed mitigation. During the meeting, SFN members asked questions regarding Project effects on water quality, water flow, management of tailings ponds, effects on fish, and potential social problems, and the Proponent provided responses regarding these concerns. Copies of presentations and supporting documents were made available to the SFN for further review and analysis. No new issues were identified through these discussions.

The Proponent requested a focused follow up meeting with SFN representatives to discuss potential Project effects on the exercise of SFN Aboriginal rights and request input regarding proposed mitigation measures. To date, no such meeting has been held.

The Proponent continues to attend monthly Industry Forums. Industry Forums are SFN-organized events which occur monthly at the Stony Creek reserve. SFN invites proponents with projects in SFN territory to provide membership with monthly updates about each of their projects. The Proponent will continue to attend these events and as appropriate, gather additional information on any potential concerns or interests the SFN people may have.

A copy of the Wildlife Management Plan was also provided to SFN in the second quarter of 2014.

17.3.3.1.4 Written Communications

In addition to meetings, there was ongoing written communications between the SFN and the Proponent via letters and e-mails to provide Project updates. The SFN raised interests related to contracting and employment opportunities and made requests for maps and other related Project materials. The Proponent provided requested materials (all copies of the baseline studies were provided to SFN) as well as additional materials that may be of interest to SFN such as the Wildlife Management Plan. SFN submitted comments to the BC EAO on the June 2014 Application. In their comments SFN raised the following issues: lack of SFN TLU/TK in the Application and lack of funding to support SFN to undertake a TLU/TK study and insufficient treatment of and associated consultation around SFN Aboriginal rights and interests. Concerns included the assessment of current use of lands and resources, Aboriginal title, mitigation measures, and potential cumulative effects on SFN Aboriginal rights.

17.3.3.1.5 Site Tours

The Proponent hosted two site tours of the Project site for SFN leadership. On 15 August 2012, there was a helicopter tour of the mine site conducted with the Chief of SFN. The purpose was to tour the proposed mine site and explain the associated components of the Project. In June 2013, the Proponent conducted a flyover tour of the proposed transmission line with the SFN Chief and Council. This tour was held on 16 October 2013 involving seven SFN representatives. In addition, the Proponent also provided the SFN keyoh holder that may be affected by the Project components.

17.3.3.1.6 Agreements

Discussions with the SFN regarding agreements began in 2012. On 26 February 2014, the SFN and the Proponent signed a Capacity Agreement describing how the two parties will cooperate throughout the EA process, including community meetings and technical review, as well as how the SFN will provide input into the Project through the provision of socioeconomic and TK/TLU-related information. The Agreement also provides capacity funding to SFN to facilitate its participation in the EA process and to complete a TK/TLU study.

Numerous discussions were held with SFN leadership throughout 2014 with the aim of negotiating a TK Protocol, which would inform how the TK/TLU information would be utilized in the mine development process. On 16 July 2014, a TK Protocol Agreement was signed.

17.3.3.1.7 Traditional Land Use Studies

The Proponent and the SFN engaged in multiple discussions regarding implementation of a TLU study. In May 2013, the Proponent requested a proposal for a TLU study from the SFN. With the signing of the Capacity Agreement, the Proponent provided funding to SFN to undertake this study. The study is currently underway and it is expected that information will become available during the EA process. Information from this study, when complete, will be integrated into the Project design, execution, management, and monitoring in subsequent stages of the Project development including the Application review phase, the permitting phase, and Project construction, operations, closure, and post-closure phases.

In addition, the Proponent has had opportunities to gather land use information from SFN members. On 27 May 2013, the Proponent held a meeting with SFN Elders to discuss traditional hunting, and harvesting. The Proponent also held multiple meetings with traditional owners of the Joseph Keyoh to discuss traditional and current use of their Keyoh and trapline TR0711T007.

17.3.3.1.8 Socioeconomic Studies

The Proponent engaged SFN membership in the socioeconomic study program. The purpose of the study was to verify information collected through secondary sources and to obtain a better understanding of the social, economic, and land use characteristics of SFN people. Since early 2013, the Proponent has met with a range of SFN knowledge holders to gather information. The meetings provided the Proponent with insight into how the Project may potentially affect (both positively and negatively) the rights and interests of SFN people.

17.3.3.1.9 Capacity Building

The Proponent had a number of discussions with the SFN about various capacity initiatives. These discussions are ongoing. The Proponent remains committed to capacity building by providing contracting and employment opportunities.

The SFN expressed an interest in being involved in baseline fieldwork and discussed possible opportunities with the Proponent. The Proponent provided the SFN with a summary and schedule

for baseline studies occurring in their territory. In addition, the Proponent provided a copy of a draft Masters Services Agreement for consideration as well as a job description for those candidates interested in applying. The Proponent was not provided with any SFN candidates for the positions.

SFN members are employed at the exploration camp at the time of writing. The Proponent will continue to encourage SFN employment with the Project.

17.3.3.2 Environmental Assessment Procedures

The SFN and the Proponent had numerous meetings, e-mails, and telephone conversations regarding procedures related to completion of the EA. These included discussions regarding consultation, archaeology and heritage, work plans, and the AIR.

17.3.3.2.1 Blackwater Project Environmental Assessment Working Group

The BC EAO and the Agency invited SFN representatives to participate as members for the WG. Through the Blackwater Project Environmental Assessment Working Group, SFN had an opportunity to review the selection of VCs for the effects assessment, design of the baseline study programs, proposed environmental and socioeconomic studies, and any issues and information requirements related to the Project EA. Comments provided were considered in the development of the VCs and other aspects of the Application noted in this paragraph.

In April 2013, during a working group meeting, the SFN raised concerns about the potential for the Project to exacerbate the incidence of substance abuse and strain community services. These comments were considered and addressed in the socioeconomic effects assessment and development of related mitigation (**Section 7** and **Section 16**).

It is expected that working group meetings will continue to provide additional opportunities for the SFN to provide input into the EA.

17.3.3.2.2 Draft Application Information Requirements

Members of the working group, including the SFN, reviewed the first version of the AIR developed by the Proponent. Feedback was obtained from the SFN regarding a number of matters. The SFN asked for more information on how a number of studies would be conducted as well as clarification on how socioeconomic studies would consider negative effects, including effects on Aboriginal women. The Proponent engaged with the SFN to discuss its concerns about studies. During the discussions, the Proponent explained how various aspects would be assessed in the Application. Outstanding concerns were considered in the development of the approved AIR. In addition, the SFN reviewed and provided input into updated versions of the AIR. On 7 November 2013, the SFN provided input on matters related to water quality and management, TSF and seepage management, assessment of TLU, identification and selection of VCs and indicators, spatial boundaries definition (in particular for surface water, groundwater, fish and fish habitat, noise, and air quality), regional and local employment, social conditions, and need for consultation with Aboriginal groups regarding Aboriginal rights, reclamation and closure plans, and assessment of alternative means. The SFN also provided input on 28 February 2014. Feedback focused on

indicators selected for the ecosystem composition VC. All comments provided by the SFN were tracked and considered in the development of the approved AIR as relevant. The draft AIR Issues Tracking Table (**Appendix 3.1.3A**) presents all input gained from the SFN as it pertains to the AIR, as well as the Proponent responses and actions taken.

17.3.3.2.3 Consultation Planning and Reporting

As directed in the section 11 Order, the Proponent developed an AGCP (**Appendix 3.3.1A**) to guide its activities and responsibilities in the consultation process with Aboriginal groups listed in Schedule B, including the SFN, during the pre-Application and Application review stages. The Proponent provided a draft of the AGCP to the SFN for review and input on 19 September 2013. A follow-up e-mail was sent on 26 September 2013 to ensure the AGCP was received and to request a review meeting. A meeting was held on 27 September 2013 and SFN noted its intention to provide comments in writing. A follow-up telephone call was placed on 15 October 2013 to inquire about the comments for the Plan, but the Proponent was informed by the Lands and Resource Manager that internal resource constraints were delaying a formal response. At a meeting held on November 4, 2013 in Vancouver, an inquiry was made as to when the Proponent could expect comments on the AGCP but no date was given. In addition, the Proponent followed up with a letter to Chief Stanley Thomas requesting feedback on 14 November 2013. No feedback on the AGCP has been received to date.

In addition, pursuant to subsections 11.1.5 and 11.1.6 of the section 11 Order, the Proponent prepared consultation reports summarizing the progress of the consultation activities undertaken with the SFN in relation to the Project, as specified in the Aboriginal Consultation Plan. This report was appended to the draft AGCP sent to the SFN on 19 September 2013. No comments have been received at the time of writing this report.

The Proponent prepared a second consultation report on the progress and results of the consultation activities undertaken with the SFN as specified in the Aboriginal Consultation Plan. This report was shared with the SFN for review and comments on 23 April 2014. No comments were received at the time of writing this report.

Pursuant to subsection 11.1.7 of the section 11 Order, the Proponent provided the SFN with a third consultation report summarizing consultation between May and November 2014 with SFN on 12 November 2014 (**Appendix 3.3.1B**). The report builds on the Proponent's 16 September 2014 letter, which outlined consultation activities to date and proposed further consultation. The SFN were asked by the BC EAO to provide comments on the SFN consultation report prepared by the Proponent as part of the BC EAO's assessment of the adequacy of consultation pursuant to the section 11 Order (July 2013).

Additional issues raised in the Aboriginal Groups Consultation Reports were added to the Issues Tracking Table in **Appendix 3.1.3B2**.

17.3.3.3 Key Comments and Concerns

The Proponent has tracked the issues, concerns, and interests identified by the SFN throughout the entire consultation process. A summary of these issues, concerns, and interests, and how the Proponent has considered and addressed them are provided in **Table 17.3.3-1**. These issues, concerns, and interests have also informed the identification and assessment of potential effects of the Project on the SFN Aboriginal rights and other interests. Detailed assessments of these effects and proposed mitigation measures to address adverse effects are presented in **Section 15** Aboriginal Rights and **Section 16** Other Aboriginal Interests. Many of the issues, concerns, and interests raised by Aboriginal groups are also addressed in **Section 7.2.7** Current Land and Resource use for Traditional Purposes.

A detailed Aboriginal issues tracking table that documents the issues and concerns raised by Aboriginal groups until November 2014 along with the Proponent's responses is included in **Appendix 3.1.3B2**. Issues documented in **Appendix 3.1.3B2** were raised via the consultation process (e.g. during meetings with Aboriginal leadership, community meetings, and in communication with the Proponent), SFN comments on the AIR are included in **Appendix 3.1.3A**, and are not carried over into **Appendix 3.1.3B2**.

Table 17.3.3-1 summarizes the key issues SFN raised through the consultation process in addition to SFN socio-economic interviews.

Table 17.3.3-1: Key Issues, Concerns, and Interests Expressed by Saik'uz First Nation and Responses Provided by the Proponent

| Topic | Issues/ Concerns/Interests | Asserted Rights/ Other Interests Potentially Affected | Proponent Response |
|----------|--|---|--|
| Wildlife | Concern regarding effects of the transmission line on wildlife species trapped and/or effects that may disrupt traplines or access to them | Trapping | <ul style="list-style-type: none"> • The Proponent has met with SFN trapline holders and discussed transmission line route and potential impacts on their tenure. • The Project has been designed to minimize the entire footprint. Measures to mitigate the potential effects on trapping include: <ul style="list-style-type: none"> ○ Establishing a group including affected Aboriginal group representatives to discuss access management for the transmission line corridor and the mine site; ○ Compensating affected trapline holders in accordance with industry and provincial protocols with associated proof of lost revenue; ○ Prohibiting mine employees from trapping on mine site property; ○ Informing holders of affected trapline areas of Project activities, schedules, and locations; ○ Locating and maintaining breaks in the rollback along the transmission line corridor to facilitate access to trapping trails during clearing; ○ Disposing of wastes generated on site to limit the attraction of wildlife to the mine site (environmental management plans addressing industrial and domestic waste management, Section 12.2); ○ Implementing design and operational procedures to limit risks associated with malfunctions and accidents (Section 10); and ○ Implementing the respective environmental management plans (Section 12.2), addressing air quality and emissions management, transportation and access management landscape, soils and vegetation management and restoration, wildlife management and visual resources and aesthetics management. • Section 7.2.6 presents the effects assessment on non-traditional land and resources that considers the interaction of the Project footprint and activities against non-traditional land and resource uses, including registered traplines. • Section 7.2.7 presents the effects assessment on current land and resource use and describes changes in hunting and trapping activities including restrictions on access. • Specific assessments of effects on wildlife, including animals that are trapped, are presented in Sections 5.4.7 to 5.4.15. |
| Wildlife | Potential effects on black bear populations (e.g., wildlife mortality from collisions, human-bear interactions, increased hunter access) | Hunting | <ul style="list-style-type: none"> • The following measures will be implemented to minimize or avoid effects on bear populations: <ul style="list-style-type: none"> ○ Prohibiting mine employees from hunting on mine site property; ○ Redesigning the TSF and mine access road to avoid UWR; ○ Setting reclamation goals to re-establish later winter habitat; ○ Disposing of wastes generated to limit the attraction of wildlife; ○ Participating in regional wildlife and resource management initiatives (specifically for ungulates); and ○ Implementing the respective environmental management plans addressing wildlife management; landscape, soils, and vegetation management and restoration; industrial and domestic waste management and transportation and access management (Section 12.2). • Effects on Aboriginal Rights including hunting and trapping are assessed in Section 15. |
| Access | Concerns expressed about changes in access to fish camp | | <ul style="list-style-type: none"> • The Project team is working closely with First Nations, private land owners, range and forest tenure holders, trappers, and guide outfitters to minimize land use conflicts. • Section 7.2.7 presents the effects assessment on current land and resource use for traditional purposes, which considers potential restrictions on access to land and resources. • Section 12.2 presents environmental management plans that address transportation and access management. |

