
Appendix 3.3.1B
Aboriginal Groups Consultation
Reports (November 2014)

November 12, 2014

Nadleh Whut'en First Nation
Box 36
Fort Fraser, BC
V0J 1N0

BY EMAIL

Dear Chief Louie:

Subject: Proposed Blackwater Gold Project – Nadleh Whut'en First Nation
Consultation Summary, May and November 3, 2014

Attached please find a report summarizing New Gold's consultation efforts with the Nadleh Whut'en First Nation (NWFN) between May and November 2014 regarding the proposed Blackwater Gold Project (the Project). New Gold is required to consult with Aboriginal groups regarding potential adverse effects of the Project on Aboriginal interests, and on the measures to avoid, mitigate or accommodate such potential adverse effects, where appropriate.

The attached report builds on our letter dated September 16, 2014, which outlined consultation activities to date and proposed further consultation. New Gold will continue to consult with NWFN during the review of the Application for an Environmental Assessment/Environmental Impact Statement (EA Application) and document and respond to issues, concerns and interests raised by NWFN with respect to the Project.

We look forward to receiving the NWFN comments during the review of New Gold's EA Application. Please contact me if you have any questions. I can be reached by phone at 604-639-2005 and by email at Tim.Bekhuys@newgold.com.

Sincerely,



Tim Bekhuys
Director, Blackwater Project

cc. Shelley Murphy, Executive Project Director, BC Environmental Assessment Office
Christal Nieman, Acting Project Manager, Canadian Environmental Assessment Agency

Attachment

New Gold Inc.

BLACKWATER GOLD PROJECT
**Nadleh Whut'en First Nation Consultation
Summary, May to November, 2014**

November 2014

Citation:

New Gold. 2014. *Blackwater Gold Project: Nadleh Whut'en First Nation Consultation Summary, May to November 2014*. Prepared by New Gold Inc.: Vancouver, British Columbia.

New Gold Inc.

Two Bentall Centre
Suite 1800 - 555 Burrard Street
Vancouver, BC
Canada V7X 1M9
T: +1 (604) 695-4100
F: +1 (604) 696-4110

BLACKWATER GOLD PROJECT

Nadleh Whut'en First Nation Consultation Summary, May to November, 2014

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GLOSSARY AND ABBREVIATIONS

Terminology used in this document is defined where it is first used.

AIR	Application Information Requirements
Application	Application for an Environmental Assessment Certificate
BC EAO	BC Environmental Assessment Office
CEA Agency	Canadian Environmental Assessment Agency
EA	Environmental Assessment
EIS	Environmental Impact Statement
NWFN	Nadleh Whut'en First Nation
PAG	Potentially acid generating
Project, the	Blackwater Gold Project, the
TK	Traditional Knowledge
WMP	Wildlife Management Plan

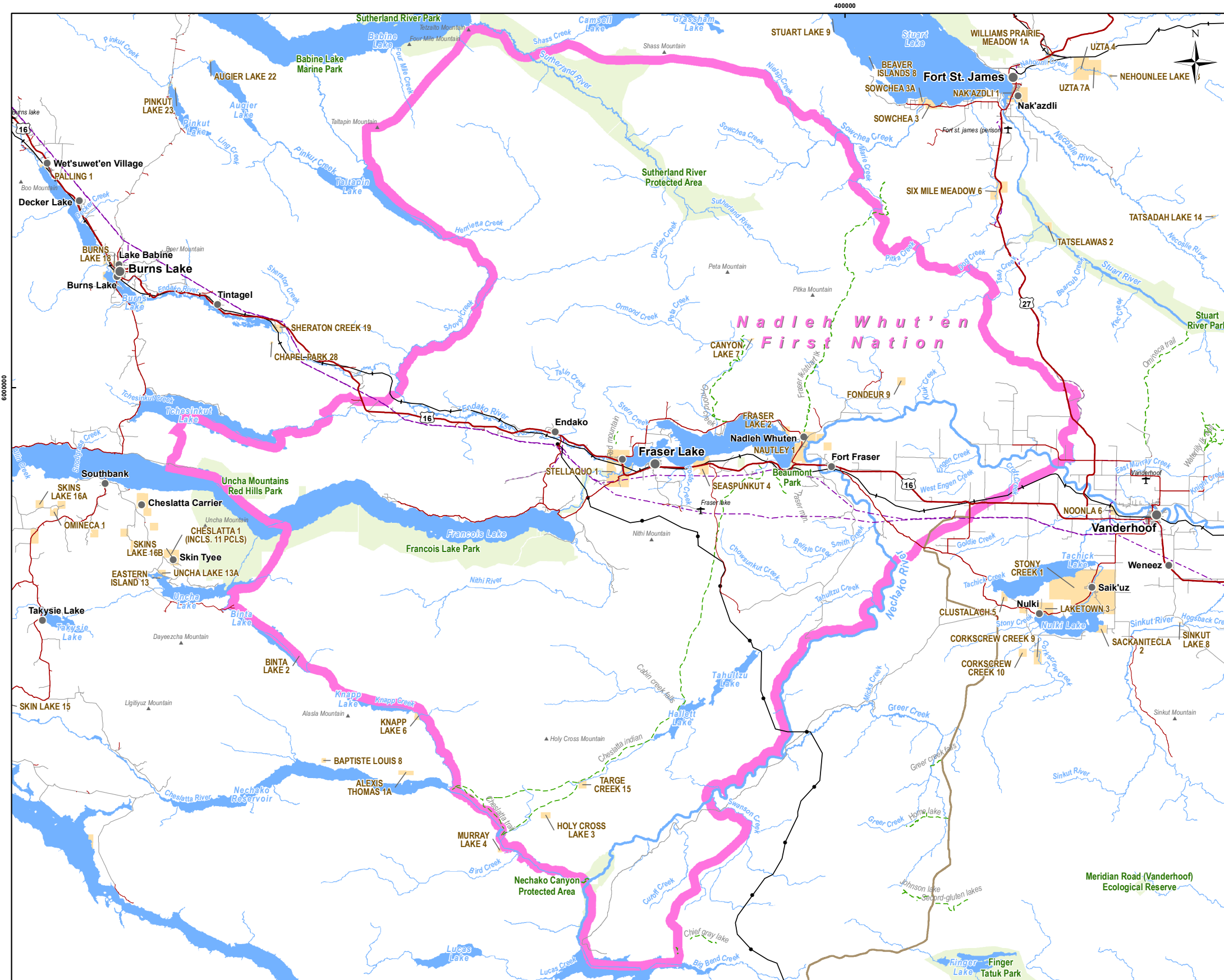
1. INTRODUCTION

New Gold Inc. (New Gold) is proposing to develop an open pit gold and silver mine approximately 160 kilometres (km) southwest of Prince George and 110 km south of Vanderhoof in north-central British Columbia (BC). Part of the transmission line runs through the southern portion of the Nadleh Whut'en First Nation (NWFN) traditional territory off of Highway 16, while the mine site itself is located south of the NWFN territory (Figure 1-1).

The proposed Blackwater Gold Project (the Project) is currently in the federal and provincial environmental assessment (EA) processes. New Gold's Application for an Environmental Certificate/Environmental Impact Statement (Application/EIS) has been submitted to the BC Environmental Assessment Office (BC EAO) for evaluation against the Application Information Requirements (AIR), issued by the BC EAO on May 15, 2014.

This document describes information distribution and consultation activities undertaken by New Gold with NWFN between May 1 and November 3, 2014. These activities include New Gold's efforts to obtain information on NWFN Aboriginal interests and to seek NWFN feedback on proposed measures to avoid or mitigate potential adverse effects on NWFN interests. Consultations with the NWFN involved in the EA have been undertaken in accordance with New Gold's Aboriginal Groups Consultation Plan (May 2014).

Figure 1-1
Nadleh Whut'en First Nation
Traditional Territory



- Legend**
- Populated Place
 - ▲ Mountain Peak
 - ✈ Airport/Airfield
 - 16 Highway
 - Arterial/Collector
 - Resource/Recreation
 - Local/Street
 - Other
 - Kluskus / Kluskus-Ootsa FSR
 - Recreation Trail
 - Railway
 - Transmission Line
 - Stream
 - Waterbody
 - Park or Protected Area
 - Indian Reserve
- Project Components**
- Proposed Transmission Line
 - Exploration Road
 - Proposed Mine Access Road
 - Proposed Fresh Water Pipeline
 - Airstrip Access Road
 - Airstrip Extent
 - Mine Site
- Traditional Territory**
- Nadleh Whut'en First Nation



Scale: 1:410,000
 0 5 10 20
 Kilometers

Reference:
 Context layers:
 BC Government GeoBC Data Distribution
 Traditional Territory:
 Carrier Sekani Tribal Council - <http://www.carriersekani.ca/>

Source: AMEC (2014).

2. BACKGROUND

2.1 NEW GOLD ABORIGINAL CONSULTATION PLAN

Prior to the timeframe for this report, the draft Aboriginal Groups Consultation Plan was provided to NWFN on October 23 and 25, 2013 for review and comment. New Gold followed up with NWFN on November 11 and November 14, 2013 to request NWFN feedback on the plan; however, no comments have been received to date. The BC EAO approved the Aboriginal Groups Consultation Plan in May 2014.

2.2 ABORIGINAL RIGHTS AND INTERESTS

On July 4, 2014 New Gold met with NWFN and their representatives/consultants in Vancouver to:

- review the issues and concerns raised by the NWFN to date, and discuss how these are addressed and/or reflected in the Application/EIS;
- identify the potential effects of the Project on NWFN Aboriginal rights and related interests, including fish and fish habitat, plant gathering, traditional use, employment and business opportunities, social and economic study areas, and consultation;
- outline proposed measures to mitigate potential impacts of the Project on NWFN Aboriginal interests;
- provide detailed information on the hydrology of water bodies around the mine site (Tatalkuz Lake, Davidson, Creek 661 and 705, Fawnie Creek) and explain the water quality modelling for the Project phases; and
- describe mine closure objectives, environmental control dam and the tailings facilities.

A copy of New Gold's presentation delivered at the July 4, 2014 meeting is included in Appendix A. At the meeting NWFN asked questions about water quality and geochemistry, tailings management, and environmental monitoring (see Section 4 for New Gold's responses).

New Gold has updated Section 7.2.7 (Current Use of Lands and Resources for Traditional Purposes) and Section 15 (Aboriginal Rights) in the October 2014 Application/EIS to address comment received from the BC EAO Working Group. Section 7.2.7 discusses how the Project may interact with the Aboriginal current use of lands and resources, and Section 15 assesses the potential effects of the Project on Aboriginal rights, and proposes measures to mitigate impacts on rights. Section 16 (Other Aboriginal Interests) of the Application/EIS discusses the potential effects of the Project on Aboriginal interests and proposes measures to mitigate impacts on these interests.

3. INFORMATION DISTRIBUTION AND CONSULTATION ACTIVITIES

Information distribution and consultation activities undertaken by New Gold between May 1, 2014 and November 3, 2014 are described in the sections below and summarized in Table 3-1.

Table 3-1. New Gold’s Key Consultations with NWFN between May 1, 2014 and November 3, 2014

Date (Location)	Communication Method	Topic
May 15, 2014	E-mail	Conveyed Wildlife Management Plan to NWFN Chief and requested feedback on the proposed plan (no comments received to date).
May 6, 2014	E-mail	Conveyed a summary of consultation efforts with NWFN, and provided a copy of the updated Consultation Report to NWFN and BC EAO (no comments received to date).
June 9, 2014 (New Gold Vancouver Office)	Meeting	Meeting with NWFN Chief to discuss NWFN involvement in the EA process, capacity funding, contracting and employment opportunities, community consultation, the EA process, and economic benefits. NWFN expressed concern about cumulative effects of the Endako mine and the Blackwater Project on the Nechako River. In response, New Gold offered to provide a site tour and helicopter tour of the transmission line to better explain mitigation measures in place (see Section 3.3). To respond to NWFN concerns related to a lack of capacity to participate in the Application/EIS review, New Gold provided NWFN with funding to retain consultants to assist with the review, and discussions related to a Capacity Agreement are underway.
June 16 & 18, 2014	E-mail and Phone	Requested feedback on NWFN’s preferred consultation approach and requested a meeting to review the May 2014 Application/EIS. NWFN responded they would get back to New Gold. Phone call with NWFN Chief on June 18, 2014 regarding a future meeting to discuss how New Gold could support NWFN participation in the EA process. NWFN Chief reiterated concerns about potential effects to the Nechako River.
July 4, 2014 (New Gold Office, Vancouver)	Meeting	Meeting with NWFN and their representatives/consultants to: review previously identified issues and concerns raised by the NWFN: <ul style="list-style-type: none"> • identify potential effects of the Project on the NWFN; Aboriginal rights and related interests, including fish and fish habitat, plant gathering and traditional use; • present proposed measures to mitigate potential impacts of the Project on NWFN Aboriginal interests; and • review the EA studies, including water quality and waste water studies.

(continued)

Table 3-1. New Gold's Key Consultations with NWFN between May 1, 2014 and November 3, 2014 (completed)

Date (Location)	Communication Method	Topic
July 8, 2014	Hand Delivered	Provided several overlay maps illustrating the transmission line in relation to the NWFN traditional territory.
July 8, 2014	E-mail	Conveyed July 4, 2014 meeting minutes for NWFN for review and comment (follow up information was emailed on July 5, 2014).
July/August, 2014	Phone and email	Requests to meet, including setting up a meeting to review the Application/EIS (e.g., July 24, July 28-30, Aug 4 and Aug 11; meeting held September 26, 2014).
Sept 10, 2014 (New Gold Office, Vancouver)	Meeting	Meeting with NWFN leadership to discuss the EA and permitting processes, date for a site tour, and drainage from the Project site into NWFN territory. New Gold committed to developing a road map of the EA and permitting processes for NWFN (list of anticipated permits and timelines for the transmission line) and maps.
Sept 16, 2014	E-mail	Conveyed letter to NWFN Chief requesting feedback on the consultation report and a meeting to review the Application/EIS, and offering to host a community meeting for NWFN members. New Gold also transmitted the information requested by NWFN at the September 10 meeting.
Sept 19, 2014	Site Tour	Site tour and transmission line overflight for NWFN Chief. In response to information requests, New Gold provided additional information about water flow and fisheries.
Sept 25, 2014	Site Tour	Site tour provided for NWFN representatives and NWFN councillor.
Sept 26, 2014 (New Gold Office, Vancouver)	Meeting	Presented a Project update, Project design, water and waste management plans, water quality baseline studies, source terms for EA, and surface and ground water quality and quantity modeling.
October 3, 2014	E-mail	Conveyed the Aquatic Resources Management Plan and a map depicting water flow from the catchments where the proposed mine site is located up to the Nechako River.
October 15, 2014	E-mail	Conveyed an information package, which included a table summarizing NWFN comments received during the May 2014 Application/EIS screening and New Gold's responses. The package also included a concordance table which indicated how NWFN's comments on the May 2014 Application/EIS have been addressed in the October 2014 Application/EIS.
Oct 27, 2014 (New Gold Office, Vancouver)	Meeting	Meeting to discuss transmission line including proposed alignment, physical works including roads, construction, operations and closure of the line, mitigation related to stream crossings and fisheries effects, wetlands, habitat fragmentation (moose), and access management. Feedback was requested on mitigation measures and the Wildlife Management Plan.

3.1 COMMUNITY MEETINGS/OPEN HOUSES

In September 2014 New Gold offered to host a community meeting in Nadleh Whut'en. No response has been received to date.

3.2 MEETINGS

New Gold met with NWFN five times during the reporting timeframe. Table 3-1 describes the issues discussed at June 9, July 4, September 10 meetings. Further details on the September 26 and October 27 meetings are described below.

At the September 26, 2014 meeting, the following topics were discussed:

- Alternatives analysis: presented information on the analysis used to avoid the Ungulate Winter Range, avoid lake disposal, protect fish habitat, avoid direct effects to rare and listed species and minimize seepage;
- Mine facilities and structures: described the mine and mill processes and responded to questions regarding the design, breaches, the environmental control dam, reclamation activities, and wetlands;
- Water management principles: presented water management plans from the Mine Waste Management and the Mine Water Management plans;
- Baseline and surface water quality: described the sampling locations, the site selection rationale, sampling frequency, an overview of the study results, and site specific water quality objectives;
- Baseline sediment quality: described the sampling sites and frequency of sampling as well as the sediment quality study results and the water quality on the Kluskus Forest Service Road, mine access road, and transmission line;
- Water quality: presented the surface water and groundwater effects assessment including information on the site water balance model, main dam seepage, hydrology stations, and the mitigation flow regime for Davidson Creek.

At the meeting NWFN representatives requested water quality sample data be provided for Chedakuz Creek at the mouth, immediately upstream from where it discharges to the Nechako Reservoir. In response, New Gold noted the Application/EIS has determined that the Project is not predicted to have a significant effect downstream of the confluence of Davidson and Chedakuz creeks where background or near background concentrations are predicted. Further, the mouth of Chedakuz Creek is located approximately 40 km downstream of the Project site.

At the October 27, 2014 meeting, the following topics were discussed:

- Transmission line design and route:
 - Alignment and alignment selection, amount of disturbance, construction period, ancillary infrastructure;

- Transmission line effects:
 - Water crossings, wetlands, decommissioning schedule and plans and effects of habitat fragmentation on wildlife (moose);
 - Reviewed proposed mitigation measures and commitments;
- Incorporation of baseline TK/TLU and how it has been included in the effects assessment;
- Cumulative effects;
- Effects on NWFN use and management of its traditional territory; and
- Lack of NWFN capacity to review the Application/EIS.

At the meeting NWFN raised concerns about habitat fragmentation, moose and fisheries impacts, the loss of land use due to the transmission line, sediment and erosion control, and impacts on berry picking and gathering areas due to increased access to the area (see Section 4).

3.3 SITE TOURS

New Gold hosted NWFN on two site tours (September 19 for NWFN Chief and September 24, 2014 for NWFN councillor and NWFN representatives). The tours involved flying over the transmission line and Project site. The second site tour also involved flying over the area draining the Project site and the Nechako Reservoir. During the September 19, 2014 tour, NWFN requested additional information about the tailings storage facilities, Tatelkuz Lake water requirements, and fish habitat offsetting plan for Davidson Creek. Subsequent to the site tour, New Gold emailed the following information to the NWFN Chief on October 3, 2014:

- the Aquatic Resources Management Plan and a map showing water flow from the catchments where the proposed mine site is located up to the Nechako River;
- identified the location of fish and aquatic information in the Application/EIS; and
- details on the transmission line, including right-of-way widths, volume of water in Tatelkuz Lake.

3.4 MINERALS AND MINING EDUCATION

In response to a NWFN request, New Gold organized a heavy equipment simulator to be in Nadleh Whut'en on July 11, 2014. Over 24 NWFN members participated in the training. Prior to the training, New Gold distributed a poster advertising the simulator training to NWFN youth to generate interest in the course, and to increase participation. Based on scores from the simulator training, four individuals were identified for further training. New Gold provided the name of these individuals to BC Aboriginal Mine Training Association and NWFN education coordinator.

4. ISSUE IDENTIFICATION

Interests and concerns raised by NWFN during consultations undertaken between May and November 2014 are summarized in Table 4-1, along with New Gold responses. The issues raised by SFN during the timeframe are consistent with the issues previously identified. Responses to issues raised by NWFN during the evaluation of the June 2014 Application/EIS are provided in Appendix B. These responses provide additional information related to the issues discussed in the table below. New Gold will continue to consult with NWFN during the review of the Application/EIS and document and respond to issues, concerns and interests raised by NWFN with respect to the Project.

Table 4-1. Issues Raised by NWFN and New Gold’s Responses

Issue	New Gold’s Response
Water quality modelling and water quality effects assessment (raised at September 26, 2014 meeting).	With respect to water quality, the effects of the Project will be contained within the upper portions of the Davidson Creek and Creek 661 catchments. There are no predicted water quality effects in the lower portions of these catchments or the catchment further downstream. The Project is not predicted to have a significant effect downstream of the confluence of Davidson and Chedakuz creeks where background or near background concentrations are predicted. The mouth of Chedakuz Creek is located approximately 40 km downstream of the Project site. Measures to mitigate potential water quality effects include: sediment control and the use of flocculants; avoidance of riverine habitat for construction of linear components; zero discharge facility during operations and closure; passive treatment using wetlands during post-closure; and surface and groundwater quality monitoring during all Project phases.
Effects to Nechako River, including cumulative effects of the Endako mine and Blackwater Gold Project.	New Gold organized helicopter tours of the Project site and transmission line to increase NWFN understanding of the project layout and water flows from the catchments where the Project will be located in relation to the Nechako River. These tours were held on September 19 and 25, 2014. The Application/EIS concludes there are no anticipated effects on water quantity and water quality on the Nechako reservoir or further downstream on the Nechako River or the Fraser River. New Gold also emailed a map to NWFN on October 3, 2104 showing the flow path of mine drainage from Davidson Creek to the Nechako Reservoir.
Water quality modelling and results in all Project phases (raised at July 4, 2014 meeting).	At the July 4th meeting New Gold reviewed the Mine Waste Management Plan (see Section 12 of the Application/EIS) and responded to questions relating to seepage (New Gold response: no treatment, 96% seepage recovery), fish access upstream of the compliance point (New Gold response: barrier will prevent fish access as offsetting plan includes all areas upstream of compliance point), will a liner be used (response: natural liner of compact low permeability till), was worst case modeling conducted (New Gold response: confirmed worst case had been modelled).
Water flow impacts and water requirements from Tatelkuz Lake.	New Gold emailed NWFN on October 3, 2014 to confirm that water will be removed from Tatelkuz Lake and used primarily (>70 %) to support fish and aquatic resources in Davidson Creek and 33 L/s to supplement the recycled water in the milling process. The Application/EIS predicts there will be no significant effects on flows in Chedakuz Creek (see Section 5.3.2 Surface Water Flow).