BLACKWATER GOLD PROJECT

APPLICATION FOR AN
ENVIRONMENTAL ASSESSMENT CERTIFICATE /
ENVIRONMENTAL IMPACT STATEMENT
ABORIGINAL CONSULTATION



| Topic | Issues/ Concerns/Interests | Asserted Rights/ Other Interests Potentially Affected | Proponent Response |
|-----------------|--|---|--|
| Traditional Use | Effects on medicinal plants and wildlife that may be downstream of the Project | Traditional plant harvesting; Hunting | <ul style="list-style-type: none"> • The following measures will be implemented to minimize or avoid effects on plants and plants gathering for traditional purposes: <ul style="list-style-type: none"> ○ Establishing a group including affected Aboriginal group representatives to discuss access management for the transmission line corridor and the mine site; ○ Minimizing the Project footprint; ○ Implementing environmental management plans to reduce dust deposition, nitrogen deposition, and invasive species proliferation (Air Quality and Emissions Management Plan; Transportation and Access Management Plan; Landscape, Soils, and Vegetation Management and Restoration Plan; Invasive Species Management Plan); ○ Including traditional use plant species habitat in reclamation prescriptions; ○ Implementing design and operational procedures to limit risks associated with malfunctions and accidents; and ○ Implementing a no plant harvesting policy for all workers while resident at the Project site. • The Proponent will implement a Country Foods Monitoring Plan around the mine site to monitor species that represent potential pathways for metals concentrations in country foods. Metal concentrations in a set of indicator plants, mammals, and fish will be analyzed to assess levels against existing baseline levels. If metal concentrations increase to levels of concern, further consultation and planning to address necessary mitigation measures will be undertaken with regulators and First Nations (Appendix 9.2.2B). • The assessment of potential Project effects on Aboriginal rights is described in Section 15. Section 7.2.7 presents the effects assessment on current land and resource use for traditional purposes that addresses changes in plant gathering activities. • The effects assessment on ecosystem composition in Section 5.4.5 includes traditional use plant habitat as an indicator. A related analysis is provided in that section. • To minimize additional access and disturbance, access to the mine site will not be from the west but from the north starting at KM 124.5 of the Kluskus-Ootsa FSR as described in Section 2.2. • The Proponent has provided capacity funding to the SFN to undertake a TK/TLU study. The study is currently underway and it is expected that information will become available during the EA process. Information from this study, when completed, will be integrated into the Project design, execution, management, and monitoring in subsequent stages of the Project development including the Application review phase, the permitting phase, and the Project construction, operations, closure, and post-closure phases. |
| Mine Design | Concerns about effects from cyanide and arsenic and water quality | Interest in water resources; Human health | <ul style="list-style-type: none"> • The Proponent provided a fact sheet on cyanide and cyanide management. The Project will not treat waste rock with cyanide. Waste rock from the open pit will be disposed of at the waste rock dumps located adjacent to the open pit. Only the ore will be subject to treatment using a whole ore leach process. The tailings residue of this process will be deposited in the TSF after a cyanide destruction process has been applied. Mitigation measures for storage of cyanide include: <ul style="list-style-type: none"> ○ Use of ISOtainers that are designed for controlled dissolution upon delivery to the site; ○ Storage at the transload facility is designed to minimize contact of solid cyanide with water (e.g., under a roof, off the ground, in specially designed containers); ○ Adequate ventilation in the storage facility; ○ Containment systems in place should there be spilled cyanide materials; and ○ Warning signs to alert workers that cyanide is present. • Mitigation measures for the safe transport of cyanide include: <ul style="list-style-type: none"> ○ Cyanide off-loading and storage facilities will be located away from surface waters and within fenced and access-controlled boundaries with locked security fencing; ○ Gas detectors in off-loading and storage area; ○ Signage for workers. • Detail mitigation measures are presented in Section 12.2 Environmental Management Plans and Section 10 Accidents and Malfunctions, which address risk mitigation for the transport of hazardous materials. • The Proponent will implement a Country Foods Monitoring Plan around the mine site to monitor species that represent potential pathways for metals concentrations in country foods. Metal concentrations in a set of indicator plants, mammals, and fish will be analyzed to assess levels against existing baseline levels. If metal concentrations increase to levels of concern, further consultation and planning to address necessary mitigation measures will be undertaken with regulators and First Nations. A Health Effects Assessment has been conducted and is presented in Section 9.2. • The Proponent is a member of the International Cyanide Management Institute, adhering to the International Cyanide Management Code. The Proponent commits to have its mining operations audited by an independent third party from the Institute. • Results from studies related to concentration of arsenic in the water downstream of the Project were provided to Aboriginal groups. Background arsenic levels are low. The mine site is designed to operate as a zero discharge facility during operations and closure and thus not exacerbate natural arsenic levels. During construction, sediment ponds will be used to contain and treat site run-off to reduce concentration of suspended solids. Surface water and sediment quality will meet applicable provincial and federal standards downstream of the mine site to avoid effects on humans, fish, furbearers, or animals that use those waters. The surface water and sediment quality effects assessment are presented in Sections 5.3.3 and 5.3.4. |

BLACKWATER GOLD PROJECT

APPLICATION FOR AN
ENVIRONMENTAL ASSESSMENT CERTIFICATE /
ENVIRONMENTAL IMPACT STATEMENT
ABORIGINAL CONSULTATION



| Topic | Issues/ Concerns/Interests | Asserted Rights/ Other Interests Potentially Affected | Proponent Response |
|--------------------------------------|--|---|---|
| Consultation and Capacity Funding | Concerned about SFN capacity to participate in the EA process and consultation with Keyoh and traditional land holders | Consultation | <ul style="list-style-type: none"> The Proponent has provided capacity funding to the SFN to facilitate its participation in the EA process, including financial support to conduct community meetings, technical reviews, and a TK/TLU study. The TK/TLU study is currently underway and it is expected that information will become available during the EA process. Information from this study, when completed, will be integrated into the Project design, execution, management, and monitoring in subsequent stages of the Project development including the Application review phase, the Permitting phase and Project construction, operations, closure, and post-closure phases. |
| Employment, Training and Contracting | SFN leadership and members expressed interest in training, employment and contracting opportunities | Economic development | <ul style="list-style-type: none"> The Proponent is committed to increasing the percentage of Aboriginal employees by working closely with the employment and training officers in Aboriginal communities as well as with Band Councils to establish conditions at the Project that support a multicultural workforce. In addition, the Project will provide opportunities for on-the-job training. The Proponent is also committed to providing Aboriginal groups with the opportunity to provide contracting services to the Project. The Proponent will work with communities and the provincial and federal governments to discuss business capacity and opportunities for Aboriginal peoples to prepare for the mine during construction and operations. Additional details on Project effects on regional and local employment and businesses are presented in Section 6.2.3. Environmental management plans presented in Section 12.2 address recruitment, training, and employment as a topic. The Proponent encourages Aboriginal employment. The Proponent's New Afton Mine has 23% Aboriginal employees; the Project currently has 25% to 28% Aboriginal employees (self-declared). |
| Social | Potential creation and/or exacerbation of social problems | Community well-being | <ul style="list-style-type: none"> The Proponent will continue to provide new employees with a comprehensive site orientation and introduction to Project policies, including policies on drug and alcohol use. The following measures will be implemented to avoid or minimize potential social problems: <ul style="list-style-type: none"> Provide construction and operations camps for workers; Implement a no drugs and no alcohol policy on site; Provide recreational facilities and activities for workers at the Project site; Provide a respectful workplace with no harassment and with safety and security, multicultural workforce considerations, and cultural awareness training; Offer counselling services to employees; Provide access to money management training; Deposit workers' salaries directly to their bank accounts; and Work with local agencies to assist in monitoring community well-being and to take corrective actions where appropriate. Additional details are provided in Section 7.2. Social Effects Assessment and Section 16 Other Aboriginal interest. |

Note: km = kilometre; N/A = not applicable; SFN = Saik'uz First Nation; TK/TLU = Traditional Knowledge/Traditional Land Use; UWR = Ungulate Winter Range.

17.3.4 Stellat'en First Nation

Engagement and consultation activities with the StFN began in August 2012. Since that time, the Proponent has continued to develop the relationship with the StFN Chief and Council as well as other StFN representatives.

This section describes the pre-filing consultation that has occurred from August 2012 until August 2014. A summary of communications between the StFN and the Proponent as well as additional consultation conducted with StFN from May 2014 to November 2014 is summarized in **Appendix 17A** (Summary of Communications with Aboriginal Groups).

17.3.4.1.1 Consultation Activities

Consultation activities between the StFN and the Proponent have included meetings and presentations, written communications, agreement negotiations, and capacity building.

17.3.4.1.2 Meetings and Presentations

From September 2012 to August 2014, 11 in-person meetings were held with the StFN and the Proponent representatives. These meetings are included in the summary of communications in **Appendix 17A**.

A number of meetings were held with StFN leadership and representatives since consultation commenced. The first meeting was held 14 September 2012 where the Proponent introduced the Project to StFN leadership. Additional meetings were held in February to obtain input from StFN regarding the Project and to describe the route of the proposed transmission line. In April 2013, the Proponent met with the StFN to discuss opportunities for participation in the EA. During the meeting, the StFN and the Proponent also discussed employment and contracting opportunities. During the meeting, the StFN expressed concerns regarding the transmission line crossing of the Stellako River and potential Project effects on berry-picking sites along the transmission line.

An additional meeting was held on 28 May 2013 to discuss StFN participation in socioeconomic interviews. During the meeting, the StFN noted an interest in carrying out an independent TLU study, and requested clarification on trapline compensation.

A meeting was held 1 October 2013 during which the StFN and the Proponent discussed the Project designs and operations, EA including effects of the Project on Tatelkuz Lake, socioeconomic conditions, caribou, transportation, employment, and a proposed negotiations strategy.

On 26 June 2014 the Proponent met with StFN. The purpose of this meeting was to discuss and to receive StFN's feedback on the results of consultation conducted to date with StFN with respect to the Project as outlined in the Aboriginal Groups Consultation Plan (AGCP).

17.3.4.1.3 Effects Assessment Meetings

The Proponent and StFN have met to discuss potential effects of the Project on Aboriginal rights and interests and share proposals to avoid, mitigate or otherwise address effects as appropriate. On 17 March 2014, the Proponent met the StFN community working group in Fraser Lake to discuss the potential effects of the Project on StFN Aboriginal rights and interests and share proposals to avoid, mitigate or otherwise address effects as appropriate. The objectives of the meeting were to:

- Provide an overview of the issues, concerns, and interests of the StFN that were identified through the consultation process and discuss how these were reflected in the AIR and EA;
- Review and seek input from the StFN regarding potential Project effects on the exercise of their Aboriginal rights; and
- Present information and request input from the StFN regarding proposed mitigation measures.

During this meeting, the Proponent provided an update regarding progress on the draft AIR and EA process. Copies of presentations and supporting documents were made available to the StFN for further review and analysis. Discussions focused on potential effects of the transmission line crossing on the Stellako River, concerns about arsenic levels in water within the StFN territory, and interest in training, employment, and contracting opportunities related to the transmission line development. No new issues were identified through these discussions.

On 26 June 2014 the Proponent met with StFN again to discuss potential Project effects and obtain input from StFN on the Proponents proposed mitigation and monitoring measures. Discussions focused on alternative routes for the proposed transmission line, potential effects to water quantity in Tatelkuz Lake and the mitigation and management methods proposed, potential effects of the transmission line and how the matters will be addressed in the Application/EIS, management strategies for the use of cyanide, and potential effects to traditional plants and the mitigation proposed as well as reclamation activities.

A copy of the Wildlife Management Plan was also provided to StFN in the second quarter of 2014.

17.3.4.1.4 Written Communications

In addition to meetings, there were ongoing written communications between the StFN and the Proponent via e-mails and letters. These are included in the summary of communications in **Appendix 17A**. Written communication focused on how to engage and communicate with the StFN, providing copies of minutes from meetings, providing maps, Project updates, baselines and related Project materials, arrangements for BC Aboriginal Mining Training, capacity funding, and agreements.

17.3.4.1.5 Agreements

After a series of discussion, the Proponent signed a Capacity Agreement with the StFN in December 2013 outlining how the two parties will cooperate on aspects such as consultation,

socioeconomic studies, TK/TLU studies, Application review, and other topics. The agreement also provides capacity funding to facilitate StFN participation in the EA, including funding for community meetings, and to complete a TK/TLU study for the Project.

17.3.4.1.6 Traditional Land Use Studies

Pursuant to the Capacity Agreement signed in December 2013, the Proponent provided the StFN with financial support to undertake a TK/TLU study. The study was completed and provided to the Proponent in November 2014. The study, *Stellat'en First Nation Land and Resource Use Study Report (Proponent Version for New Gold Incorporated)*, provides information about StFN TLU/TK and was considered in **Section 7.2.7** and **Part C** to understand how the Project could interact with the ways StFN members use the land.

17.3.4.1.7 Socioeconomic Studies

The Proponent endeavored to engage StFN membership in the socioeconomic study program undertaken in early 2013. At that time, StFN advised the Proponent that it would not participate in the socioeconomic study until a Capacity Agreement was reached. An agreement was reached related to EA capacity funding including a socio-economic study in December 2013.

17.3.4.1.8 Capacity Building

The Proponent has initiated discussion with the StFN about various capacity initiatives; and it is expected that these discussions will be ongoing throughout the Project life. The Proponent provided StFN capacity funding to support participation in the EA. The Proponent remains committed to capacity building and contracting and employment opportunities.