(continued)

Table 4-1. Issues Raised by NWFN and New Gold’s Responses (continued)

Issue	New Gold’s Response
Interest in a capacity agreement with New Gold.	New Gold has provided funding to NWFN to support NWFN’s review of the Application/EIS. New Gold has initiated discussions with NWFN regarding a capacity funding agreement.
EA process and tight timelines for review.	New Gold committed to taking NWFN comments into consideration when requesting a timeline extension for the evaluation of the Application/EIS against the AIR.
Input and timing of input into EA process.	At the September 10, 2014 meeting New Gold committed to providing a schedule of the EA and anticipated permitting timeline for the Project (this information was provided to NWFN on September 16, 2014).
Cumulative effects from linear projects and forestry.	The cumulative EA in the Application/EIS includes forestry activities and linear developments, which is consistent with the AIR. The cumulative EA in the Application/EIS followed guidance from the CEA Agency (Operational Policy Statement Addressing Cumulative Environmental effects under the <i>Canadian Environmental Assessment Act</i> (1992)) and the BC EAO (Guideline for the Selection of Valued Components and Assessment of Potential Effects, September 2013).
Cumulative effects assessment and multiple projects on NWFN territory.	The cumulative EA in the Application/EIS is consistent with the AIR and followed guidance from the CEA Agency (Operational Policy Statement Addressing Cumulative Environmental effects under the <i>Canadian Environmental Assessment Act</i> (1992)) and the BC EAO (Guideline for the Selection of Valued Components and Assessment of Potential Effects, September 2013).
Migratory birds and wildlife (e.g., moose).	The Application/EIS assesses the potential effects to migratory birds and wildlife. The Wildlife Management Plan (WMP) was provided to NWFN on May 15, 2014 for review and comment. No feedback on the WMP has been received from NWFN to date.
Forest harvesting thresholds in regards to moose and caribou.	Forestry and logging was included as part of the cumulative effects assessment.
Habitat fragmentation for wildlife including moose.	At the October 27, 2014 meeting, New Gold presented a summary of the results of the wildlife effects assessment and reviewed the Wildlife Management Plan (see Sections 12.2.1.18.4.6 of the Application/EIS).
Fish and fish habitat effects due to stream crossings; sediment and erosion control for roads and stream crossings affecting fish.	<p>At the October 27, 2014 meeting, New Gold reviewed the anticipated number of water course crossings, and summary of fish and aquatic baseline information. Proposed measures to mitigate transmission line effects include locating the poles outside of riparian areas. This information is presented in Section 12.2.1.18.4.3, 12.2.1.18.4.4 and 12.2.1.18.4.2 of the Application/EIS.</p> <p>No residual effects on fish and fish habitat are expected due to the construction of the transmission line. Water flow and quality in the Nechako River will not be affected by the Project or transmission line.</p> <p>Potential effects on fish and fish habitat will be mitigated by the Fish Habitat Offsetting Plan and Sediment and Erosion Control Management Plan (see Section 12.2.1.18.4.1 and 12.2.1.18.4.2 of the Application/EIS).</p>

(continued)

Table 4-1. Issues Raised by NWFN and New Gold's Responses (continued)

Issue	New Gold's Response
Impacts to fisheries in Davidson Creek.	There will be an unavoidable loss of fish and fish habitat on the mine site and loss of access by fish to the headwaters of Davidson Creek and Creek 661. Measures to mitigate impacts include: clustering of mine site facilities; minimizing the number of disturbed watersheds; no discharge during operations and closure; flow augmentation of Davidson Creek; diversion of Lake 01682LNRS to Lake 01538UEUT; fish habitat offsetting plan; and application of standard stream-crossing and erosion control techniques. Effects would be mitigated through in-kind replacement, addressing limitations to fish production in Davidson Creek.
Forest harvesting thresholds in regards to salmon and Nechako white sturgeon.	The cumulative effects assessment in the Application/EIS includes forestry activities and linear developments, which is consistent with guidance from CEA Agency/BC EAO and the AIR.
Fisheries offsetting, including in Davidson Creek.	On July 4, 2014, New Gold presented proposed fish habitat offsetting options which include Lake 16 enlargement (top of Davidson Creek), fish habitat restoration, and construction of overwintering ponds and fish passage.
TK to assess potential effects to wildlife, habitat, plants and water and inclusion of TK in the EA.	New Gold has committed to include available TK in environmental management and operational plans (see Section 12.2.1.5 of the Application/EIS). New Gold is continuing to discuss TK information with NWFN.
Contracting and employment opportunities.	<p>New Gold has committed to the following (see Section 16.1.3 of the Application/EIS):</p> <ul style="list-style-type: none"> • Preferential hiring of local businesses including Aboriginal-owned business that meet employment and contracting requirements; • Working with local Aboriginal employment organizations and regional training institutions to encourage local recruitment and contracting; • Providing information on contracting opportunities and related required qualifications to local First Nation and Métis communities and advertise them in local Aboriginal newsletters; • Encouraging major contractors during the construction and operations phases to sub-contract with local suppliers; and • Developing a database of local and Aboriginal suppliers and developing communication protocols to ensure suppliers are made aware of opportunities.
Waste management plans and ARD.	At the July 4 2014 meeting, New Gold provided an overview of the Waste Management Plan and answered questions regarding the management of potentially acid generating (PAG) rock. The Application/EIS predicts the shortest period of time to onset is one year hence New Gold has committed to subaqueous disposal of PAG rock within one year. The tailings dam construction material will be used from borrow source and included NAG 5 rock and overburden in Dam D downstream shell with about 4% NAG 4). Tailings cell 'C' will be reclaimed starting in Y4.
Mine closure objectives.	At the July 4, 2014 meeting, New Gold reviewed mine closure objectives which include ensuring long term stability, preserving water quality and flows for downstream fish habitat, establishing native plant communities, and supporting wildlife use. New Gold also provided an overview of the Mine Water Management Plan including pumping to and flow from the pit (see Section 12.2.1.18.4.18 of the Application/EIS).

(continued)

Table 4-1. Issues Raised by NWFN and New Gold’s Responses (completed)

Issue	New Gold’s Response
Area of disturbance from the transmission line.	New Gold emailed the NWFN on October 3, 2014 to indicate the width of the transmission line right of way is typically 40 m.
Permitting requirements for the transmission line.	New Gold emailed the NWFN Chief with the list of the anticipated permits required for the transmission line on September 16, 2014. Anticipated permits are also listed in Section 2.9 of the Application/EIS.
Access management of transmission line road and reclamation to prevent hunting.	New Gold emailed the Aquatic Resources Management Plan as well as showing the flow path of mine drainage from Davidson Creek to the Nechako Reservoir on October 3, 2014.
Mine design.	At the September 26, 2014 meeting, New Gold responded to questions relating to seepage control indicating: the seepage path is to the northeast and within Davidson Creek/Creek 661; spillways are included as a contingency (the Mine Water Management Plan is in section 12.2.1.18.4.18; and the pit will drain to the tailing storage facility for wetland polishing. New Gold also described plans for cyanide destruction and tailings deposition.
Effects to wetlands.	At the October 27, 2014 meeting, New Gold reviewed the assessment of effects on wetlands within the transmission line right-of-way as well as measures to mitigate wetland effects. These measures include avoiding wetlands, buffers for avoidance during breeding period for amphibians, sediment and erosion control and maintaining natural drainage patterns. The mitigations are listed in Section 12.2.1.18.4.3.
Vegetation management for 35 years prior to reclamation of transmission line.	At the October 27, 2014 meeting, New Gold requested input from NWFN on how vegetation should be managed (NWFN comments pending on the minutes).
Medicinal plants and drinking water supply affected by increased access along transmission line right-of-way due to cattle grazing.	At the October 27, 2014 meeting, New Gold proposed to develop an access management plan in consultation with NWFN to address their concerns.

Appendix A

*Blackwater Gold Project: Effects Assessment Update
(Nadleh Whut'en First Nation; July 4, 2014)*