In 2013, the StFN expressed an interest in being involved in fieldwork undertaken around the proposed transmission line. At the time, the Proponent provided the StFN with a list of potential employment opportunities as well as a draft Master Services Agreement and job descriptions to be considered. The StFN did not provide the names of any members interested in participating in fieldwork at this time.

The Proponent will continue to encourage StFN employment with the Project.

17.3.4.2 Environmental Assessment Procedures

The StFN and the Proponent have discussed opportunities for the StFN to participate in aspects of the EA. These included discussions regarding consultation, socioeconomics, and the AIR.

The Capacity Agreement defines opportunities for the StFN to participate in the EA process, including development of the AIR.

17.3.4.2.1 Blackwater Project Environmental Assessment Working Group

The BC EAO and the Agency invited StFN representatives to participate as members of the WG. Through the Blackwater Project Environmental Assessment Working Group, StFN had an opportunity to review the selection of VCs for the effects assessment, design of the baseline study programs, proposed environmental and socioeconomic studies, and any issues and information requirements related to the Project EA. Comments provided were considered in the development of the VCs and other aspects of the Application noted in this paragraph.

17.3.4.2.2 Draft Application Information Requirements

Members of the working group, including members of the StFN, reviewed the first version of the AIR developed by the Proponent. At the time of writing, no feedback has been obtained from the StFN on the AIR.

The draft AIR Issues Tracking Table (**Appendix 3.1.3A**) presents all input gained from members of the working group as it pertains to the AIR.

17.3.4.2.3 Consultation Planning and Reporting

As directed in the section 11 Order, the Proponent has developed an AGCP (**Appendix 3.3.1A**) to guide its activities and responsibilities in the consultation process with Aboriginal groups listed in Schedule B, including the StFN, during the pre-Application and Application review stages. The Proponent provided a draft of the AGCP to the StFN for review and input on 25 October 2013. A follow-up e-mail was sent on 7 November 2013 to ensure the StFN received it. In addition, the Proponent followed up with a letter to Chief Archie Patrick requesting feedback on 14 November 2013. The Proponent received confirmation on 20 November 2013 via e-mail that StFN had received the document and was reviewing it. The Proponent received comments from the StFN on 25 November 2013 and these comments were incorporated in revised versions of this Plan.

In addition, pursuant to subsections 11.1.5 and 11.1.6 of the section 11 Order, the Proponent prepared consultation reports summarizing the progress of the consultation activities undertaken with the StFN in relation to the Project, as specified in the Aboriginal Consultation Plan. This report was provided to the StFN for comments together with the draft Consultation Plan on 25 October 2013. The Proponent received comments from the StFN in 25 November 2013 and these comments were considered in the EA and are included in this section.

The Proponent prepared a second consultation report on the progress and results of the consultation activities undertaken with the StFN as specified in the Aboriginal Consultation Plan. This report was sent to the StFN for review and comments on 7 April 2014.

Pursuant to subsection 11.1.7 of the section 11 Order the Proponent provided the StFN with a third consultation report on 12 November 2014 summarizing consultation from May to November 2014 with StFN (**Appendix 3.3.1B**). The report builds on the Proponent's 16 September 2014 letter, which outlined consultation activities to date and proposed further consultation. The StFN were asked by the BC EAO to provide comments on the StFN consultation report prepared by the

Proponent as part of the BC EAO's assessment of the adequacy of consultation pursuant to the section 11 Order (July 2013).

17.3.4.3 Key Comments and Concerns

The Proponent has tracked the issues, concerns, and interests identified by the StFN throughout the entire consultation process. A summary of these issues, concerns, and interests, and how the Proponent has considered and addressed them are provided in **Table 17.3.4-1**. These issues, concerns, and interest have also informed the identification and assessment of potential effects of the Project on the StFN Aboriginal rights and other interests. Detailed assessments of these effects and proposed mitigation measures to address adverse effects are presented in **Section 15** Aboriginal Rights and **Section 16** Other Aboriginal Interests. Many of the issues, concerns, and interest raised by Aboriginal groups are also addressed in **Section 7.2.7** Current Land and Resource use for Traditional Purposes.

A detailed Aboriginal issues tracking table that documents the issues and concerns raised by Aboriginal groups until November, 2014 along with the Proponent's responses is included in **Appendix 3.1.3B2**.

Table 17.3.4-1 summarizes the key issues StFN raised through the consultation process.

Table 17.3.4-1: Key Issues, Concerns, and Interests Expressed by Stellat'en First Nation and Responses Provided by the Proponent

| Topic | Issues/Concerns/ Interests | Asserted Rights/Other Interests Potentially Affected | Proponent Response |
|-------------------|--|---|--|
| Aquatic Resources | Potential effects on the Stellako River from the transmission line crossing Effects to salmon | Protection of water resources; Fishing | <ul style="list-style-type: none"> • Water flow and water quality in the Stellako River will not be affected by the mine site or transmission line. • Additional surface and groundwater monitoring stations were established as part of the baseline program. • Results of all water quality sampling will continue to be posted for working group and Aboriginal groups review. • Water will be monitored on an ongoing basis throughout the life of the Project and post-closure. • Surface water and sediment quality will meet applicable provincial and federal standards to avoid effects on fish, furbearers, or animals that use those waters. • The mine site will aim to operate as a zero discharge facility during operations and closure. • Erosion and sediment control measures, including erosion control matting, rip-rap, and hydro-seeding, will be implemented to protect erodible soils from entering waterbodies. • Design and operational procedures to limit risks associated with malfunctions and accidents will be implemented. • Establish a group including affected Aboriginal group representatives to discuss access management for the transmission line corridor and the mine site. • Implementation of environmental management plans, addressing mine water management; water quality and liquid discharges management; transportation and access management; emergency and spill preparedness and response; landscape, soils, and vegetation management and restoration; erosion and sediment control; aquatic resources management; and wetlands management (Section 12.2). • No residual effects by the transmission line are anticipated on fish and fish habitat. • Details of the effects assessment on fish and fish habitat are presented in Section 5.3.8 and Section 5.3.9. Details of the effects assessments on water quality and sediment quality are presented in Section 5.3.3 and Section 5.3.4. Potential Project effects on Aboriginal rights are assessed in Section 15 and potential effects on other Aboriginal interests, including water quality, are presented in Section 16. |
| Wildlife | Concerns regarding the potential effects on caribou and UWR. | Hunting | <ul style="list-style-type: none"> • StFN traditional territory is outside the caribou LSA and RSA and no effects are anticipated on caribou within the StFN traditional territory. • The Proponent redesigned the mine site to avoid the UWR by modifying the TSF to be located completely outside of the UWR. In addition, a new mine access road will replace the existing exploration access road to the Project site. This new access road will avoid the UWR and will start at KM 124.5 of the Kluskus-Ootsa FSR as described in Section 2.2. • The Proponent has developed the following mitigation and avoidance strategies through ongoing discussions with the Caribou Sub-working Group: <ul style="list-style-type: none"> ○ Participating in regional wildlife and resource management initiatives (specifically for ungulates); ○ Setting reclamation goals to re-establish later winter habitat; ○ Decommissioning mine access roads at post-closure; ○ Minimizing ground disturbance and damage to vegetation in areas adjacent to footprints by flagging or fencing sensitive habitats; ○ Modifying the timing of clearing trees in lichen conifer forest habitat where caribou may feed; ○ Implementing progressive reclamation using local native vegetation wherever possible; ○ Restoring disturbed habitats at mine closure or development of habitats capable of supporting caribou; ○ Implementing caribou awareness and protocols in regular safety and environmental orientations performed by the Project; ○ Implementing invasive plant management techniques as defined in the Invasive Species Management Plan; ○ Implementing dust control measures as defined in the Air Quality and Emissions Management Plan; ○ Enforcing speed limits along the FSR and mine access road and implement best management practices for road maintenance to reduce potential wildlife collisions; ○ Prohibiting mine employees from hunting on mine site property; and ○ Implementation of the environmental management plans addressing wildlife management; caribou management; transportation and access management; landscape, soils, and vegetation management and restoration; and invasive species management (Section 12.2). • The detail effects assessment on caribou is presented in Section 5.4.11 and potential Project effects on Aboriginal rights are presented in Section 15. |

BLACKWATER GOLD PROJECT

APPLICATION FOR AN
ENVIRONMENTAL ASSESSMENT CERTIFICATE /
ENVIRONMENTAL IMPACT STATEMENT
ABORIGINAL CONSULTATION



| Topic | Issues/Concerns/ Interests | Asserted Rights/Other Interests Potentially Affected | Proponent Response |
|-----------------|---|---|--|
| Traditional Use | Potential effects on trapping in the Project area | Trapping | <ul style="list-style-type: none"> • The Project has been designed to minimize the entire footprint through effective Project design. Measures to mitigate the potential effects on trapping include: <ul style="list-style-type: none"> ○ Establishing a group including affected Aboriginal group representatives to discuss access management for the transmission line corridor and the mine site; ○ Compensating affected trapline holders in accordance with industry and provincial protocols with associated proof of lost revenue ; ○ Prohibiting mine employees from trapping on mine site property; ○ Informing holders of affected trapline areas of Project activities, schedules, and locations; ○ Locating and maintaining breaks in the rollback along the transmission line corridor to facilitate access to trapping trails during clearing; ○ Disposing of wastes generated on site to limit the attraction of wildlife to the mine site (environmental management plans addressing industrial and domestic waste management, Section 12.2); ○ Implementing design and operational procedures to limit risks associated with malfunctions and accidents (Section 10); and ○ Implementing the respective Environmental Management Plans (Section 12.2), addressing air quality and emissions management, transportation and access management, landscape, soils and vegetation management and restoration, wildlife management, and visual resources and aesthetics management. • Section 7.2.7 presents the effects assessment on current land and resource use for traditional purposes, which also addresses changes in plant gathering activities and changes in hunting and trapping activities. • Section 7.2.6 presents the effects assessment on non-traditional land and resources that considers the interaction of the Project footprint and activities against non-traditional land and resource uses, including registered traplines. • To minimize access and disturbance, access to the mine site will not be from the west but from the north starting at KM 124.5 of the Kluskus-Ootsa FSR as described in Section 2. • Effects on Aboriginal Rights are assessed in Section 15. |
| Traditional Use | Potential effects on berry picking in the Project area | Traditional plant harvesting | <ul style="list-style-type: none"> • The following measures will be implemented to minimize or avoid effects on plants and plants gathering for traditional purposes: <ul style="list-style-type: none"> ○ Establishing a group including affected Aboriginal group representatives to discuss access management for the transmission line corridor and the mine site; ○ Minimizing the Project footprint; ○ Implementing environmental management plans to reduce dust deposition, nitrogen deposition, and invasive species proliferation (Air Quality and Emissions Management Plan; Transportation and Access Management Plan; Landscape, Soils, and Vegetation Management and Restoration Plan; Invasive Species Management Plan); ○ Including traditional use plant species habitat in reclamation prescriptions; ○ Implementing design and operational procedures to limit risks associated with malfunctions and accidents; and ○ Implementing a no plant harvesting policy for all workers while resident at the Project site. • The assessment of potential Project effects on Aboriginal rights is developed in Section 15. Section 7.2.7 presents the effects assessment on current land and resource use for traditional purposes that addresses changes in plant gathering activities. • The effects assessment on ecosystem composition in Section 5.4.5 includes traditional use plant habitat as an indicator. A related analysis is provided in that section. |
| Traditional Use | Interest in receiving funding to complete a traditional use study | Traditional land use | <ul style="list-style-type: none"> • The Proponent provided capacity funding to the StFN to facilitate its participation in the EA, including funding to undertake a TK/TLU study. The study is currently underway and it is expected that information will become available during the EA process. Information from this study will be integrated when completed into the Project design, execution, management, and monitoring in subsequent stages of the Project development including the Application review phase, the permitting phase and Project construction, operations, closure, and post-closure phases. |