BLACKWATER GOLD PROJECT

Nadleh Whut'en First Nation Consultation Summary, May to November, 2014

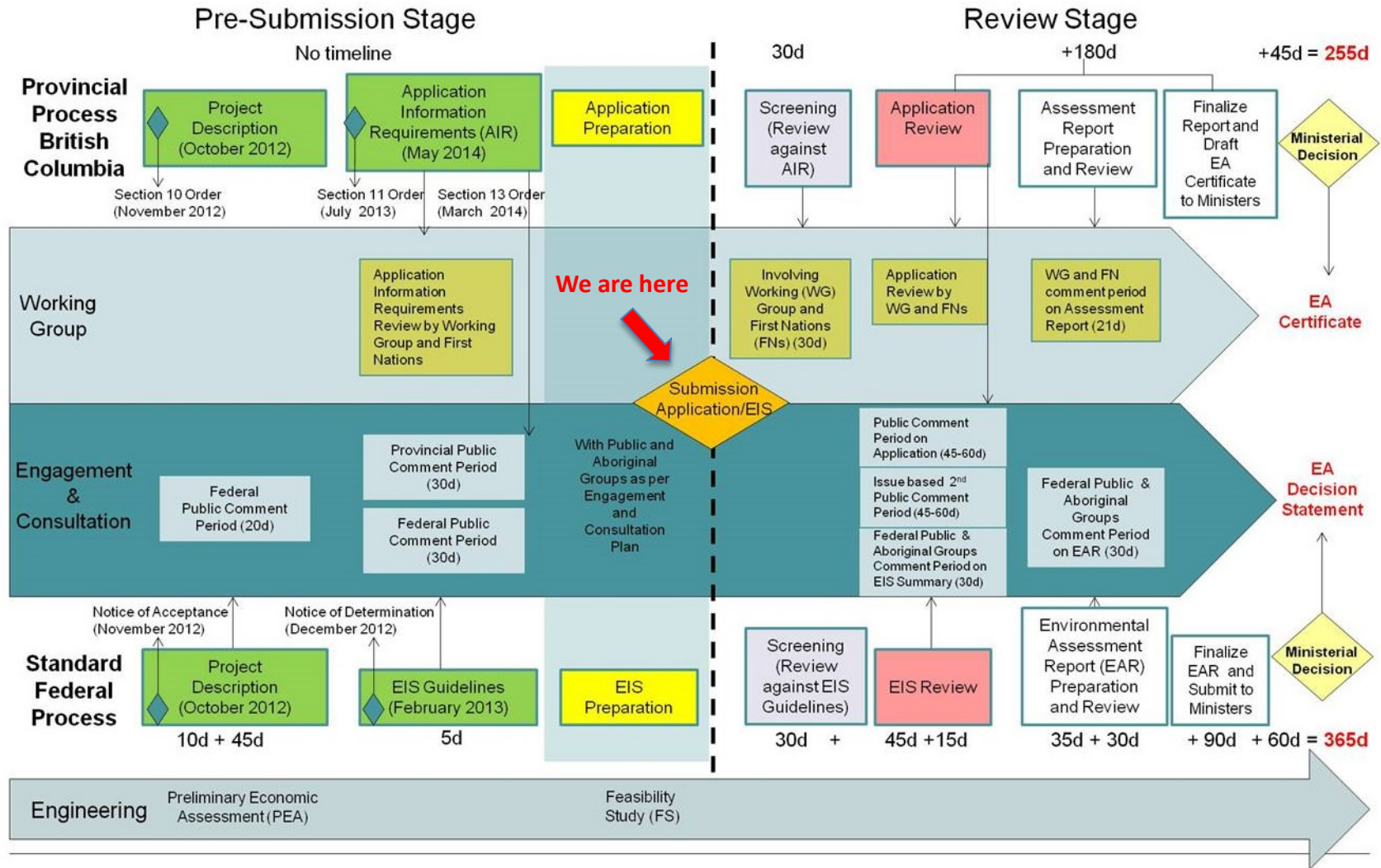


**NADLEH WHUT'EN FIRST NATION
BLACKWATER GOLD PROJECT – EFFECTS ASSESSMENT UPDATE**

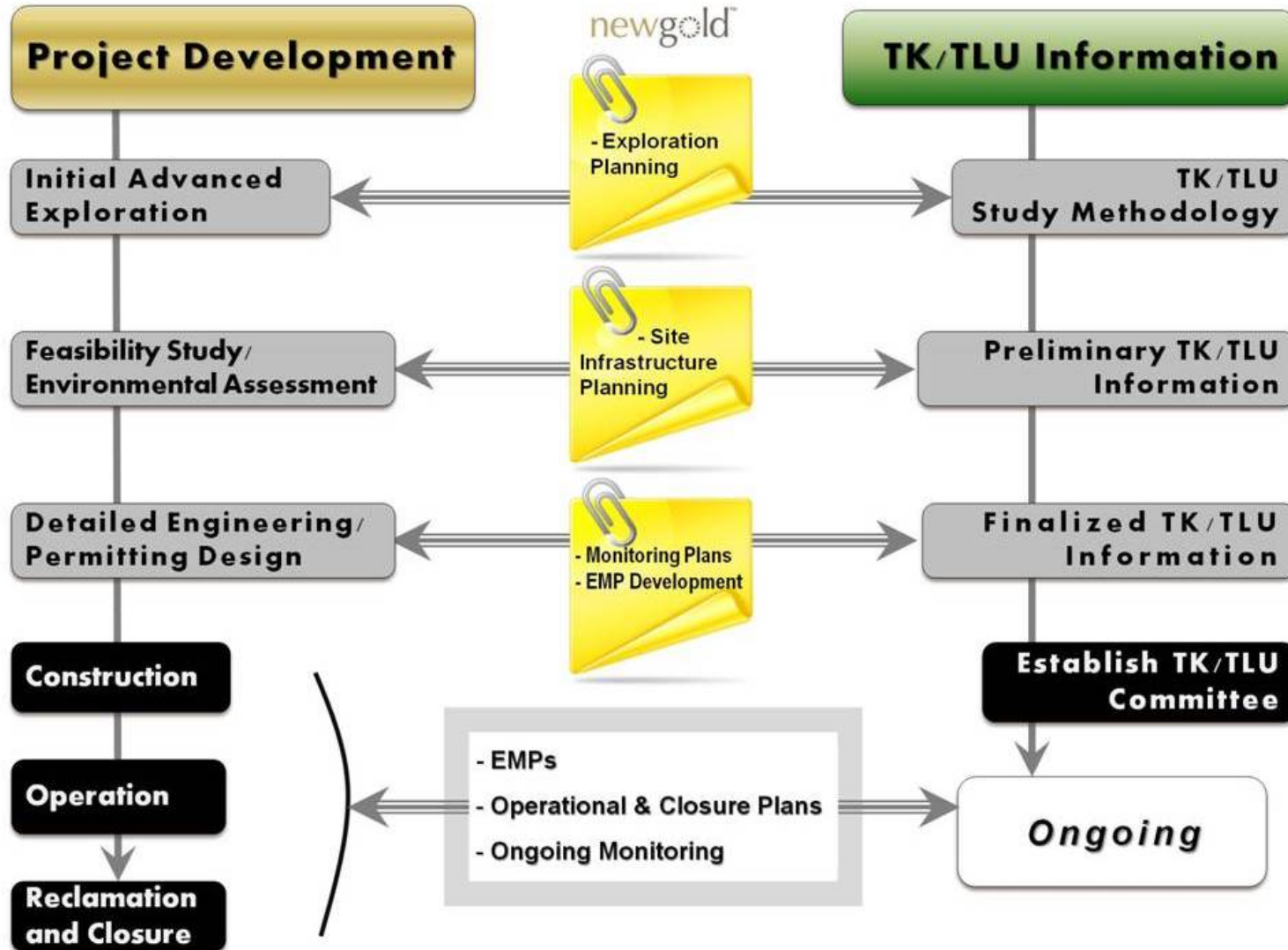
July 4, 2014

- 1) Provide an overview of the issues and concerns of the Nadleh Whut'en First Nation that have been gathered to date and discuss how these are being reflected in the Application/EIS
- 2) Present information regarding the effects assessment and discuss proposed mitigation
- 3) Overview of the Application/EIS layout

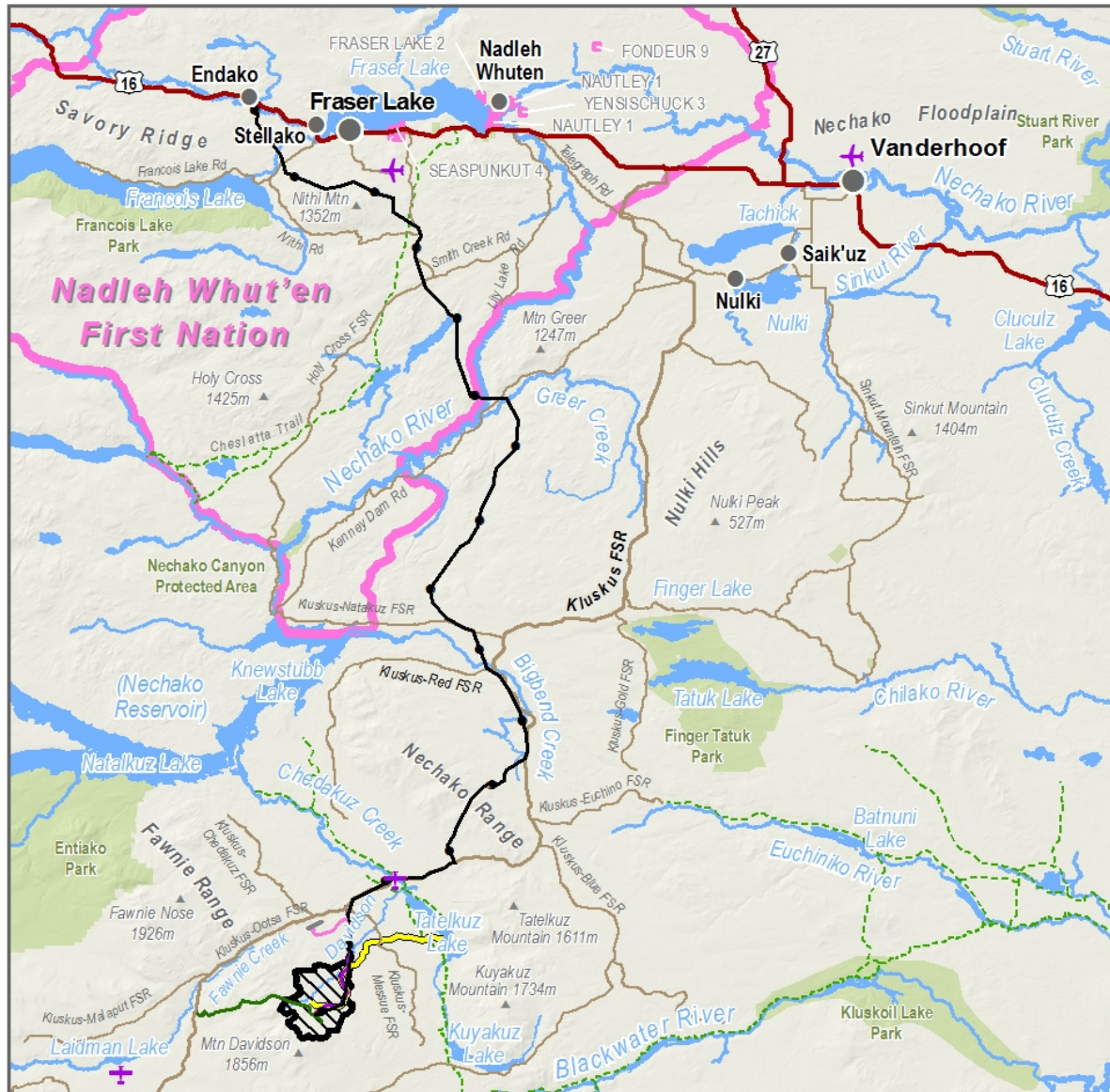
Coordinated Federal and Provincial Environmental Assessment Process



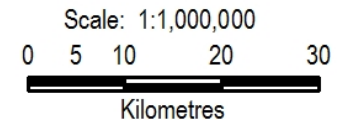
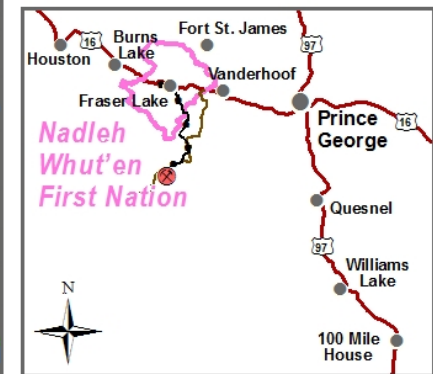
Integration of Traditional Knowledge & Land Use (TK/TLU) Information into the Blackwater Gold Project Development



Nadleh Whut'en First Nation Traditional Territory



- Populated Place
- ✚ Airport ✚ Airstrip
- 16 Highway
- Kluskus / Kluskus-Ootsa FSR
- Other FSR
- - - Recreation Trail
- Nadleh Whut'en First Nation
- NWFN Reserves
- Park
- Proposed Project Components**
- Exploration Road
- Transmission Line
- Mine Access Road
- Fresh Water Pipeline
- Airstrip Access Road
- Airstrip Extent
- Mine Site



Asserted Rights/Other Interests Potentially Affected	Issues/Concerns/ Interests	Reference to Section in Application/EIS
Fishing; Interest in water resources	Effects on the Nechako River from the transmission line crossing, including effects on salmon and water quality	5.3.3 Surface Water Quality 5.3.4 Sediment Quality 5.3.8 Fish 5.3.9 Fish Habitat 12 Summary of Proposed Environmental and Operational Management Plans 15 Aboriginal Rights 16 Other Aboriginal Interests

No residual effects by the transmission line are anticipated on fish and fish habitat.

Water flow and quality in the Nechako River will not be affected by the mine site or transmission line.