BLACKWATER GOLD PROJECT

APPLICATION FOR AN
ENVIRONMENTAL ASSESSMENT CERTIFICATE /
ENVIRONMENTAL IMPACT STATEMENT
ABORIGINAL CONSULTATION



| Topic | Issues/Concerns/ Interests | Asserted Rights/Other Interests Potentially Affected | Proponent Response |
|--|---|---|---|
| Mine Design | Concerns about effects from arsenic and water quality | Interest in water resources, Human health | <ul style="list-style-type: none"> The Proponent has provided Aboriginal groups access to baseline study reports, including water and sediment quality. Background arsenic levels are low. The mine site is designed to operate as a zero discharge facility during operations and closure and thus not exacerbate natural arsenic levels. During construction, sediment ponds will be used to contain and treat site run-off to reduce concentration of suspended solids. The effects assessment on surface water quality and sediment quality is presented in Sections 5.3.3 and 5.3.4. Surface water and sediment quality will meet applicable provincial and federal standards downstream of the mine site to avoid effects on water users, and fish (Section 5.3.8), furbearers (Section 5.4.13), or animals that use those waters. During construction, sediment ponds will be used to contain and treat site run-off to reduce concentration of suspended solids. |
| Mine Design | Concerns about effects from cyanide | Human health | <ul style="list-style-type: none"> The Proponent provided a fact sheet on cyanide and cyanide management. The Project will not treat waste rock with cyanide. Waste rock from the open pit will be disposed of at the waste rock dumps located adjacent to the open pit. Only the ore will be subject to treatment using a whole ore leach process. The tailings residue of this process will be deposited in the TSF after a cyanide destruction process has been applied. Mitigation measures for storage of cyanide include: <ul style="list-style-type: none"> Use of ISOtainers that are designed for controlled dissolution upon delivery to the site; Storage at the transload facility is designed to minimize contact of solid cyanide with water (e.g., under a roof, off the ground, in specially designed containers); Adequate ventilation in the storage facility; Containment systems in place should there be spilled cyanide materials; and Warning signs to alert workers that cyanide is present. Mitigation measures for the safe transport of cyanide include: <ul style="list-style-type: none"> Cyanide off-loading and storage facilities will be located away from surface waters and within fenced and access-controlled boundaries with locked security fencing; Gas detectors in the off-loading and storage area; and Signage for workers. Detail mitigation measures are presented in Section 12.2 Cyanide Management Plan and Section 10 Accidents and Malfunctions, which address risk mitigation for the transport of hazardous materials. The Proponent is a member of the International Cyanide Management Institute, adhering to the International Cyanide Management Code. The Proponent commits to have its mining operations audited by an independent third party from the Institute. The Proponent will implement a Country Foods Monitoring Plan around the mine site to monitor species that represent potential pathways for metals concentrations in country foods. Metal concentrations in a set of indicator plants, mammals, and fish will be analyzed to assess levels against existing baseline levels. If metal concentrations increase to levels of concern, further consultation and planning to address necessary mitigation measures will be undertaken with regulators and First Nations. A Health Effects Assessment has been conducted and is presented in Section 9.2. |
| Employment and Contracting Opportunities | Interest expressed in training, employment, and contracting opportunities for StFN members at the Project | Economic development | <ul style="list-style-type: none"> The Proponent is committed to increasing the percentage of Aboriginal employees by working closely with the employment and training officers in Aboriginal communities as well as with Band Councils to establish conditions at the Project that support a multicultural workforce. In addition, the Project will provide opportunities for on-the-job training. The Proponent encourages Aboriginal employment. The Proponent's New Afton Mine has 23% Aboriginal employees, and the Project currently has 25% to 28% (self-declared). The Proponent is committed to providing Aboriginal groups with the opportunity to provide contracting services to the Project. The Proponent will work with communities and the provincial and federal governments to discuss business capacity and opportunities for Aboriginal peoples to prepare for the mine during construction and operations. Additional details on Project effects on regional and local employment and businesses are presented in Section 6.2.3. Section 12.2 presents environmental management plans that address recruitment, training, and employment. |

Note: LSA = Local Study Area; RSA = Regional Study Area; StFN = Stellat'en First Nation; TK/TLU = Traditional Knowledge /Traditional Land Use; TSF = Tailings Storage Facility; UWR = Ungulate Winter Range.

17.3.5 Uikatcho First Nation

Engagement and consultation activities with the UFN began in May 2011, soon after the Proponent acquired the mineral rights for the Project. The Proponent's consultation approach is tailored to meet the UFN's interests through creation of a formal process captured in the signed Exploration Agreement negotiated between UFN and the Proponent. The Agreement describes how engagement activities will be carried out with the UFN. For example, it stipulates annual community meetings to update UFN members on the status of the Project and exploration activities. It also describes the frequency of leadership meetings and information sharing through formal Consultation Reports.

This section describes the pre-Application consultation that has taken place from May 2011 until August 2014. A summary of communications between the UFN and the Proponent is included in **Appendix 17A**.

17.3.5.1 Consultation Activities

Consultation activities between UFN representatives and the Proponent included meetings and presentations, written communications, community meetings, agreement negotiations, a TLU study, socioeconomic interviews, and site tours. In addition, the Proponent regularly provided Project updates.

17.3.5.1.1 Meetings and Presentations

From May 2011 until August 2014, 20 in-person recorded meetings were held with the UFN and the Proponent representatives. These meetings are included in the summary of communications in **Appendix 17A**.

Two of these meetings were formal community meetings. The first community meeting focused on introducing the Project to the UFN community, sharing information about the Project, answering questions and documenting concerns community members may have about the Project. The community meetings were held in Anahim Lake on 15 March and 11 December 2013.

The presentation delivered in December 2013 provided information about the Project location, mine site and facilities, timeline, design principles, and engagement conducted with UFN. The presentation also described key issues and comments raised by UFN and the steps the Proponent is undertaking to resolve the issues and enhance positive benefits. Key topics included traditional land use, water resources, wildlife, vegetation, reclamation and closure and contracting and employment. Approximately 35 people attended the meeting.

Participants were provided with feedback forms (13 forms were completed), fact sheets on the project and a December 2013 Newsletter. Participants also viewed the 13 posters arranged around the room regarding the Project overview, Project facilities, Project components, the environmental assessment process as well as studies underway (e.g. moose, caribou, fish and fish habitat, surface water and sediment quality) and baseline study information (e.g. fish, fish habitat and aquatics, water quality, wildlife).

In addition to community meetings, the Proponent and UFN leadership have participated in numerous meetings. Engagement commenced in August 2011 when the Proponent met with UFN to introduce the Project and discuss development of a TLU study. Meetings continued throughout 2011 and 2012 and focused on relationship development, mine design, UFN concerns about Project effects (i.e. caribou), TLU studies, the EA process, participation agreements, the hiring of a First Nations coordinator, as well as increasing employment, contracting and training opportunities for UFN members.

Numerous meetings were also held in 2013 to continue discussions with UFN leadership regarding trades training and employment; the EA process, potential project effects and mitigation strategies (caribou management plan) and consultation methods.

In total, the Proponent and UFN representatives participated in four JIC meetings. The meetings provided opportunities for both parties to share information, questions, comments, and concerns about the Project. To date, discussions have centred on hiring, contract opportunities, potential effects on caribou and methods to reduce or mitigate effects, reclamation activities, and water quality effects that might occur during Project operations.

The Proponent also had communications with a UFN trapline holder. The trapline is part of a larger family-owned resource area or Keyoh whose trapline and Keyoh are located south of the Project area. Despite the location of the trapline being outside the Project area, the Proponent remains committed to addressing the concerns of UFN members. To date, three in-person meetings were held with the trapline/Keyoh representative and numerous e-mails, phone calls, and letters have been exchanged. During a meeting in February 2013, the Proponent agreed to provide the member with all public documents related to the Project. The Proponent also provided a map illustrating the location of the trapline/Keyoh and the boundaries of the Project, which confirmed that the family Keyoh does not overlap with the Project area.

17.3.5.1.2 Effects Assessment Meetings

The Proponent and UFN have met to discuss potential effects of the Project on Aboriginal rights and interests and share proposals to avoid, mitigate or otherwise address effects as appropriate. Effects Assessment meetings with UFN commenced in February 2013 when the Proponent and its consultants delivered a presentation to UFN representatives and other federal and provincial Working Group members regarding a caribou recovery strategy. It provided information on the strategy as well as the results of studies undertaken (caribou count data, habitat mapping) and presented the next steps. The Wildlife Management Plan was also provided to UFN (as required under the AGCP).

On 6 March 2014, the Proponent met UFN representatives again in Anahim Lake to discuss the potential effects of the Project on UFN interests. The objectives of the meeting were to:

- Provide an overview of the issues, concerns, and interests of the UFN that were identified through the consultation process and discuss how these were reflected in the AIR and EA;

- Review and seek input from UFN regarding potential Project effects on the exercise of their Aboriginal rights; and
- Present information and request input from UFN regarding proposed mitigation measures.

During this meeting, the Proponent provided an update regarding progress on the draft AIR and EA process. Copies of presentations and supporting documents were made available to the UFN for further review and analysis. A follow-up meeting was held on 27 March 2014 to continue dialogue on these matters. No new issues were identified through these discussions.

A copy of the Wildlife Management Plan was also provided to UFN in the second quarter of 2014.

17.3.5.1.3 Written Communications

In addition to meetings, there have been ongoing and extensive written communications between the UFN and the Proponent, via letters, faxes, and e-mails. These are included in the summary of communications in **Appendix 17A**.

17.3.5.1.4 Site Tours

The Proponent hosted six site tours for UFN representatives. The first tour was held on 30 September 2011 and involved a helicopter tour of the Project area. UFN's legal counsel (Devlin Gailus, Barristers, and Solicitors), a UFN Councillor, and the Proponent's representatives were present. During the tour, the UFN and the Proponent's representatives discussed water resources, mine design, and the caribou herd that resides in Ulkatcho traditional territory.

On 24 July 2012, the Proponent provided a flyover and camp tour of the Project site for UFN Elders and one Councillor. On 7 September 2012, the Proponent provided a site tour and general discussion of traditional land use in the area. On 28 September 2012, an additional tour of the Project site was arranged for one UFN Councillor and the UFN Band Manager. During the tour, the Proponent and UFN representatives discussed employment and hiring opportunities. Additional site tours are currently being discussed. On 13 February 2013 a helicopter tour addressing Caribou management was held. The Proponent will continue to offer the opportunity for site tours during the Application review stage (**Section 17.4.2**).

On 16 September 2012, the Proponent arranged for the UFN to attend the opening ceremony of the New Afton Mine near Kamloops, BC. In addition, UFN representatives were provided with a guided tour of the New Afton Mine site to illustrate how the Proponent operates a producing mine.

17.3.5.1.5 Agreements

Ongoing discussions with the UFN regarding agreements began in 2011. In February 2012, the UFN and the Proponent signed an Exploration Agreement outlining how the two parties will cooperate on matters such as consultation protocols, the EA, and JIC meetings. The Exploration Agreement also provides funding to facilitate UFN participation in the EA. On 20 November 2012, the Proponent and the UFN signed a Capacity Funding Agreement for the completion of an Aboriginal TK/TLU study.

Ongoing discussions are being held with the UFN to negotiate a mutually beneficial Participation Agreement between the Proponent and the UFN. Aspects of UFN importance include employment, contracting opportunities, caribou and other wildlife studies, and socioeconomic monitoring. This arrangement, if entered into, could provide further provisions for economic benefits, ongoing participation, employment and education opportunities, and measures for local cultural and environmental protection.

17.3.5.1.6 Traditional Land Use Studies

The Proponent and the UFN engaged in a number of discussions to determine a process for collecting TLU information for the Project. With the signing of the Exploration Agreement in 2012, the UFN and the Proponent agreed on a framework to guide collection and use of confidential information provided by the UFN. On 20 November 2012, the Proponent and the UFN reached an agreement on capacity funding for the completion of a TK/TLU Study. The study was completed and shared with the Proponent in October 2013. Information from the study was considered in the development of the effects assessments and mitigation and monitoring plans as applicable (**Section 7.2.7, Section 15, and Section 16**).

17.3.5.1.7 Capacity Building

The Proponent has had discussions with the UFN about various capacity initiatives. These discussions are ongoing. In September 2013, the Proponent agreed to provide funding for a part-time coordinator position until the end of the Application review stage. The role of the coordinator position includes acting as liaison between the Proponent and the UFN. The Proponent is in discussions with the UFN about a socioeconomic wellness study that would be conducted by the community. The study may include a component to monitor social condition changes that may result from the Project.

Pursuant to the Exploration Agreement, the Proponent has committed to providing funding to the UFN for a technical review of the Application. The Proponent is also committed to capacity building through the provision of contracting and employment opportunities.

The UFN expressed an interest in being involved in any studies conducted in UFN's traditional territory. The Proponent facilitated participation of UFN members during the studies undertaken, including wildlife and archaeology. During this time, UFN participants worked in the field with various consultants.

In addition, the Proponent provided funding for several UFN members to attend the Drill Core Technician basic training course at Northwest Community College where students develop and apply the technical skills to observe, measure, and record information from diamond drill core, while learning to safely handle core boxes, use core splitters, and core samples. UFN members attended the course and a number of participants were then hired by the Proponent.

The Proponent sponsored a culture camp for Ulkatcho community members. Approximately 20 members participated and were housed at the Proponent's Capoose camp. The culture camp

assisted with the ground-truthing component of the UFN TLU and ecological knowledge study and facilitated participants sharing cultural information in a natural setting.

17.3.5.2 Environmental Assessment Procedures

The UFN and the Proponent have had many meetings, e-mails, and telephone conversations on procedures related to completion of the EA. These included discussions regarding consultation, archaeology and heritage, work plans, and the AIR.

Discussions with the UFN regarding consultation and notification began in May 2011. The Proponent has consulted and will continue to consult the UFN in a way that is meaningful, ongoing, and transparent. The Exploration Agreement defines a process for how consultation with the UFN should be carried out, focusing on opportunities for the UFN to participate in the EA process, including development of the AIR and identification of potential Project effects, as well as strategies to avoid or mitigate adverse effects of the Project on UFN's rights and other interests.

17.3.5.2.1 Blackwater Project Environmental Assessment Working Group

The BC EAO and the Agency formed the Blackwater Project EA Working Group in April 2013 and invited UFN representatives to participate as members of the WG. Through the Blackwater Project Environmental Assessment Working Group, the UFN had an opportunity to review and provide verbal and written comments on the selection of VCs for the effects assessment, design of the baseline study programs, proposed environmental and socioeconomic studies, and any issues and information requirements related to the Project EA. Comments provided were considered in the development of the VCs and other aspects of the Application noted in this paragraph. It is expected that working group meetings will continue to provide additional opportunities for the UFN to provide input into other aspects of the EA.

17.3.5.2.2 Draft Application Information Requirements

Members of the working group, including the UFN, reviewed the first version of the AIR developed by the Proponent. Feedback was obtained from the UFN on 3 June 2013 on a number of matters, including studies related to the caribou herd and ensuring effects of predators; cumulative effects; the importance of the traditional economy; and the importance of culture. Comments provided were considered in the development of the approved AIR, VCs, and other aspects of the Application noted in this paragraph. The UFN provided additional feedback on the AIR on 27 February 2014. The comments focused on the assessment methodology for wildlife-related VCs and in particular caribou. The Proponent met with the UFN consultant to discuss this comment and additional wording was added to the AIR to address this comment.

17.3.5.2.3 Consultation Planning and Reporting

As directed in the section 11 Order, the Proponent has developed an AGCP (**Appendix 3.3.1A**) to guide its activities and responsibilities in the consultation process with Aboriginal groups listed in Schedule B, including the UFN, during the pre-Application and Application review stages. The Proponent provided the AGCP to UFN for review and input on 25 October 2013. A follow-up e-

mail was sent on 4 November 2013 to confirm UFN received the AGCP and to request a meeting to review the document. In addition, the Proponent followed up with a letter to Chief Zach Parker requesting feedback on 14 November 2013. The Proponent received comments from UFN on 27 November 2013 and these comments were considered in revised versions of the Plan.

In addition, pursuant to subsections 11.1.5 and 11.1.6 of the section 11 Order, the Proponent prepared consultation reports summarizing the progress of the consultation activities undertaken with the UFN in relation to the Project, as specified in the AGCP. This report was provided to the UFN for comments together with the draft AGCP on 25 October 2013. The Proponent received comments from the UFN on 27 November 2013 and these comments were considered in the EA and are included in this section.

The Proponent prepared a second consultation report on the progress and results of the consultation activities undertaken with the UFN as specified in the AGCP. This report was shared with the UFN for review and comments on 7 April 2014.

Pursuant to subsection 11.1.7 of the section 11 Order, the Proponent provided the UFN with a third consultation report on 12 November 2014 summarizing consultation between May and November 2014 with UFN (**Appendix 3.3.1B**). The report builds on the Proponent's 16 September 2014 letter, which outlined consultation activities to date and proposed further consultation. The UFN was asked by the BC EAO to provide comments on the UFN consultation report prepared by the Proponent as part of the BC EAO's assessment of the adequacy of consultation pursuant to the section 11 Order (July 2013).

17.3.5.3 Key Comments and Concerns

The Proponent has tracked the issues, concerns, and interests identified by the UFN throughout the consultation process. A summary of these issues, concerns, and interests, and how the Proponent has considered and addressed them are provided in **Table 17.3.5-1**. These issues, concerns, and interests have informed the identification and assessment of potential effects of the Project on the UFN Aboriginal rights and other interests. Detailed assessments of these effects and proposed mitigation measures to address adverse effects are presented in **Section 15** Aboriginal Rights and **Section 16** Other Aboriginal Interests. Many of the issues, concerns, and interest raised by Aboriginal groups are also addressed in **Section 7.2.7** Current Land and Resource use for Traditional Purposes.

A detailed Aboriginal issues tracking table that documents the issues and concerns raised by Aboriginal groups until November 2014 along with the Proponent's responses is included in **Appendix 3.1.3B2**.

Table 17.3.5-1 summarizes the key issues UFN raised through the consultation process.

Table 17.3.5-1: Key Issues, Concerns, and Interests Expressed by Ulkatcho First Nation and Responses Provided by the Proponent

| Topic | Issues/ Concerns/ Interests | Asserted Rights/Other Interests Potentially Affected | Proponent Response |
|----------|--|--|---|
| Wildlife | Effects (including cumulative effects) on caribou herds and the UWR as well as impacts to caribou habitat and forage (e.g., loss of UWR from direct and indirect impacts and from effects related to wildlife mortality and caribou health). | Hunting | <ul style="list-style-type: none"> • The Proponent redesigned the mine site to avoid the UWR by modifying the TSF to be located completely outside of the UWR. In addition, a new mine access road will replace the existing exploration access road to the site. This new access road will avoid the UWR and will start at KM 124.5 of the Kluskus-Ootsa FSR as described in Section 2.2. • The Proponent has developed the following mitigation and avoidance strategies through ongoing discussions with the Caribou Sub-working Group: <ul style="list-style-type: none"> ○ Participating in regional wildlife and resource management initiatives (specifically for ungulates); ○ Setting reclamation goals to re-establish later winter habitat; ○ Decommissioning mine access roads at post-closure; ○ Minimizing ground disturbance and damage to vegetation in areas adjacent to footprints by flagging or fencing sensitive habitats; ○ Modifying the timing of clearing trees in lichen conifer forest habitat where caribou may feed; ○ Implementing progressive reclamation using local native vegetation wherever possible; ○ Restoring disturbed habitats at mine closure or development of habitats capable of supporting caribou; ○ Implementing caribou awareness and protocols in regular safety and environmental orientations performed by the Project; ○ Implementing invasive plant management techniques as defined in the Invasive Species Management Plan; ○ Implementing dust control measures as defined in the Air Quality and Emissions Management Plan; ○ Enforcing speed limits along the FSR and mine access road and implement best management practices for road maintenance to reduce potential wildlife collisions; ○ Prohibiting mine employees from hunting on mine site property; and ○ Implementing the environmental management plans addressing wildlife management; caribou management; transportation and access management; landscape, soils, and vegetation management and restoration; and invasive species management (Section 12.2). • The detailed effects assessment on caribou is presented in Section 5.4.11 and potential effects on Aboriginal Rights and other interests are discussed in Sections 15 and 16. |
| | Concerns raised regarding disturbance of moose, caribou migrations and habitats, increased predator and human access; loss of small fur-bearing animal, bird and amphibian habitat, due to stump removal. | Hunting | <ul style="list-style-type: none"> • The Proponent will implement the following mitigation measures to reduce potential adverse effects: <ul style="list-style-type: none"> ○ Develop a compact site to reduce overall habitat loss and to limit potential adverse effects related to sound emissions to the extent practical; ○ Modify the timing of clearing trees in old growth habitat where furbearers are likely to overwinter to encourage furbearers to move away before the start of winter (pending discussion with MFLNRO); ○ Restore disturbed habitats at mine closure or encouraging the development of habitats capable of supporting a diversity of wildlife species, including furbearers; ○ Retain coarse woody debris in harvested areas to redistribute during closure and post-closure; and ○ Prohibit mine employees from hunting on mine site property. • Mitigation measures are expected to be effective and can be further optimized in response to monitoring data. • The Proponent has implemented a number of measures within Project design that are aimed at avoiding and/or mitigating loss and degradation effects to wildlife and wildlife habitat including: <ul style="list-style-type: none"> ○ The roads, transmission line, and mine site footprints will avoid high value habitat (especially mature and old growth forests); ○ The Kluskus FSR is an existing road for most of its footprint; ○ Cleared areas and proposed access roads and transmission lines located away from old growth forests; and ○ Movement of the facilities and topsoil piles within the mine site area away from wetlands, and/or minimizing ground disturbance footprint; and minimizing clearance of old growth forest and maintaining hydrological regimes of wetlands near infrastructure. • The Proponent will implement environmental management plans (Section 12.2), addressing wildlife management; landscape, soils, and vegetation management and restoration; industrial and domestic waste management; and transportation and access management. Issues such as road kill, displacement, and an increase in mortality due to increased predator access will be addressed in these management plans. |

BLACKWATER GOLD PROJECT

APPLICATION FOR AN
ENVIRONMENTAL ASSESSMENT CERTIFICATE /
ENVIRONMENTAL IMPACT STATEMENT
ABORIGINAL CONSULTATION



| Topic | Issues/ Concerns/ Interests | Asserted Rights/Other Interests Potentially Affected | Proponent Response |
|-----------------|--|--|--|
| Vegetation | Concerns rose regarding loss of understory vegetation such as berries, mushrooms, as well as food and medicinal plants and materials. Reduction in morel mushroom and berry gathering areas due to the potential loss of land base. Introduction of invasive species, damage to rare and endangered species. | Traditional plant harvesting | <ul style="list-style-type: none"> • The following measures will be implemented to minimize or avoid effects on plants and plants gathering for traditional purposes: <ul style="list-style-type: none"> ○ Establishing a group including affected Aboriginal group representatives to discuss access management for the transmission line corridor and the mine site; ○ Minimizing the Project footprint; ○ Implementing environmental management plans to reduce dust deposition, nitrogen deposition, and invasive species proliferation (Air Quality and Emissions Management Plan; Transportation and Access Management Plan; Landscape, Soils, and Vegetation Management and Restoration Plan; Invasive Species Management Plan); ○ Including traditional use plant species habitat in reclamation prescriptions; ○ Implementing design and operational procedures to limit risks associated with malfunctions and accidents; and ○ Implementing a no plant harvesting policy for all workers while resident at the work site. • Detailed information about the effects on plants and mitigations for any adverse effects are contained in Section 5.4.5 (Ecosystem Composition), which includes traditional use plant habitat as an indicator. • The assessment of potential Project effects on Aboriginal rights and other interests is described in Sections 15 and 16. Section 7.2.7 presents the effects assessment on current land and resource use for traditional purposes that addresses changes in plant gathering activities. |
| Employment | Concerns raised regarding "boom and bust" cycle, (including employment followed by unemployment) and inequitable distribution of employment within Aboriginal communities, as well as with non-Aboriginal communities. | Economic development Community well-being | <ul style="list-style-type: none"> • The Proponent is committed to working with educational partners to provide training programs to develop a skilled pool of employees, providing long-term sustainable benefits to the community and its members. The Project will provide opportunities for on-the-job training through a variety of mandatory and elective training initiatives. This training and accumulated experience will provide residents with opportunities to pursue higher paying jobs elsewhere. • The Proponent encourages a multicultural workforce and is committed to increasing the percentage of Aboriginal employment. The Proponent's New Afton Mine has 23% Aboriginal employees, and the Project currently has 28% (self-declared). Additional details on Project effects on regional and local employment and businesses are presented in Section 6.2.3 and effects on community well-being are assessed in Section 7.2 • Section 12.2 presents environmental management plans that will address recruitment, training, and employment. |
| Social | Potential creation and/or exacerbation of social problems. Concerns expressed regarding increased incomes in communities affecting family dynamics and loss of cultural continuity. | Community well-being | <ul style="list-style-type: none"> • The Proponent will continue to provide new employees with a comprehensive site orientation and introduction to Project policies, including policies on drug and alcohol use. The Proponent will continue to employ drug and alcohol testing for employees. • The Proponent is in discussions with the UFN about a socioeconomic wellness monitoring program to address any changes in social conditions. • The following measures will be implemented to avoid or minimize potential social problems: <ul style="list-style-type: none"> ○ Provide construction and operation scamps for workers; ○ Implement a no drugs and no alcohol policy onsite; ○ Provide recreational facilities and activities for workers at the Project site; ○ Provide a respectful workplace with no harassment and with safety and security, multicultural workforce considerations, and cultural awareness training; ○ Offer counselling services to employees; ○ Provide access to money management training. ○ Deposit workers' salaries directly to their bank accounts and provide access to money management training; ○ Work with local agencies to assist in monitoring community well-being and to take corrective actions where appropriate. • Additional details are provided in Section 7.2. Social Effects Assessment and Section 16 Other Aboriginal Interest. |
| Spills and Fire | Concerns raised regarding environmental damage from chemical spills or leaching. | Interests in terrestrial resources and water resources Human Health | <ul style="list-style-type: none"> • The mine site will aim to operate as a zero discharge facility during operations and closure. • Surface water and sediment quality will meet applicable provincial and federal standards downstream of the mine site to avoid effects on humans, fish, furbearers, or animals that use those waters. • Water will be monitored on an ongoing basis throughout the life of the Project and post-closure. • Detail risk mitigation measures are presented in Section 10 Accidents and Malfunctions and Section 12.2 Environmental Management Plans, including an Emergency and Spill Preparedness and Response Plan. • The Proponent will implement a Country Foods Monitoring Plan around the mine site to monitor species that represent potential pathways for metals concentrations in country foods. Metal concentrations in a set of indicator plants, mammals, and fish will be analyzed to assess levels against existing baseline levels. If metal concentrations increase to levels of concern, further consultation and planning to address necessary mitigation measures will be undertaken with regulators and First Nations. A Health Effects Assessment has been conducted and is presented in Section 9.2. |