Proposed Mitigation:

- 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
- 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

Asserted Rights/Other Interests Potentially Affected	Issues/Concerns/ Interests	Reference to Section in Application/EIS
Fishing; Interest in water resources	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	5.3.3 Surface Water Quality 5.3.4 Sediment Quality 5.3.8 Fish 5.3.9 Fish Habitat 12 Summary of Proposed Environmental and Operational Management Plans 15 Aboriginal Rights 16 Other Aboriginal Interests

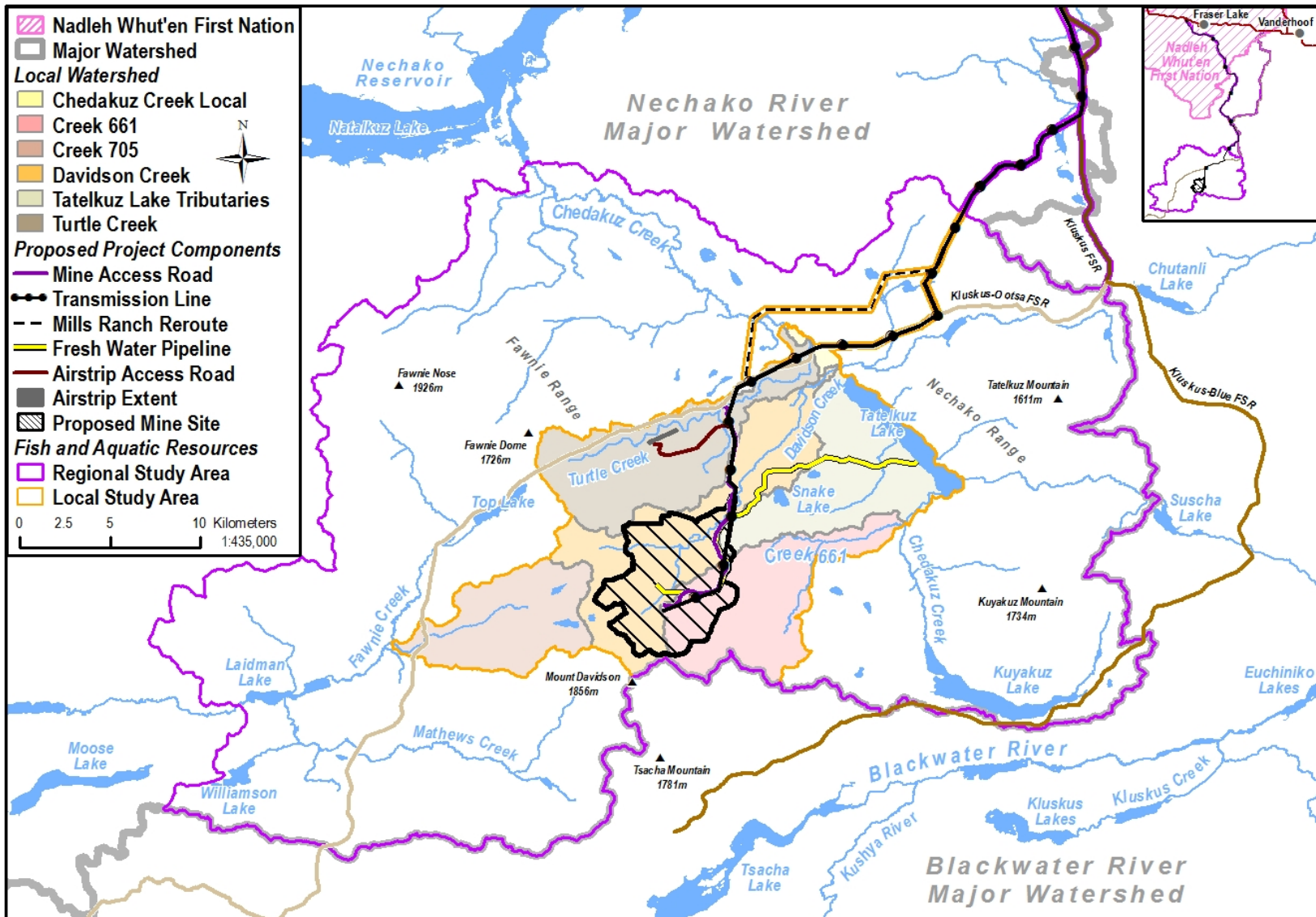
No residual effects by the transmission line are anticipated on fish and fish habitat.

Water flow and quality in the Nechako River will not be affected by the mine site or transmission line.

Proposed Mitigation:

- 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
- 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

Fish and Aquatic Resources Study Areas



Asserted Rights/Other Interests Potentially Affected	Issues/Concerns/ Interests	Reference to Section in Application/EIS
Traditional Use	Potential effects on Traditional Land Use in the Project area, particularly berry picking.	9.2.1 Environmental Exposures 5.4.5 Ecosystem Composition 5.4.6 Plant Species and Ecosystems at Risk 7.2.7 Current Land Use for Traditional Purposes 12 Summary of Proposed Environmental and Operational Management Plans 16 Other Aboriginal Interests

Proposed Mitigation:

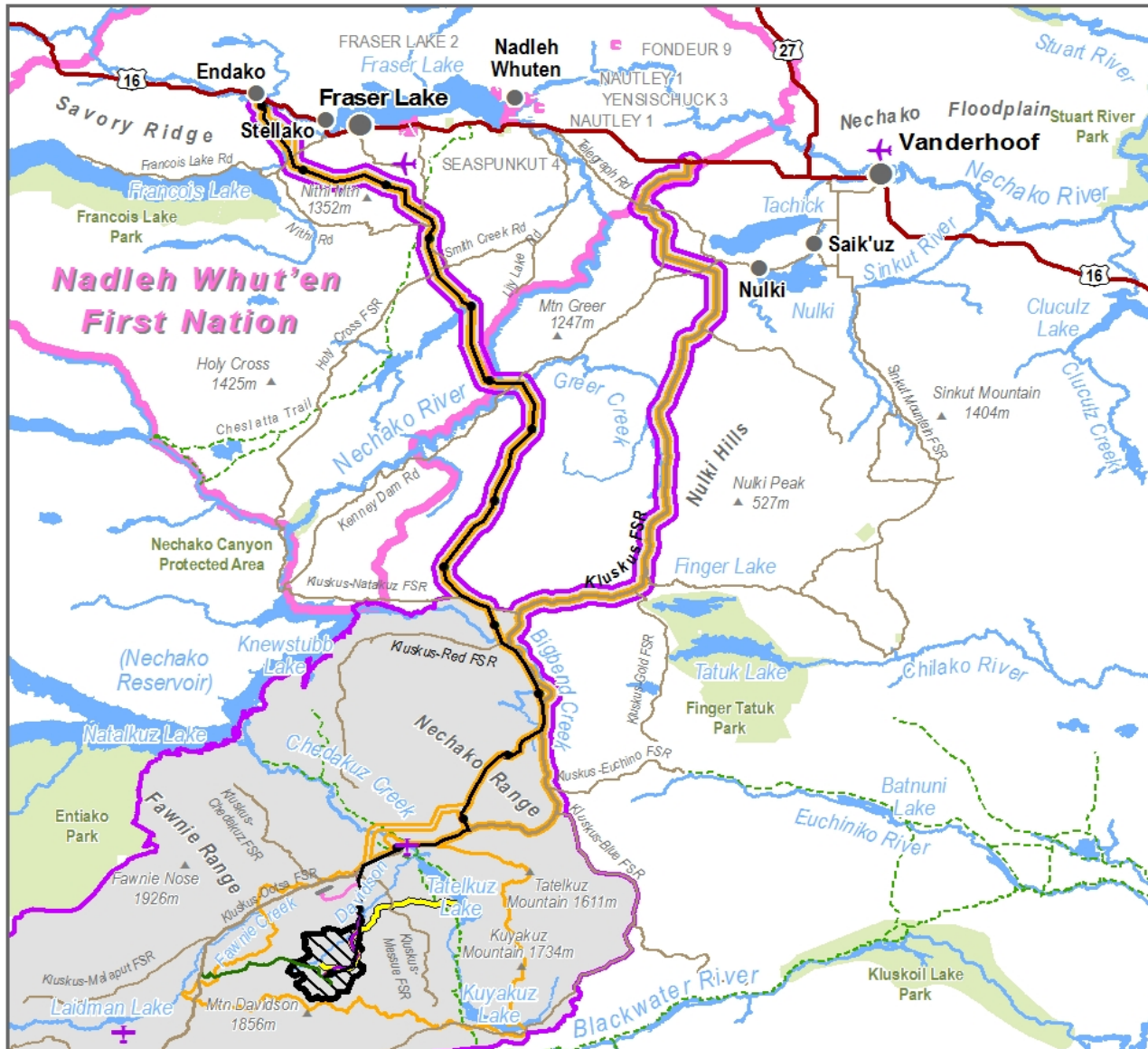
The Transmission Line is the only project component that is located within Nadleh Whut'en First Nation traditional territory. Project design measures, access management, vegetation and reclamation management measures are being proposed to address potential effects on traditional use.

Invasive Species Management Plan – Section 12.2.1.18.4.5:

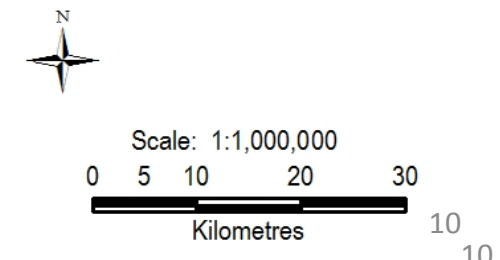
- Provides prevention, control, and monitoring of growth and spread of invasive plants in areas of disturbed or exposed soil or subsoil.
- Management of invasive species will be sustained throughout all phases of the Project.

Country Food Monitoring Plan - Appendix 9.2.2B

Current Land and Resources Use for Traditional Purposes



- Populated Place
- ✚ Airstrip
- 16 Highway
- Kluskus / Kluskus-Ootsa FSR
- Other FSR
- - - Recreation Trail
- Nadleh Whut'en First Nation
- NWFN Reserves
- Park
- Proposed Project Components**
- Exploration Road
- Transmission Line
- Mine Access Road
- Fresh Water Pipeline
- Airstrip Access Road
- Airstrip Extent
- Mine Site
- Current Land and Resource Use for Traditional Purposes**
- Regional Study
- Local Study