BLACKWATER GOLD PROJECT

APPLICATION FOR AN
ENVIRONMENTAL ASSESSMENT CERTIFICATE /
ENVIRONMENTAL IMPACT STATEMENT
ABORIGINAL CONSULTATION



| Topic | Issues/ Concerns/ Interests | Asserted Rights/Other Interests Potentially Affected | Proponent Response |
|--|---|--|---|
| Access | Concerns raised regarding increased traffic on local roads, and access to hunting areas for non-Aboriginal hunters. | Hunting | <ul style="list-style-type: none"> The following measures will be implemented to avoid or minimize potential effects on traffic and to limit undesired access: <ul style="list-style-type: none"> Personal vehicles will not be permitted to travel to the mine site; An airstrip will be built near the mine site for a fly in/fly out rotation of construction workers from outside the SERSA; Busing workers from Vanderhoof and airstrip to reduce traffic volume; Adherence of Project-related traffic to terms and conditions of the Kluskus Road Management Agreement and the Traffic and Access Management Plan during all phases of the Project; An Incident Management Plan has been developed to provide guidance when an incident occurs; Locking gates will be installed on the mine access road to prevent public use of the road; Implementing a no hunting policy for all workers while resident at the Project site; and Wildlife sightings will be reported to supervisory personnel in a timely manner. Section 7.2 presents the social effects assessment including regional and community infrastructure. The residual effects of Project-related incremental traffic are expected to be minor and not significant. Section 12.2 presents environmental management plans that address transportation and access management. Section 7.2.7 presents the effects assessment on current land and resource use for traditional purposes, and addresses changes in hunting and trapping activities. Section 7.2.6 presents the effects assessment on non-traditional land and resources including hunting. |
| Soils | Concerns raised regarding increased soil erosion and soil stability, as well as contamination of soils. | Interests in terrestrial resources | <ul style="list-style-type: none"> Geotechnical assessments will be completed as needed, and a Reclamation and Closure Plan is presented in Section 2.6. Section 5.4.2 presents the effects assessment on physiography and topography that includes terrain stability as an indicator. Section 12.2 presents environmental management plans that address erosion and sediment control and soils management. |
| Aquatic Resources Fish and Fish Habitat | Potential effects to water quality. Concerns raised regarding changes in drainage patterns, flows and volumes of water, redirection of watercourses and waterbodies, degradation of water quality and related effects on fish, fish habitat, potable water users, and wildlife. | Fishing Interest on water resources | <ul style="list-style-type: none"> Additional surface and groundwater monitoring stations were established as part of the baseline program. Results of all water quality sampling will continue to be posted for Aboriginal groups review. Water will be monitored on an ongoing basis throughout the life of the Project and post-closure. Surface water and sediment quality will meet applicable provincial and federal standards downstream of the mine site to avoid effects on fish, furbearers, or other animals that use those waters. The mine site will aim to operate as a zero discharge facility during operations and closure. Erosion and sediment control measures, including control matting, rip-rap, and hydro-seeding will be implemented to protect erodible soils from entering waterbodies. Design and operational procedures to limit risks associated with malfunctions and accidents will be implemented. Establish a group including affected Aboriginal group representatives to discuss access management for the transmission line corridor and the mine site. The Proponent will implement environmental management plans, addressing mine water management; water quality and liquid discharges management; transportation and access management; emergency and spill preparedness and response; landscape, soils, and vegetation management and restoration; erosion and sediment control; aquatic resources management; and wetlands management (Section 12.2). The Proponent will implement a Country Foods Monitoring Plan around the mine site to monitor species that represent potential pathways for metals concentrations in country foods. Metal concentrations in a set of indicator plants, mammals, and fish will be analyzed to assess levels against existing baseline levels. If metal concentrations increase to levels of concern, further consultation and planning to address necessary mitigation measures will be undertaken with regulators and First Nations (Appendix 9.2.2B). Details of the effects assessment on surface water flow and quality are presented in Section 5.3.2 and Section 5.3.3. The assessment of fish and fish habitat are presented in Section 5.3.8 and Section 5.3.9. The Health Effects Assessment is presented in Section 9.2. The assessment of potential Project effects on Aboriginal rights and other interests is described in Section 15 and Section 16. Section 7.2.7 presents an assessment of current land use for traditional purposes. |
| Aquatic Resources Fish and Fish Habitat | Potential effects to Tzelbeguz Lake (a sacred fish gathering site) | Fishing Right to use spiritual/traditional sites Interest in water resources | <ul style="list-style-type: none"> No Project effects are anticipated on Tzelbeguz Lake as it is outside of the area of influence of the Project. In response, the Proponent provided the concerned UFN member with a map showing the mineral claims and the boundaries of the member's family territory. The Proponent also offered to provide the member with a site tour of the operations. |
| Archaeology | Potential disturbances to grave sites in the area from drilling | Right to use spiritual/traditional sites | <ul style="list-style-type: none"> No grave sites have been identified within the mine site. Section 8.2.2 addresses potential effects on archaeological sites. Section 12.2 presents environmental management plans that address archaeology and heritage resources management. Burial sites will be managed according to the standards set by the Archaeology Branch and in accordance with the preference of the local community. |

BLACKWATER GOLD PROJECT

APPLICATION FOR AN
ENVIRONMENTAL ASSESSMENT CERTIFICATE /
ENVIRONMENTAL IMPACT STATEMENT
ABORIGINAL CONSULTATION



| Topic | Issues/ Concerns/ Interests | Asserted Rights/Other Interests Potentially Affected | Proponent Response |
|---|--|--|--|
| | Protection of historic areas around the mine site | Right to use spiritual/traditional sites | <ul style="list-style-type: none"> • The following measures will be implemented to minimize or avoid effects on heritage resources: <ul style="list-style-type: none"> ○ Physical remains of cultural sites, such as cabins, archaeological sites, culturally modified trees, and trails have been fully documented and potential effects will be avoided or minimized during construction and mitigated through reclamation programs. The environmental management plans (Section 12.2) addressing archaeological and heritage resource management will provide further opportunities to address cultural sites that may be identified; ○ Informing workers of sensitive cultural areas, and implementing a policy of reporting and respectful use; ○ Implementing the respective environmental management plans, addressing air quality and emissions management, transportation and access management, and visual resources and aesthetics management to address potential noise, emissions, and effects on visual resources; and ○ Developing alternative access plans with Aboriginal groups, where access to or use of specific cultural sites needs to be altered or is impeded. • Section 8.2.3 of the Application addresses potential effects on historic sites. Section 12.2 presents environmental management plans that address archaeology and heritage resources management. |
| Consultation | Concerns expressed about the process used to consult with the UFN and its members. | Consultation | <ul style="list-style-type: none"> • In February 2012, the Proponent and the UFN endorsed an agreement that outlines consultation protocols. For example, it describes the frequency of leadership meetings, community meetings, and information sharing through formal Consultation Reports. • In November 2012, the Proponent and the UFN reached an agreement on capacity funding for participation in the EA process and the completion of an Aboriginal Land Use/Traditional Ecological Knowledge Study. |
| Employment, and Contracting Opportunities | UFN interested in contracts and business relationships | Economic development | <ul style="list-style-type: none"> • The Proponent is committed to increasing the percentage of Aboriginal employees by working closely with the employment and training officers in Aboriginal communities as well as with Band Councils to establish conditions at the Project that support a multicultural workforce. • The Proponent encourages Aboriginal employment. The Proponent's New Afton Mine has 23% Aboriginal employees, and the Project currently has 25% to 28% (self-declared). • The Proponent is committed to providing Aboriginal groups with the opportunity to provide contracting services to the Project. The Proponent will work with communities and the provincial and federal governments to discuss business capacity and opportunities for Aboriginal peoples to prepare for the mine during construction and operations. • Additional details on Project effects on regional and local employment and businesses are presented in Section 6.2.3. • Section 12.2 presents environmental management plans that address recruitment, training, and employment. |

Note: km = kilometre; FSR = Forest Service Road; MFLNRO = Ministry of Forestry, Lands and Natural Resource Operations; SERSA = Socioeconomic Regional Study Area; TSF = Tailings Storage Facility; UFN = Ulkatcho First Nation; UWR = Ungulate Winter Range;

17.3.6 Nazko First Nation

Engagement and consultation activities with the NFN began in November 2011. Since that time, the Proponent has continued to develop the relationship with the NFN Chief and Council, as well as other NFN representatives.

This section describes the pre-filing consultation that has occurred from November 2011 until August 2014. A summary of communications between the NFN and the Proponent is included in **Appendix 17A**.

17.3.6.1 Consultation Activities

Consultation activities between the NFN and the Proponent included meetings and written communications.

17.3.6.1.1 Meetings and Presentations

Between the end of 2011 and the first quarter of 2014, seven in-person meetings were held with the NFN and the Proponent representatives. These meetings are included in the summary of communications in **Appendix 17A**.

On 2 February 2012, the Proponent met with NFN representatives to introduce the Project. On 16 July 2012, NFN representatives and the Proponent met to discuss the Project further. During this meeting, the NFN raised concerns about potential exacerbation of arsenic levels in water (representatives noted current high arsenic levels) and requested they would like to have regular access to water testing details. The Proponent provided a time series graph describing the water sampling results. Other topics discussed included employment and training opportunities, capacity funding to participate in the EA, and partnership opportunities.

On 13 November 2012, the Proponent met with the NFN to present information on the Project Description (**Section 2.2**). The NFN raised concerns about potential effects on fish, wildlife, and water and the potential for acid rock drainage effects.

Another meeting was held on 9 July 2013, which focused on concerns related to dust from the road and mine operations that may affect medicinal plants or fish (e.g., the dust enters the watersheds). Other discussions at the meeting included hiring policies, contracting opportunities, TK/TLU studies, water flow direction, transportation and power requirements, the status of baseline studies, and capacity. The NFN raised concerns about the Project exacerbating issues with the moose population (which they say has been declining for years now) through changes to wildlife movement and mortality. This input was considered in developing the Wildlife Management Plan.

17.3.6.1.2 Written Communications

In addition to meetings, there have been ongoing written communications between the NFN and the Proponent via letters, faxes, and e-mails. These are included in the summary of communications in **Appendix 17A**. Written communications focused on providing regular project

updates, shape files, maps, and other Project-related materials, providing copies of minutes from meetings, arrangements for initiating Mining 101 training and discussing capacity funding. In a letter dated February 2014, the NFN expressed its concerns on potential Project effects on the Euchiniko watershed and interest in obtaining financial support for a traditional use study on the north portion of NFN territory.

17.3.6.1.3 Site Tour

On 31 July 2014 the Proponent and NFN leadership participated in a site tour by helicopter of their territory and its relationship to the Project and its components. Six NFN members participated. .

17.3.6.1.4 Agreements

The Proponent has discussed with the NFN a Capacity Funding Agreement to participate in the EA process. Discussions continue between the parties, but at the time of writing an agreement was not reached.

17.3.6.1.5 Capacity Building

The Proponent continues to discuss various capacity building initiatives with the NFN. The Proponent remains committed to capacity building through contracting and employment opportunities.

The NFN expressed an interest in being involved in training opportunities and informed the Proponent of the BladeRunners program currently in place, which is an employment program that targets at-risk youth (15 to 30 years of age) and provides them with basic training designed to facilitate entry into the labour force. The NFN expressed an interest in obtaining work experience for those members in the program. As a result, the Proponent provided work experience training to program participants.

The Proponent also arranged for the Mining 101 course to be delivered on reserve in the Nazko community. The course was held for NFN members in November 2012 and provided participants with an introduction to the mining process and employment opportunities associated with the industry.

The Proponent will continue to encourage NFN employment with the Project.

17.3.6.2 Environmental Assessment Procedures

The NFN and the Proponent had some discussion on procedures related to completion of the EA and capacity funding to facilitate NFN participation. It is expected that these discussions will continue. In March 2013, the NFN provided input into the EIS Guidelines through correspondence with the Agency. In December 2013, the BC EAO provided additional direction to the Proponent regarding engaging with the NFN during the EA process. This included:

- Providing the NFN with information on the Proponent's assessment of the potential effects related to the use of the Kluskus and Ootsa FSRs, including potential accidents and malfunctions; and
- Making reasonable effort to respond to questions and comments that the NFN has during the Application review as early as possible, in order to support the NFN in submitting comments to the BC EAO with respect to potential effects on NFN Aboriginal interests.

The Proponent will make efforts to meaningfully inform the NFN about the results of studies undertaken and respond to any questions and comments raised by the NFN during the Application review phase.

17.3.6.3 Key Comments and Concerns

The Proponent has tracked the issues, concerns, and interests identified by the NFN throughout the consultation process. A summary of these issues, concerns, and interests, and how the Proponent has considered and addressed them is provided in **Table 17.3.6-1**. These issues, concerns, and interests have informed the identification and assessment of potential effects of the Project on the NFN Aboriginal rights and other interests. Detail assessments of these effects and proposed mitigation measures to address adverse effects are presented in **Section 15** Aboriginal Rights and **Section 16** Other Aboriginal Interests. Many of the issues, concerns, and interests raised by Aboriginal groups are also addressed in **Section 7.2.7** Current Land and Resource use for Traditional Purposes. A summary table of issues and concerns received from all Aboriginal groups, the source of the input, and the Proponent's response is included in **Appendix 3.1.3B**.

Table 17.3.6-1: Key Issues, Concerns, and Interests Expressed by Nazko First Nation and Responses Provided by the Proponent

| Topic | Issues/ Concerns/ Interests | Asserted Rights/Other Interests Potentially Affected | Proponent Response |
|--|---|--|--|
| Aquatic Resources, Fish and Fish Habitat | <p>Potential exacerbation of arsenic levels that are noted to be high in some waterbodies in the area.</p> <p>Effects from dust that may contaminate the watersheds and affect fish.</p> <p>Potential Project effects on fish and fish habitat (including Chinook salmon) within NFN territory, and in particular the Euchiniko watershed</p> | Fishing, Interest in water resources | <ul style="list-style-type: none"> • NFN members identified concerns about the Project in the early stages, prior to developing a full understanding of the location and the potential for effects. These concerns included effects on Chinook salmon and fishing by the Trout Lake community. These activities occur outside the Project area will not be affected by the Project. • NFN traditional territories only overlap with a small portion of Kluskus FSR northeast of the mine site. • The Project as designed is not expected to have effects on the Euchiniko watershed. • Additional surface and groundwater monitoring stations were established as part of the baseline program. • Results of all water quality sampling will continue to be posted for Aboriginal groups review. • Water will be monitored on an ongoing basis throughout the life of the Project and post-closure. • Surface water and sediment quality will meet applicable provincial and federal standards downstream of the mine site to avoid effects on fish, furbearers, or other animals that use those waters. • The mine site will aim to operate as a zero discharge facility during operations and closure. • Erosion and sediment control measures, including control matting, rip-rap, and hydro-seeding will be implemented to protect erodible soils from entering waterbodies. • Design and operational procedures to limit risks associated with malfunctions and accidents will be implemented. • Establish a group including affected Aboriginal group representatives to discuss access management for the transmission line corridor and the mine site. • Dust will be managed in accordance with the applicable provincial and federal standards of the proposed mine site to avoid effects on water and fish-bearing waterbodies. • The Proponent will implement environmental management plans, addressing mine water management; water quality and liquid discharges management; transportation and access management; emergency and spill preparedness and response; air quality and emissions management; landscape, soils, and vegetation management and restoration; erosion and sediment control; aquatic resources management; and wetlands management (Section 12.2). • Details of the effects assessment on surface water quality and sediment quality are presented in Section 5.3.3 and Section 5.3.4. The assessment of fish and fish habitat are presented in Section 5.3.8 and Section 5.3.9. Effects on air quality and dust control are assessed in Section 5.2.4. • The assessment of potential Project effects on Aboriginal rights and other interests are described in Section 15 and Section 16. Section 7.2.7 presents an assessment of Current Land Use for Traditional Purposes. |
| Water Quality and Flow | Concerns expressed about arsenic and acid rock drainage and changes in water flows | Interest in water resources | <ul style="list-style-type: none"> • The NFN traditional territory is not located downstream the mine site and is not anticipated to be affected by activities in the mine site. • Results from studies related to concentration of arsenic in the water downstream of the Project were provided to Aboriginal groups. Background arsenic levels were low. The mine site is designed to operate as a zero discharge facility during operations and closure and thus not exacerbate natural arsenic levels. During construction, sediment ponds will be used to contain and treat site run-off to reduce concentration of suspended solids. • The effects assessment on surface water quality and sediment quality is presented in Sections 5.3.3 and 5.3.4. Surface water and sediment quality will meet applicable provincial and federal standards downstream of the mine site. • The effects assessment on surface water flow is presented in Section 5.3.2. The Proponent has committed to maintain instream flow requirements for fish in affected streams. |

| Topic | Issues/ Concerns/ Interests | Asserted Rights/Other Interests Potentially Affected | Proponent Response |
|--|--|--|--|
| Wildlife | Potential effects on caribou and moose (e.g., effects to wildlife movement, traffic collisions, and mortality) | Hunting | <ul style="list-style-type: none"> • NFN traditional territory is outside the caribou LSA and not effects are anticipated on caribou within the NFN traditional territory. • The Proponent redesigned the mine site to avoid the UWR by modifying the TSF to be located completely outside of the UWR. In addition, a new mine access road will replace the existing exploration access road to the Project site. This new access road will avoid the UWR and will start at KM 124.5 of the Kluskus-Ootsa FSR as described in Section 2.2. • The Proponent has developed the following mitigation and avoidance strategies through ongoing discussions with the Caribou Sub-working Group: <ul style="list-style-type: none"> ○ Participating in regional wildlife and resource management initiatives (specifically for ungulates); ○ Setting reclamation goals to re-establish later winter habitat; ○ Decommissioning mine access roads at post-closure; ○ Minimizing ground disturbance and damage to vegetation in areas adjacent to footprints by flagging or fencing sensitive habitats; ○ Modifying the timing of clearing trees in lichen conifer forest habitat where caribou may feed; ○ Implementing progressive reclamation using local native vegetation wherever possible; ○ Restoring disturbed habitats at mine closure or development of habitats capable of supporting caribou; ○ Implementing caribou awareness and protocols in regular safety and environmental orientations performed by the Project; ○ Implementing invasive plant management techniques as defined in the Invasive Species Management Plan; ○ Implementing dust control measures as defined in the Air Quality and Emissions Management Plan; ○ Enforcing speed limits along the FSR and mine access road and implement best management practices for road maintenance to reduce potential wildlife collisions; ○ Prohibiting mine employees from hunting on mine site property; and ○ Implementing the environmental management plans addressing wildlife management; caribou management; transportation and access management; landscape, soils, and vegetation management and restoration; and invasive species management (Section 12.2). • The detail effects assessment on caribou and moose are presented in Section 5.4.11 and Section 5.4.10. Potential Project effects on Aboriginal rights are presented in Section 15. |
| Traditional Land Use and Study Funding | Effects from dust that may contaminate medicinal plants | Traditional plant harvesting | <ul style="list-style-type: none"> • The following measures will be implemented to minimize or avoid effects on plants and plants gathering for traditional purposes: <ul style="list-style-type: none"> ○ Establishing a group including affected Aboriginal group representatives to discuss access management for the transmission line corridor and the mine site; ○ Minimizing the Project footprint; ○ Implementing environmental management plans to reduce dust deposition, nitrogen deposition, and invasive species proliferation (Air Quality and Emissions Management Plan; Transportation and Access Management Plan; Landscape, Soils, and Vegetation Management and Restoration Plan; Invasive Species Management Plan); ○ Including traditional use plant species habitat in reclamation prescriptions; ○ Implementing design and operational procedures to limit risks associated with malfunctions and accidents; and ○ Implementing a no plant harvesting policy for all workers while resident at the Project site. • The assessment of potential Project effects on Aboriginal rights is developed in Section 15. Section 7.2.7 presents the effects assessment on current land and resource use for traditional purposes that addresses changes in plant gathering activities. • The effects assessment on ecosystem composition in Section 5.4.5 includes traditional use plant habitat as an indicator. • The air quality effects assessment is presented in Section 5.2.4. • A Health Effects Assessment was conducted as presented in Section 9.2 of the Application. |

BLACKWATER GOLD PROJECT

APPLICATION FOR AN
ENVIRONMENTAL ASSESSMENT CERTIFICATE /
ENVIRONMENTAL IMPACT STATEMENT
ABORIGINAL CONSULTATION



| Topic | Issues/ Concerns/ Interests | Asserted Rights/Other Interests Potentially Affected | Proponent Response |
|---|---|--|---|
| | Effects on Aboriginal rights, particularly for those living in the Trout Lake community where members exercise rights to fish, hunt, and trap | N/A | <ul style="list-style-type: none"> No effects are anticipated in the area. The Trout Lake community is located outside the Project area. The Proponent continues to work with the NFN to identify specific areas of use and to develop mitigation, if needed. |
| | Funding for a traditional use study | Traditional land use | <ul style="list-style-type: none"> The Proponent will continue to discuss an agreement with the NFN that includes provision of TK/TLU information. If additional TK/TLU information becomes available it will be integrated into the Project design, execution, management, and monitoring in subsequent stages of the Project development including the Application review phase, the Permitting phase and Project construction, operations, closure, and post-closure phases. |
| Training, Employment Business and Contracting Opportunities | Interest expressed in employment and training for NFN members at the Project | Economic development | <ul style="list-style-type: none"> The Proponent is committed to increasing the percentage of Aboriginal employees by working closely with the employment and training officers in Aboriginal communities as well as with Band Councils to establish conditions at the Project that support a multicultural workforce. In addition, the Project will provide opportunities for on- the-job training. Additional details on Project effects on regional and local employment and businesses are presented in Section 6.2.3. Section 12.2 presents environmental management plans that address recruitment, training, and employment. The Proponent encourages Aboriginal employment. The Proponent's New Afton Mine has 23% Aboriginal employees, and the Project currently has 28% (self-declared). |
| | Interest expressed in contracting and business opportunities | Economic development | <ul style="list-style-type: none"> The Proponent is committed to providing Aboriginal groups with the opportunity to provide contracting services to the Project. The Proponent will work with communities and the provincial and federal governments to discuss business capacity and opportunities for Aboriginal peoples to prepare for the mine during construction and operations. Additional details on Project effects on regional and local employment and businesses are presented in Section 6.2.3. Section 12.2 of the Application present environmental management plans that address recruitment, training, and employment. |

Note: km = kilometre; N/A = not applicable; NFN = Nazko First Nation; TK/TLU = Traditional Knowledge/Traditional Land Use; TSF = Tailings Storage Facility; UWR; Ungulate Winter Range.

17.3.7 Skin Tyee Nation

Engagement and consultation activities with the STN began in June 2011. The Proponent's consultation approach is tailored to meet the STN's interests as agreed upon in the Cooperation Agreement negotiated between the STN and the Proponent. The Agreement commits to regular meetings between the Proponent and the community, including an annual presentation to the community, as well as meetings between leadership. It also describes how information will be shared between the two parties.

The Proponent's objective was to engage the STN early and has continued to develop the relationship with the STN Chief and Council as well as other STN representatives. A summary of communications between the STN and the Proponent is included in **Appendix 17A**.

17.3.7.1 Consultation Activities

Consultation activities between the STN and the Proponent included meetings, written communications, and socioeconomic focus groups.

17.3.7.1.1 Meetings and Presentations

From June 2011 until August 2014, nine in-person meetings were held with the STN and the Proponent representatives. These meetings are included in the summary of communications in **Appendix 17A**.

Many of the meetings focused on providing Project updates, exchanging information, obtaining information on the STN Traditional Territory, the undertaking of strength of claim study and agreeing on how to develop and maintain the relationship between the Proponent and the STN.

17.3.7.1.2 Written Communications

In addition to meetings, there have been ongoing and extensive written communications between the STN and the Proponent via letters, faxes, and e-mails. These are included in the summary of communications in **Appendix 17A**. These communications were largely administrative and focused on agreements, sponsorship, and the provision of maps and Project newsletters.

17.3.7.1.3 Agreements

Ongoing discussions with the STN regarding agreements began in 2011. On 19 December 2012 The Proponent met with STN and offered capacity funding. On 22 August 2013 the Proponent and the STN signed a Cooperation Agreement, which outlines how the two parties will cooperate on matters such as exploration, consultation protocols, the EA, and meetings.

17.3.7.1.4 Traditional Land Use Studies

The Proponent and the STN engaged in a number of discussions to determine a process for collecting TLU information for the Project. The Cooperation Agreement addresses this process

and provides a framework to guide the collection and use of confidential information provided by STN. In addition, the Proponent provided STN financial support to gather and present information related to TK/TLU. A study is currently underway and it is expected that information will become available during the EA process. Information from this study, when completed, will be integrated into the Project design, execution, management, and monitoring in subsequent stages of the Project development including the Application review phase, the permitting phase, and Project construction, operations, closure, and post-closure phases.

17.3.7.1.5 Socioeconomic Studies

The Proponent engaged STN membership within the socioeconomic study program. The purpose of the study was to verify information collected through secondary sources and to obtain a better understanding of the social, economic, and land use characteristics of STN people. In early 2013, the Proponent hosted a focus group with STN members to gather information. The session provided the Proponent with insight into how the Project may potentially affect (both positively and negatively) the rights and interests of STN people.

17.3.7.1.6 Capacity Building

The Proponent and the STN have discussed various capacity initiatives. These discussions are ongoing. The Proponent remains committed to capacity building by providing training and employment opportunities. The Proponent had discussions with STN representatives to encourage STN employment with the Project and is expected to continue these efforts.

The Cooperation Agreement also commits to informing the STN about employment and contracting opportunities related to the Project.

17.3.7.2 Environmental Assessment Procedures

The STN and the Proponent discussed procedures related to completion of the EA, focusing on the Proponent's commitment to consult the STN in a way that is meaningful, ongoing, and transparent. The Cooperation Agreement describes how consultation should proceed, focusing on opportunities for the STN to participate in the EA process including the development of the AIR, potential strategies to avoid or mitigate adverse effects, and how to accommodate, if appropriate, effects on the STN interests.

17.3.7.3 Key Comments and Concerns

The Proponent has tracked the issues, concerns, and interests identified by the STN throughout the consultation process. A summary of these issues, concerns, and interests, and how the Proponent has considered and addressed them are provided in **Table 17.3.7-1**. These issues, concerns, and interests have informed the identification and assessment of potential effects of the Project on the STN Aboriginal rights and other interests. Detail assessments of these effects and proposed mitigation measures to address adverse effects are presented in **Section 15** Aboriginal Rights and **Section 16** Other Aboriginal Interests. Many of the issues, concerns, and interests

raised by Aboriginal groups are also addressed in **Section 7.2.7** Current Land and Resource use for Traditional Purposes. A summary table of issues and concerns received from all Aboriginal groups, the source of the input, and the Proponent's response is included in **Appendix 3.1.3B**.

Table 17.3.7-1: Key Issues, Concerns, and Interests Expressed by Skin Tye Nation and Responses Provided by the Proponent

| Topic | Issues/ Concerns/ Interests | Asserted Rights/ Other Interests Potentially Affected | Proponent Response |
|--------------------------|--|---|--|
| Traditional Land Use | Potential effects on TLU in the Project area | Traditional land use | <p>Section 7.2.7 of the Application presents the effects assessment on current land and resources use for traditional purposes that addresses:</p> <ul style="list-style-type: none"> • Hunting and trapping activities; • Fishing activities; • Plant gathering activities; • Other cultural and traditional uses of the land (e.g., cultural and spiritual places, trails, navigation). <p>The assessment of potential Project effects on STN Aboriginal rights is described in Section 15.</p> <p>The Proponent has provided capacity funding to the STN to undertake a TK/TLU study. The study is currently underway, but no specific delivery date has been established. Information from this study when completed will be integrated into the Project design, execution, management, and monitoring in subsequent stages of the Project development including the Application review phase, the permitting phase, and Project construction, operations, closure, and post-closure phases.</p> |
| Business and Contracting | Interest expressed in contract opportunities and partnership opportunities | Economic development | <p>The Proponent is committed to providing Aboriginal groups with the opportunity to provide contracting services to the Project. The Proponent will work with communities and the provincial and federal governments to discuss business capacity and opportunities for Aboriginal peoples to prepare for construction and operation of the mine. Section 12.2 presents environmental management plans that address recruitment, training, and employment.</p> |
| Employment | Interest expressed in employment and training effects from the Project | Economic development | <p>The Proponent is committed to increasing the percentage of Aboriginal employees by working closely with the employment and training officers in Aboriginal communities as well as with Band Councils to establish conditions at the Project that support a multicultural workforce. In addition, the Project will provide opportunities for on-the-job training. Section 12.2 presents environmental management plans that address recruitment, training, and employment.</p> <p>The Proponent encourages Aboriginal employment. The Proponent's New Afton Mine has 23% Aboriginal employees, and the Project currently has 28% (self-declared).</p> |

Note: km = kilometre; STN = Skin Tye Nation; TLU = Traditional Land Use.