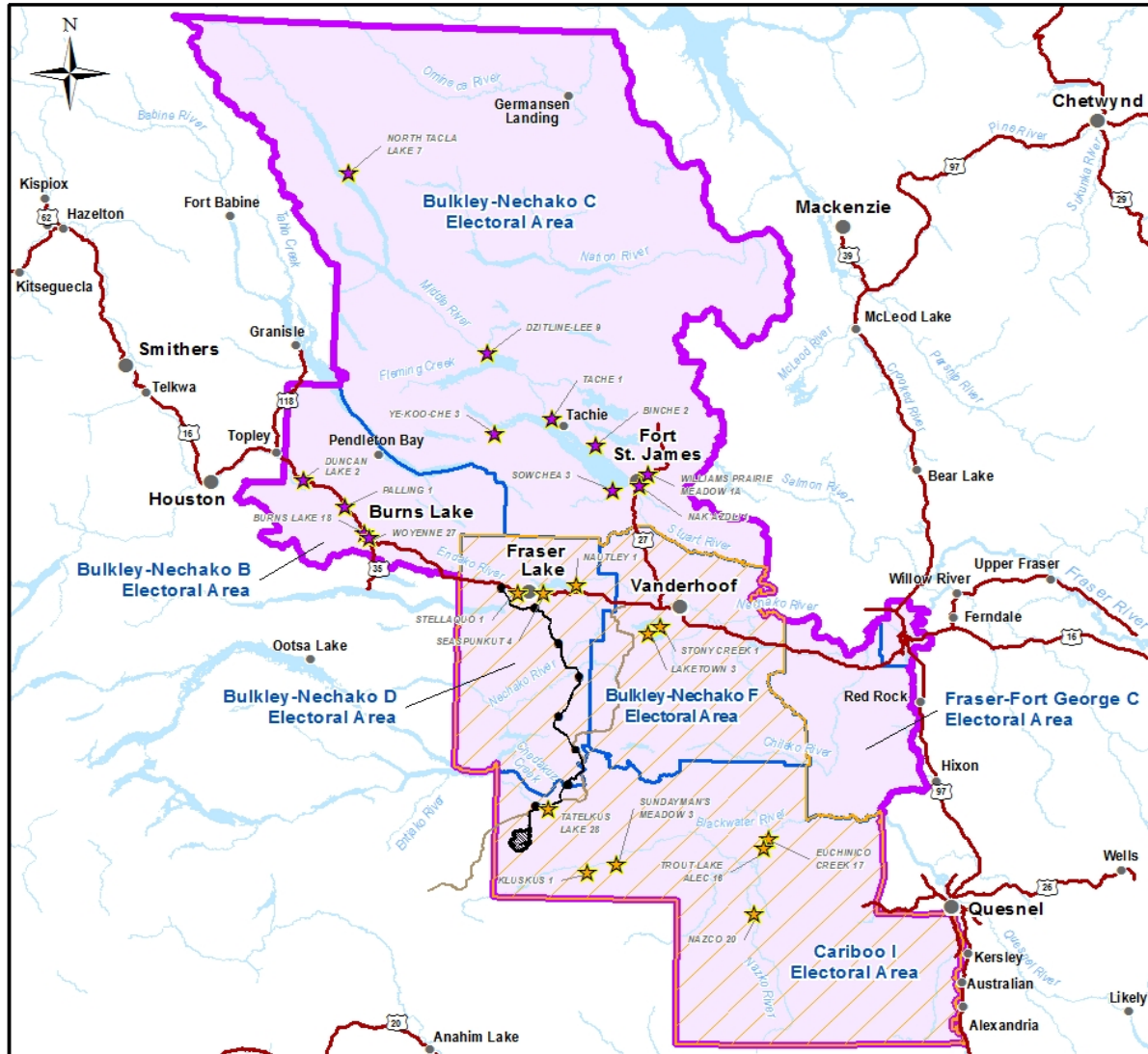


Asserted Rights/Other Interests Potentially Affected	Issues/Concerns/ Interests	Reference to Section in Application/EIS
Economic development	Interest expressed for training, employment, and contracting opportunities for NWFN members at the Project	6.2.5 Regional and Local Employment and Businesses 12 Summary of Proposed Environmental and Operational Management Plans 16 Other Aboriginal Interests

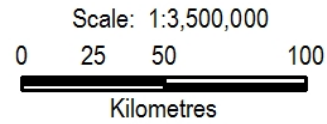
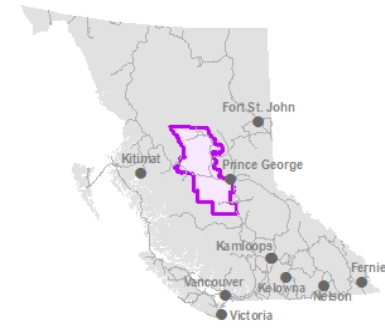
Proposed Mitigation:

- 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 provide opportunities for on-the-job training through a variety of mandatory and elective training initiatives
- Encouraging Aboriginal employment. The Proponent’s New Afton Mine has 23% Aboriginal employees, and the Project currently has 25% to 28% (self-declared)
- Providing Aboriginal groups with the opportunity to provide contracting services to the Project
- Working 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

Social & Economic Study Areas



- Populated Place
- 16 Highway
- Kluskus / Kluskus-Ootsa FSR
- Stream
- Waterbody
- Electoral Boundaries
- Project Components**
- Proposed Transmission Line
- Proposed Mine Site
- Social and Economic**
- Local Study Area
- Regional Study Area
- Indian Reserves**
- Local Study Area
- Regional Study Area



Asserted Rights/Other Interests Potentially Affected	Issues/Concerns/ Interests	Reference to Section in Application/EIS
Consultation	Lack of capacity to properly participate in EA process and complete a technical review, and consultation regarding the transmission line	3.3 Aboriginal Groups Information Distribution and Consultation 17 Aboriginal Groups Consultation

Proposed Mitigation:

- The Proponent has discussed with the NWFN capacity funding to participate in the EA process. Discussions between the parties continue.
- 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 and will continue to consult the NWFN



Volumes 1 to 6 – Application/EIS Main Body
Volumes 7 to 23 – Appendices with Supporting Documentation

This Application is organized in four sections:

- Part A Introduces the Project and provides background information;
- Part B Elaborates the Project's potential environmental, economic, social, heritage, and health effects, including cumulative effects and the significance of residual effects, in accordance with the provincial and federal EA processes;
- Part C Identifies Aboriginal groups, and their rights and interests, that could potentially be affected by the Project, and how effects will be addressed and mitigated; and
- Part D Provides the conclusions of the assessment and demonstrates that all potential adverse effects of the Project have been identified, assessed, and avoided or mitigated where practicable.

Section 1 – Purpose of the Application

Section 2 – Proposed Project Overview

- 2.1 Proponent Description
- 2.2 Proposed Project Description
- 2.3 Provincial Scope of the Proposed Project
- 2.4 Federal Scope of Assessment of the Proposed Project
- 2.5 Alternative Means of Undertaking the Proposed Project
- 2.6 Reclamation and Closure
- 2.7 Proposed Project Land Use
- 2.8 Proposed Project Benefits
- 2.9 Applicable Permits

Section 3 – Assessment Process

- 3.1 Provincial EA Process
- 3.2 Federal Assessment
- 3.3 Aboriginal Groups Information Distribution and Consultation
- 3.4 Public and Agency Information Distribution and Consultation

Section 4 – Assessment Methodology

Part B Content:

- 5 Assessment of Potential Environmental Effects
- 6 Assessment of Potential Economic Effects
- 7 Assessment of Potential Social Effects
- 8 Assessment of Potential Heritage Effects
- 9 Assessment of Potential Health Effects
- 10 Accidents or Malfunctions
- 11 Potential Effects of the Environment on the Project
- 12 Summary of Environmental Management Plans
- 13 Follow-up Monitoring and Compliance Reporting

Each Pillar has a Similar Structure:

- Baseline Information
- Effects Assessment
 - Identification and Selection of Valued Components
 - Each Valued Component – Similar Structure:
 - Introduction
 - Valued Component Baseline
 - Potential Effects of the Proposed Project and Proposed Mitigation
 - Residual Effects and Significance
 - Cumulative Effects Assessment
 - Limitations
 - Conclusion
- Summary of Assessment of Effects

PART B – Valued Components

1. Noise and Vibration
2. Climate Change
3. Air Quality
4. Surface Water Flow
5. Surface Water Quality
6. Sediment Quality
7. Groundwater Quantity
8. Groundwater Quality
9. Wetlands
10. Fish
11. Fish Habitat
12. Physiography and Topography
13. Surficial Geology and Soil Cover
14. Soil Quality
15. Ecosystem Composition
16. Plant Species and Ecosystems at Risk
17. Amphibians
18. Waterbirds
19. Forest and Grassland Birds
20. Moose
21. Caribou
22. Grizzly Bear
23. Furbearers
24. Bats
25. Invertebrates
26. Provincial Economy
27. Regional and Local Employment and Businesses
28. Regional and Local Government Finance
29. Demographics
30. Regional and Community Infrastructure
31. Regional and Local Services
32. Family and Community Well-being
33. Non-Traditional Land and Resources Use
34. Current Land and Resource Use for Traditional Purposes
35. Visual Resources
36. Archaeological Sites
37. Historic Sites
38. Paleontological Resources
39. Environmental Exposures
40. Worker Safety and Health

Section 12 – Environmental Management Plans

- 12.2.1 Construction and Operations Management Plan
 - 12.2.1.5 Integration of Traditional Knowledge
- 12.2.2 Closure Management Plan

Section 13 – Follow-Up Monitoring and Compliance Reporting

- 13.4 First Nations Rights and Interests
 - 13.4.1 Country Foods Monitoring
 - 13.4.1.1 Plants
 - 13.4.1.2 Small Mammals
 - 13.4.1.3 Large Mammals
 - 13.4.1.4 Fish
 - 13.4.1.5 Community Consultation
 - 13.4.2 Beneficial Agreements

Section 14 – Aboriginal Groups Background Information - 14.3.2 Nadleh Whut'en First Nation

- 14.3.2.1 Overview
- 14.3.2.2 Community Well-Being
- 14.3.2.3 Community Infrastructure and Housing
- 14.3.2.4 Land Use Setting and Planning
- 14.3.2.5 Traditional Land Use and Traditional Knowledge
- 14.3.2.6 Economy

Section 15 – Rights – 15.3 Nadleh Whut'en First Nation

- 15.3.1 Past, Current, and Anticipated Land Uses
- 15.3.2 Asserted Nadleh Whut'en First Nation Aboriginal Rights
- 15.3.3 Nadleh Whut'en First Nation Rights and Effects Assessment
- 15.3.3.1 Summary of Potential Residual Effects on Nadleh Whut'en First Nation Rights

Section 16 – Other Aboriginal Interests – 16.3 Nadleh Whut'en First Nation

- 16.3.1 Nadleh Whut'en First Nation Interests Assessment
- 16.3.2 Summary of Identified Aboriginal Interests
- 16.3.2.1 Water Resources
- 16.3.2.2 Economic Development

Section 17 – Aboriginal Groups Consultation – 17.3.2 Nadleh Whut'en First Nation

- 17.3.2.1 Consultation Activities
- 17.3.2.2 Environmental Assessment Procedures
- 17.3.2.3 Key Comments and Concerns

Section 18 – Summary of Aboriginal Groups Information – 18.3 Nadleh Whut'en First Nation

Section 19 – Summary of Residual Effects

19.1 Summary of Potential Residual Effects

19.2 Outstanding Aboriginal Issues and Public Concerns

Section 20 – Summary of Mitigation Measures

Section 21 – Conclusion

21.1 Project Overview

21.2 Coordination of Provincial and Federal Environmental Assessment Processes

21.3 Summary of Assessment Methods and Findings

21.4 Aboriginal Groups – Consultation and Mitigation

21.5 Project Benefits

21.6 Request for an Environmental Certificate



Appendix B

Blackwater Gold Project: Information Request Tracking Table and Responses, and Concordance Tracking Table of Comments and Responses during the Extended Screening Period (Nadleh Whut'en First Nation; October 15, 2014)

BLACKWATER GOLD PROJECT

Nadleh Whut'en First Nation Consultation Summary, May to November, 2014

October 15, 2014

Nadleh Whut'en First Nation

Email Transmittal to:

1. Chief Martin Louie (consultants: Source Environmental Associates Inc. / Firelight)

RE: ENVIRONMENTAL ASSESSMENT APPLICATION/IMPACT STATEMENT

Dear Chief Martin Louie,

New Gold appreciates the comments and information requests you have provided to the Blackwater Gold Project Application/EIS dated May 2014. Please find attached to this letter an information package that explains how your comments have been addressed as follows:

- Table 1: Blackwater Gold Project – Information Request (IR) Tracking Table of Comments and Responses during the Extended Screening Period (NWFN)
- Table 2: Blackwater Gold Project – Concordance Tracking Table of Comments and Responses during the Extended Screening Period (NWFN)

We trust this information explains clearly how the Application/EIS has been updated to reflect your feedback.