17.3.8 Tsilhqot'in National Government

Engagement and consultation activities with the TNG began in June 2012. The Proponent aimed to provide the TNG with Project information including any updates. This section describes the pre-filing consultation that occurred from June 2012 until August 2014. A summary of communications between the TNG and the Proponent is included in **Appendix 17A**.

17.3.8.1 Consultation Activities

Consultation activities between the TNG and the Proponent included meetings and written communications.

17.3.8.1.1 Meetings and Presentations

From June 2012 to the first quarter of 2014, three in-person meetings were held with the TNG and the Proponent's representatives. These meetings are included in the summary of communications in **Appendix 17A**. The purpose of the meetings was to introduce the Project to TNG representatives. TNG representatives noted that they consider the Project to be outside of the TNG's interests area but would like their community members to be considered for employment and training opportunities. In response, the Proponent provided an overview of contracting and employment opportunities and provided the TNG with contact information for its Employment Coordinator and Contracts Coordinator.

On 22 February 2013, the Proponent met with TNG to provide overview of the Project to the TNG Chiefs and other representatives. Discussions focused on, on employment and economic development as well as potential effects on caribou. On 26 March 2014, the Proponent presented a Project update to the TNG at Anahim Lake.

17.3.8.1.2 Written Communications

In addition to meetings, there were some written communications between the TNG and the Proponent via letters and e-mails to provide regular Project updates. These are included in the summary of communications in **Appendix 17A**.

17.3.8.1.3 Site Visit

On 1 August 2014, the Proponent provided a helicopter site tour for TNG representatives. The tour included a visit to the Blackwater camp and an overview of the types of employment and contracting opportunities.

17.3.8.2 Key Comments and Concerns

TNG member group rights and other interests related to Project design, facilities, and activities are listed in **Section 15** and **Section 16**. A summary table of interests and concerns received from all Aboriginal groups is included in **Appendix 3.1.3B**. The major issues, concerns, and interests provided by the TNG are included in **Table 17.3.8-1**

Table 17.3.8-1: Key Issues, Concerns, and Interests Expressed by Tsilhqot'in National Government and Responses Provided by the Proponent

| Topic | Issues/ Concerns/ Interests | Asserted Rights/Other Interests Potentially Affected | Proponent Response |
|------------|---|--|--|
| Wildlife | Potential effects on caribou | Hunting, Interest in wildlife resources | <ul style="list-style-type: none"> • It is anticipated that the Project will have no effects on the exercise of rights of the TNG. • The Proponent redesigned the mine site to avoid the UWR by modifying the TSF to be located completely outside of the UWR. In addition, a new mine access road will replace the existing exploration access road to the Project site. This new access road will avoid the UWR and will start at KM 124.5 of the Kluskus-Ootsa FSR as described in Section 2.2. • The Proponent has developed the following mitigation and avoidance strategies through ongoing discussions with the Caribou Sub-working Group: <ul style="list-style-type: none"> ○ Participating in regional wildlife and resource management initiatives (specifically for ungulates); ○ Setting reclamation goals to re-establish later winter habitat; ○ Decommissioning mine access roads at post-closure; ○ Minimizing ground disturbance and damage to vegetation in areas adjacent to footprints by flagging or fencing sensitive habitats; ○ Modifying the timing of clearing trees in lichen conifer forest habitat where caribou may feed; ○ Implementing progressive reclamation using local native vegetation wherever possible; ○ Restoring disturbed habitats at mine closure or development of habitats capable of supporting caribou; ○ Implementing caribou awareness and protocols in regular safety and environmental orientations performed by the Project; ○ Implementing invasive plant management techniques as defined in the Invasive Species Management Plan; ○ Implementing dust control measures as defined in the Air Quality and Emissions Management Plan; ○ Enforcing speed limits along the FSR and mine access road and implement best management practices for road maintenance to reduce potential wildlife collisions; ○ Prohibiting mine employees from hunting on mine site property; and ○ Implementing the environmental management plans addressing wildlife management; caribou management; transportation and access management; landscape, soils, and vegetation management and restoration; and invasive species management (Section 12.2). • The detail effects assessment on caribou is presented in Section 5.4.11 and potential Project effects on Aboriginal rights are presented in Section 15. |
| Employment | Interest expressed in employment with the Project | Economic development | <ul style="list-style-type: none"> • The Proponent is committed to increasing the percentage of Aboriginal employees by working closely with the employment and training officers in Aboriginal communities as well as with Band Councils to establish conditions at the Project that support a multicultural workforce. • Additional details on Project effects on regional and local employment and businesses are presented in Section 6.2.3. • Environmental management plans are presented in Section 12.2 that address recruitment, training, and employment. • The Proponent encourages Aboriginal employment. The Proponent's New Afton Mine has 23% Aboriginal employees, and the Project currently has 25% to 28% (self-declared). |

Note: km = kilometre; TLU = Traditional Land Use; TNG = Tsilhqot'in National Government; TSF = Tailings Storage Facility; UWR = Ungulate Winter Range.

17.3.9 Métis Nation BC

Engagement and consultation activities with the MNBC began in October 2012. The Proponent has and continues to provide the MNBC with Project information including any updates.

This section describes the pre-filing consultation that occurred from October 2012 until August 2014. A summary of communications between the MNBC and the Proponent is included in **Appendix 17A**.

17.3.9.1 Consultation Activities

Consultation activities between the MNBC and the Proponent included meetings and written communications.

17.3.9.1.1 Meetings and Presentations

From October 2012 until August 2014, four in-person meetings were held with the MNBC and the Proponent's representatives. These meetings are included in the summary of communications in **Appendix 17A**. The purpose of the meetings was to introduce the Project to MNBC representatives and to provide Project updates. MNBC representatives noted their interest in employment opportunities for their members. In response, the Proponent suggested conducting presentations to local MNBC communities. It is expected that these discussions will be ongoing.

On 30 January 2013, the Proponent provided a Project update. MNBC also shared information with the Proponent including a presentation outlining MNBC history, a summary of court cases in relation to non-status and Métis people as well as a description of Métis demographics.

17.3.9.1.2 Written Communications

In addition to meetings, there were some written communications between the MNBC and the Proponent via letters and e-mails to provide regular Project updates. These are included in the summary of communications in **Appendix 17A**. Written communication from the MNBC emphasized an interest in employment, highlighting the range of skills and training members have received. The MNBC requested to see Project materials (e.g., Project Description). These materials were made available through the Proponent's website. The MNBC also requested the Proponent deliver presentations to local communities about the Project and invited the Proponent to speak at a number of events. In addition, the MNBC submitted letters to the Agency on 23 November 2012 and on 20 January 2013. The MNBC expressed concerns regarding current traditional harvesting (hunting, fishing, and plant harvesting) occurring in the proposed Project area that could be negatively affected by the Project; however, no specific information was provided. The MNBC also submitted a letter to BC EAO on 8 November 2013 providing general information about their use of Northern BC. The Proponent continues to meet with the MNBC and will continue to respond to information and meeting requests.

17.3.9.1.3 Sponsorship and Community Investment

The Proponent contributed to the 2013 Louis Riel Days celebrations.

17.3.9.2 Key Comments and Concerns

MNBC member group rights and other interests related to Project design, facilities, and activities are listed in **Section 15** and **Section 16**. A summary table of interests and concerns received from all Aboriginal groups is included in **Appendix 3.1.3B**.

The major issues, concerns, and interests provided by the MNBC are included in **Table 17.3.9-1**.

Table 17.3.9-1: Key Issues, Concerns, and Interests Expressed by Métis Nation BC and Responses Provided by the Proponent

| Topic | Issues/ Concerns/ Interests | Asserted Rights/ Other Interests Potentially Affected | Proponent Response |
|----------------------|---|--|--|
| Capacity building | Interest expressed in building MNBC capacity in the Vanderhoof and Fort St. James areas. | Economic development | The Proponent will continue to identify and address issues associated with the development of capacity funding with Aboriginal groups. |
| Traditional Land Use | Concerns regarding current traditional harvesting activities occurring in the proposed Project area | Traditional land use | <p>Section 7.2.7 of the Application presents the effects assessment on current land and resources use for traditional purposes that addresses:</p> <ul style="list-style-type: none"> • Hunting and trapping activities; • Fishing activities; • Plant gathering activities; • Other cultural and traditional uses of the land (e.g., cultural and spiritual places, trails, navigation). <p>The assessment of potential Project effects on MNBC Aboriginal rights is described in Section 15.</p> |

Note: MNBC = Métis Nation BC.

17.4 Application Review Consultation

Following the submission of the Application to the BC EAO and the Agency, the Proponent will continue engaging with Aboriginal groups. Consultation with Aboriginal groups during the Application review stage will be tailored to meet the requirements of the BC EAO section 11 Order and the Agency's requirements. The goals of Application review consultation include:

- Continue to engage Aboriginal groups in the Project area;
- Involve Aboriginal groups in assessing the results of environmental studies and effects assessments;
- Involve Aboriginal groups in assessing the proposed mitigation;

- Gain further understanding of TK/TLU and incorporate this information into the Project design, management, and monitoring plans;
- Gain input into culturally appropriate approaches to avoid, reduce, mitigate, or otherwise accommodate adverse effects; and
- Continue identifying opportunities for long-term participation in economic, employment, training, and other capacity-building interests.

17.4.1 Proposed Consultation Activities and Events

Table 17.4.1-1 proposes a schedule of consultation and information activities the Proponent plans to implement during the Application review phase. Some activities have been identified as consultation activities and others as information activities. Information and consultation activities will be undertaken with Aboriginal groups listed in Schedule B of the section 11 Order, while information activities will be implemented with Aboriginal groups listed in Schedule C of the section 11 Order and the MNBC.

Table 17.4.1-1: Schedule of Consultation and Information Activities

| Key Activities | Description | Type of Activity |
|---|---|--------------------------|
| Submission of Application/EIS Report | <ul style="list-style-type: none"> After submission of the Application, the Proponent will distribute copies of the Application for information and consultation purposes. | Information |
| Provide Copies of Application to Aboriginal groups | | |
| Provide Information on Public Comment Events | <ul style="list-style-type: none"> The Proponent will inform Aboriginal groups of the public comment period including the dates, times, and locations of regulator-led open houses. When requested, provide overview presentations on the Application to facilitate Aboriginal groups review and answers questions. | Information |
| Working Group Meetings | <ul style="list-style-type: none"> When requested, the Proponent will attend working group meetings organized by BC EAO and the Agency. | Consultation |
| Disclosure of results from Effects Assessment Studies | <ul style="list-style-type: none"> The Proponent will communicate results from the effects assessments to Aboriginal groups, leadership, and communities through community events and meetings, and obtain input. The Proponent will provide Aboriginal groups with an explanation of how information they provided through the consultation process has been or will be addressed and with an explanation of all proposed commitments and design-related decisions that have been or will be made as a result of their input in the planning and assessment process. The Proponent will respond to information and meeting requests regarding specific concerns from Aboriginal groups. Follow-up meetings will be held to communicate the final effects assessments including planned mitigation measures and management planning results. | |
| Mitigation Meetings | <ul style="list-style-type: none"> The Proponent intends to meet with Aboriginal groups to discuss mitigation and accommodation strategies. This may include meetings with community knowledge holders to gain additional input into the proposed mitigation measures. | Consultation |
| Community Events | <ul style="list-style-type: none"> Continue, as necessary, to host events and inform Aboriginal communities about the Project. | Information/Consultation |
| Project Site Tours | <ul style="list-style-type: none"> The Proponent will continue to offer the opportunity for site tours to interested parties. | Information/Consultation |
| Project Updates | <ul style="list-style-type: none"> Provide timely updates to Aboriginal groups on progress, milestones, findings, and actions taken during the review of the Application. | Information/Consultation |
| Issues Tracking Table | <ul style="list-style-type: none"> The Proponent will maintain an issues tracking table to document issues raised by Aboriginal groups on the Application including a response to those issues (Appendix 3.1.3B). | Information/Consultation |
| Consultation Report | <ul style="list-style-type: none"> Provide a written report to Aboriginal groups summarizing the results of consultation with each group (subsection 12.1.4 of section 11 Order). | Consultation |

Note: EIS = Environmental Impact Statement; BC EAO = British Columbia Environmental Assessment Office; Agency = Canadian Environmental Assessment Agency.

17.4.2 Proposed Methods and Processes to Resolve Outstanding Issues

During the Application review stage, the Proponent will continue to work with Aboriginal groups to understand potential Project effects and respond to information requests. The Proponent will endeavour to resolve any outstanding issues through continued dialogue with Aboriginal groups including the consultation activities identified above and the implementation of a TK/TLU Committee to monitor the Project development. The Proponent also proposes establishment of a group including affected Aboriginal group representatives to discuss access management for the transmission line corridor and mine site. In some cases, outstanding issues and concerns may be addressed in agreement negotiations. Outstanding issues for Aboriginal groups are also addressed in **Section 19** of the Application. The Proponent will attempt to resolve outstanding issues by:

- Obtaining additional details regarding the issue as necessary (from the Aboriginal group and/or from technical experts with expertise on the issue);
- Responding to the Aboriginal group about the issue that is still outstanding, and checking with the group to determine whether the issue has been sufficiently addressed;
- Meeting with the Aboriginal group as needed to discuss and resolve the issue;
- Reporting back to the Aboriginal group on the status of the issue.

The Proponent is committed to transparency and integrity in all of its business operations, and understands that the Project may affect nearby Aboriginal groups. Implementing its Design for Closure approach, the Proponent will work with these communities to develop and implement long-term economic, social, and environmentally sustainable opportunities while avoiding, minimizing, and mitigating negative Project effects.