Regards,



Tim Bekhuys
Director, Blackwater Project

Table 1: Blackwater Gold Project – Information Request (IR) Tracking Table of Comments and Responses during the Extended Screening Period (NWFN)

**Blackwater Gold Project – Information Request (IR) Tracking Table of Comments and Responses during the Extended Screening Period
(Nadleh Whut'en First Nation)**

ID #	Type	Organization	Name of Commenter	Information Request (IR)	Explanation of how comments have been addressed in the September 2014 Application/EIS
1.	First Nation	Nadleh Whut'en First Nation (Memo, Source)	Chief Martin Louie <u>Source Environmental Associates Inc.:</u> Rina Freed, Rob Griffith, Jan Gerits	C. Site Hydrology and Water Balance Baseline Climate and Hydrology 1. Methodology of the baseline hydrology estimates appear to be described in enough detail to allow for a thorough technical review of the assessment. The regional watershed boundary was defined on Figure 5.3.3-2 (Surface Water Quality Monitoring Sites). The boundary extends to the mouth of the Chedakuz Creek where it discharges into the Nechako Reservoir. Site and regional data should be used to develop baseline flow predictions for the Chedakuz Creek discharge at the edge of the regional boundary.	On 4 July 2014, the Proponent met with NWFN and its consultants (Source, Firelight Group) 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 Aboriginal interests raised by NWFN since consultation commenced and how the Proponent proposes to avoid, mitigate or otherwise address effects as appropriate. Next steps were also discussed with respect to technical meetings and site tours. On 26 September 2014, an additional effects assessment meeting was held with NWFN and its consultants (Source) to discuss specific questions on water quality modelling and the related effects assessment. The discussion focused on alternatives analysis, mine site facilities and structures, water management plans, baseline and surface water quality, baseline sediment quality, and the water quality effects assessment. Hydrology study areas are presented in Figure 5.1.2.1-1 and Figure 5.3.2.1-1 Surface Water Flow Study Areas. The local study area includes all the catchments where project facilities are located and where residual environmental effects on the Project are expected. Please note that from a water quality perspective, the effects are contained within the upper portions of the Davidson Creek and Creek 661 catchments. There are no expected water quality effects in the lower portions of those catchments, neither in the catchment further downstream. From a water flow perspective, the project was demonstrated not to have a significant effect on flows in Chedakuz Creek. See Section 5.3.2 Surface Water Flow for a complete discussion.
2.	First Nation	Nadleh Whut'en First Nation (Memo, Source)	Chief Martin Louie <u>Source Environmental Associates Inc.:</u> Rina Freed, Rob Griffith, Jan Gerits	2. Unless the reviewer has previous knowledge of the Nechako watershed, it is not obvious to the reviewer how the drainage from the proposed mine site will flow through the Aboriginal Territories via the Nechako drainage system. A map should be provided that shows the watershed boundary of the Nechako River down to its confluence with the Fraser River (at Prince George). The project location, the flow path of mine drainage from Davidson Creek to the Nechako Reservoir, and the proposed transmission line should be shown. Boundaries of the Aboriginal Territories should be superimposed over the map. The map should also show the location of the Kenny Dam, and the Nechako Reservoir outlets: a) via the tunnel to the Kemano Power station, and b) Skins Lake / Chelsatta River spillway. Figure 1 shows suggested map extents (Figure 1 – Approximate Extents of Proposed Nechako Watershed Map)	See previous response (information request number #1) for meetings on 4 July 2014 and 26 September 2014. See response to previous comment. The results of the effects assessment on hydrology and water quality indicate that there are no anticipated effects on the Nechako reservoir neither further downstream along the Nechako River or the Fraser River. Additional maps can be added to the Application/EIS during the technical review phase if required to improve the understanding of the regional hydrology context.

ID #	Type	Organization	Name of Commenter	Information Request (IR)	Explanation of how comments have been addressed in the September 2014 Application/EIS
3.	First Nation	Nadleh Whut'en First Nation (Memo, Source)	Chief Martin Louie <u>Source Environmental Associates Inc.:</u> Rina Freed, Rob Griffith, Jan Gerits	3. With the information provided, it is not possible for an independent reviewer to understand and reproduce the site-wide water balance model results that were used as the basis for the water quality modelling assessment. A comprehensive document should be provided to demonstrate how each mine source of flow was derived, and combined in the water balance. The document should include the following components: <ul style="list-style-type: none"> • water balance flow schematics for each major phase of mining (construction, operations, closure, and post-closure) • hydrologic input assumptions (drainage areas, unit runoff, evaporation rates, etc) • summary tables for each of TSF C Cell Pond, TSF D Cell Pond, Open Pit, and Environmental Control Dam / Wetland. Each table should have all water inflow and outflows (average annual) and should include each mine phase. • table of average annual flows for the streams of mine water that enters the receiving environment (tailings pond discharge, wetland treatment system discharge, unrecovered seepage, etc.) • table of total receiving environment flows for the locations where water quality predictions will be made range of water balance flow results to account for natural variability in the hydrologic input assumptions 	See previous response (information request number #1) for meetings on 4 July 2014 and 26 September 2014. Much of the information requested is already contained in detailed source data tables in Appendix 5.3.3B and the water balance report prepared by Knight Piésold in Appendix 2.2A-2 and updated water balance memo Appendix 2.2A-6.
4.	First Nation	Nadleh Whut'en First Nation (Memo, Source)	Chief Martin Louie <u>Source Environmental Associates Inc.:</u> Rina Freed, Rob Griffith, Jan Gerits	D. Water Quality Baseline Water Quality Assessment 4. Water Quality sample data should be provided for Chedakuz Creek at the mouth, immediately upstream from where it discharges to the Nechako Reservoir.	See previous response (information request number #1) for meetings on 4 July 2014 and 26 September 2014. The Application/EIS has determined that the Project is not expected to have any significant effects on water quality. There is therefore no need to carry any analysis further. See Section 5.3.3 - Surface Water Quality for a complete discussion.
5.	First Nation	Nadleh Whut'en First Nation (Memo, Source)	Chief Martin Louie <u>Source Environmental Associates Inc.:</u> Rina Freed, Rob Griffith, Jan Gerits	5. With the information provided, it is not possible for an independent reviewer to understand and reproduce the site-wide water quality model results that were used as the basis for the effects assessment. A player version of the GoldSim water quality model is requested. Providing the player version of the GoldSim model is a transparent way of providing details about the water quality predictions and built in assumptions that are not fully explained in the documentation provided. In addition, a more comprehensive document should be provided to demonstrate how each mine source term was derived. The document should include the following components: <ul style="list-style-type: none"> • Tables describing the percent loadings from source terms by Contaminate of Concern (CoC) • A comparison of the load of each CoC compared with the baseline loadings to the receiving environment. • Summary tables for each of TSF C Cell Pond, TSF D Cell Pond, Open Pit, and Environmental Control Dam / Wetland. Each table should have all loadings inflow and outflows (average annual) and should include the mine phases. 	See previous response (information request number #1) for meetings on 4 July 2014 and 26 September 2014. The Player version of GoldSim only produces tables of concentrations. Complete monthly results through all mining phases are provided in summary tables and graphs in Appendix 5.3.3B-Surface Water Quality Goldsim Model. Loadings were not provided outside of the model. Guidelines for water quality are based on concentrations and that is what was evaluated and what the project will be judged on. Source data are provided in tables in Appendix 5.3.3B – Surface Water Quality Goldsim Model.
6.	First Nation	Nadleh Whut'en First Nation (Memo, Source)	Chief Martin Louie <u>Source Environmental Associates Inc.:</u> Rina Freed, Rob Griffith, Jan Gerits	6. Several figures were presented in App. 5.3.3B Annex A (GoldSim Model Report) to show time-series water quality results. This method of presentation is very useful because it displays the annual and inter-annual variability of water quality during each phase of mining. However, the plots are difficult to understand because the legend labels are not defined and the reader is left to guessing what they mean. The plots should be updated with explicit labelling, or the labels should be defined in another place.	See previous response (information request number #1) for meetings on 4 July 2014 and 26 September 2014. A glossary was added at the beginning of the graphs to explain the legends.

ID #	Type	Organization	Name of Commenter	Information Request (IR)	Explanation of how comments have been addressed in the September 2014 Application/EIS
7.	First Nation	Nadleh Whut'en First Nation (Memo, Source)	Chief Martin Louie <u>Source Environmental Associates Inc.:</u> Rina Freed, Rob Griffith, Jan Gerits	7. Baseline water quality and BC Water Quality Guidelines (BCWQG) for the protection of aquatic life should be presented with the monthly water quality modelling results tables for receiving environment stations in Section 5.3.3 model output summary tables of monthly modelled water quality. If the modelled water quality exceeds BCWQG, the modelled values should be flagged (e.g. highlighted or bolded) for quick interpretation by the reader. Proposed site specific guidelines could also be added to the table for reference.	See previous response (information request number #1) for meetings on 4 July 2014 and 26 September 2014. Baseline values were considered in the water quality assessment as representative of Year -1 of the construction period as stated in Section 5.3.3 - Surface Water Quality. Guidelines are presented on graphs in Appendix 5.3.3B – Surface Water Quality Goldsim Model where it was possible to show guideline changes with hardness in a clear and concise manner. There is no added value by presenting this information in tables as several parameters are hardness dependant and presenting these results in tabular form would make them very difficult to read.
8.	First Nation	Nadleh Whut'en First Nation (Memo, Source)	Chief Martin Louie <u>Source Environmental Associates Inc.:</u> Rina Freed, Rob Griffith, Jan Gerits	8. pH appears to have been modelled. The report should indicate how the pH was modeled by dilution/mixing, or if thermodynamic equilibrium modelling was carried out (i.e. using PHREEQC) as part of the assessment. Any input assumptions to PHREEQC runs should be summarized as well. If PHREEQC was used, a description should be provided for how was it applied in the GoldSim modelling.	See previous response (information request number #1) for meetings on 4 July 2014 and 26 September 2014. Section 5.3.3 - Surface Water Quality states that pH was predicted by dilution mixing. This discussion was included in the Application/EIS dated May 2014.
9.	First Nation	Nadleh Whut'en First Nation (Memo, Source)	Chief Martin Louie <u>Source Environmental Associates Inc.:</u> Rina Freed, Rob Griffith, Jan Gerits	9. Appendix 5.1.3.1A (Geochemical Characterization Report), Figure 6-19 (Conceptual Model for transport and behaviour in TSF - Closure and Post Closure) show Tailings Storage Facility Pond Wetlands (also described in 2.6.6.1.2.5) and the Environmental Control Dam and Water Reservoir Wetlands (also described in Section 2.6.6.1.2.8), and a Contingency Wetland in Davidson Creek. These facilities are presumably in place for bioremediation of mine drainage water. However, it is not obvious to the reviewer how these wetlands were accounted for in the water quality modelling. A description should be provided in the water quality model write-up to describe if the wetlands were assumed to remove a portion of contaminants from the mine contact water.	See previous response (information request number #1) for meetings on 4 July 2014 and 26 September 2014. Appendix 2.6C discusses wetland attenuation. The attenuation discussed in this appendix was applied to the Goldsim model for the discharge from the TSF and downstream wetlands.
10.	First Nation	Nadleh Whut'en First Nation (Memo, Source)	Chief Martin Louie <u>Source Environmental Associates Inc.:</u> Rina Freed, Rob Griffith, Jan Gerits	10. Appendix 5.1.3.1A Figure 6-18 (Conceptual Model for Contaminant Transport and Behaviour in the TSF - Operations) states that "attenuation of Cd, Zn, and other trace elements will occur along seepage pathways within the underlying natural substrates associated with adsorption and precipitation processes". Has attenuation been accounted for in the modelling, and if so, how was attenuation calculated and how was attenuation applied in the site wide water quality model.	See previous response (information request number #1) for meetings on 4 July 2014 and 26 September 2014. The water quality model conservatively assumed that path length attenuation would not occur, which overestimates the magnitude of the changes.
11.	First Nation	Nadleh Whut'en First Nation (Memo, Source)	Chief Martin Louie <u>Source Environmental Associates Inc.:</u> Rina Freed, Rob Griffith, Jan Gerits	11. Section 16.3.1.2 addresses the Nadleh Whut'en's concerns for impacts to water quality in the Nechako Reservoir. The proponent stated that impacts are not expected in the Nechako River system but did not direct the reader to analytical results that would support the statement. The statement should be verified using water quality modelling results, particularly for post closure conditions when the mine site is discharging. Water quality predictions in Chedakuz Creek (immediately upstream from the Nechako Reservoir) for all phases of mining should be compared to baseline conditions.	See previous response (information request number #1) for meetings on 4 July 2014 and 26 September 2014. As discussed in detail in Section 5.3.3 – Surface Water Quality, the effects assessment conducted has determined that the Project will have no significant effects on water quality downstream of the confluence of Davidson and Chedakuz creeks where background or near background concentrations are predicted. Therefore there is no need to discuss water quality at the mouth of Chedakuz Creek which is located approximately 40 km downstream of the mine site.
12.	First Nation	Nadleh Whut'en First Nation (Memo, Source)	Chief Martin Louie <u>Source Environmental Associates Inc.:</u> Rina Freed, Rob Griffith, Jan Gerits	12. SEA did not find a dam inundation study, the result of a catastrophic tailings dam failure and the resulting effects assessment. SEA feels it is appropriate for New Gold to fully assess the downstream impacts of such a failure mode.	See previous response (information request number #1) for meetings on 4 July 2014 and 26 September 2014. The scenario of a catastrophic failure of the TSF has been considered in sub-section 10.8.1.3 – Tailings Storage Facility Dam Failure. The environmental concerns and risk mitigation measures are described and this scenario was considered to have a very rare likelihood of occurrence.

ID #	Type	Organization	Name of Commenter	Information Request (IR)	Explanation of how comments have been addressed in the September 2014 Application/EIS
13.	First Nation	Nadleh Whut'en First Nation (Memo, Source)	Chief Martin Louie <u>Source Environmental Associates Inc.:</u> Rina Freed, Rob Griffith, Jan Gerits	13. SEA is not clear if water quality guidelines or existing baseline conditions are predicted to be exceeded for the CoCs. SEA requests that exceedances of water quality guidelines (i.e. BC WQGs) or baseline conditions (i.e. where baseline conditions exceed BC WQGs) be summarized more clearly.	See previous response (information request number #1) for meetings on 4 July 2014 and 26 September 2014. Adding BCWQGs to tables for those parameters which have hardness, temperature, pH adjustments will make the tables unreadable. The same argument applies to the site-specific guideline proposed for cadmium. If only a subset of guidelines is added, then the question arises, where the other guidelines are. Both solutions are unsatisfactory. Table 5.3.3.2, pp. 5.3.3-7 – 5.3.3-9 shows natural exceedances for mean annual background concentrations for stream sites where one hardness, temperature or pH value applies for each water quality site. Table 5.3.3-4, pp. 5.3.3-12 – 5.3.3-14 shows the same for lake sites. As discussed in the text, exceedances of guidelines during operations and closure only occur where there are natural exceedances to guidelines, e.g., dissolved aluminum. For post closure, only sulphate could exceed the guideline under the most conservative assumption of no sulphate reduction in wetlands and the tailings. Natural (background) exceedances are discussed before detailed discussion of modelled results in Section 5.3.3.3.2, p. 5.3.3-17. The referenced tables provide mean annual natural exceedances. Section 5.3.3.3.2, p. 5.3.3-17 discusses natural exceedances and proposes site-specific water quality objectives. The conclusion for the water quality assessment, Section 5.3.3.7 summarizes the key results from modelling. Specifically, the last paragraph on p. 5.3.3-132 discusses modelled exceedances.
14.	First Nation	Nadleh Whut'en First Nation (Memo, Source)	Chief Martin Louie <u>Source Environmental Associates Inc.:</u> Rina Freed, Rob Griffith, Jan Gerits	E. Geochemical Characterization The following report of the EAC Application was reviewed by SEA: Appendix 5.1.3.1A – 2013 Geochemical Characterization Report. Information requests are provided by sections of this report. 14. Section 1.3.4: a) It is not clear what the distinction between non-metal leaching (Zn<1000 mg/kg) and metal leaching (Zn>1000 mg/kg) is based on. The handling of NAG-4 and NAG-5 in the waste rock dumps is not clear either. Please provide more clarity. b) The development of an ARD block model without a geological block model indicates that the sampling strategy for the waste rock characterization (e.g. static tests) is unrelated to the geology. This implies that the waste rock excavated during mining operations requires extensive on-site testing of ML/ARD characteristics for waste management. Although the number of samples collected and the analytical methods used are extensive, the choice of the specific samples used in the different tests is neither specified nor explained. Please provide more clarity.	See previous response (information request number #1) for meetings on 4 July 2014 and 26 September 2014. a) The basis for the Zn leaching levels can be added to the geochemistry report, Appendix 5.1.3.1A – 2013 Geochemical Characterization Report during the technical review phase of the Application/EIS. b) The geochemical sampling program was designed to gather a very broad spatial distribution of samples with a lot of emphasis placed on waste rock characterization, including 14 drill holes conducted entirely on waste rock. The results of standard geochemical drill core analysis were used to guide ARD sample selection (specifically S, Ca and Zn concentrations). The project geology is such that rock types (variations of volcanics) are visually similar, except for the andesite. Specific ARD testing covered the expected range of geochemical conditions across all rock types. There will be total S and total C testing during mining operations to confirm results of block modeling and ensure good waste management. Additional wording can be added to Appendix 5.1.3.1A – 2013 Geochemical Characterization Report during the technical review phase of the Application/EIS.
15.	First Nation	Nadleh Whut'en First Nation (Memo, Source)	Chief Martin Louie <u>Source Environmental Associates Inc.:</u> Rina Freed, Rob Griffith, Jan Gerits	15. Section 2.1: c) The sampling for the geochemical test work is very extensive (Table 2-2) but what is missing is a reference to the local geology shown in Figs 1-4 and 1-5. Using a geological block model that depicts the spatial distribution of the various geological units (volumes), it is important to show how many of the tested samples represent each of the different geological units. For example, Table 2-2 shows that 890 waste rock samples were tested for ABA characteristics. According to Figs. 1-4 and 1-5 the waste rock is represented by andesite, laminated volcanics and fragmental. Unfortunately it is still unknown how many waste rock samples represent each of the 3 units and what the volume of each of those three units is. As the geology is largely ignored in the geochemical characterization of waste rock from the pit, the waste rock excavated from the pit will have to be thoroughly tested at the site for waste rock management purposes. Please provide more clarity. d) In baseline studies on ML/ARD characteristics of mine wastes (e.g. waste rock) it is common to establish the various geochemical characteristics (e.g. ABA, total metals etc.) of each geological unit depicted in a geological block model. In that way the geological block model can be transformed into an ARD block model used in waste rock segregation.	See previous response (information request number #1) for meetings on 4 July 2014 and 26 September 2014. ARD samples were composite samples. Except for the andesite, very few visual clue to separate out different lithologies. Testing will be done during operations for waste management See response to comment below.

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16.	First Nation	Nadleh Whut'en First Nation (Memo, Source)	Chief Martin Louie <u>Source Environmental Associates Inc.:</u> Rina Freed, Rob Griffith, Jan Gerits	16. Section 2.2: The list of analytical methods employed for the ML/ARD characterization is comprehensive and most methods are adequate except a few methods that are perceived questionable (e.g. subaqueous column tests, oxygen consumption, sequential extractions, sorption experiments). However, what is lacking is an explanation for the choice of samples used for the different tests. For example, 890 waste rock samples representing a total of 598 Mt of waste rock are used for ABA tests while only 19 waste rock samples are tested in humidity cells. With the information provided it is impossible to understand which samples are used for what reason in the humidity cell tests. Please provide more clarity.	See previous response (information request number #1) for meetings on 4 July 2014 and 26 September 2014. The main criterion applied for the selection of samples for geochemical testing was spatial distribution. Appendix 5.1.3.1A, Table 3.29 – Waste Rock Humidity Cell Samples has a column for a description of each HC test (i.e. PAG, high Zn, high S). The geochemistry baseline report (Appendix 5.1.3.1A) also has plots showing distribution of HC characteristics across ARD database.
17.	First Nation	Nadleh Whut'en First Nation (Memo, Source)	Chief Martin Louie <u>Source Environmental Associates Inc.:</u> Rina Freed, Rob Griffith, Jan Gerits	17. Chapter 3: e) Although the presentation and analysis of the test data for overburden, waste rock and ore samples are quite extensive, the choice of the samples for the various tests is hardly explained. This is an important aspect of the mine waste characterization program that is based on samples representative in relative numbers and characteristics for the mine wastes generated during the mining operations. f) All the statistical summary data presented apparently assume that the different test parameters values are normal distributed (mean=median=mode) which is not necessarily true; particularly the elemental composition data often show a lognormal distribution (mean≠median≠mode). Obviously it is not practical to test the frequency distribution of all tested parameters before calculating mean, median, mode and percentile values. Those statistical parameters will be different if the tested parameters are normal or lognormal distributed. Therefore it is suggested to greatly reduce the number of statistical parameters used to characterize the tested parameters (e.g. only min, average, median and max) unless the frequency distribution is tested and statistical parameters are calculated appropriately. Finally, plots that show the cumulative frequency distribution of tested parameter values should use a logarithmic probability scale for the cumulative frequency distribution for normal or lognormal distributed parameters.	See previous response (information request number #1) for meetings on 4 July 2014 and 26 September 2014. e) See responses to previous comment. Selections of ARD samples were based on spatial distribution and used exploration multi-element analysis to ensure the range of geochemical conditions were sampled. Most tables also include the ARD class for each sample to provide context. f) Both parametric and non-parametric stats were used. Presenting the average and median allows readers to understand distribution. Percentile calculations are non-parametric and suitable for presentation with log-normal transformation. Log normal scale is not required for cumulative frequency plots.
18.	First Nation	Nadleh Whut'en First Nation (Memo, Source)	Chief Martin Louie <u>Source Environmental Associates Inc.:</u> Rina Freed, Rob Griffith, Jan Gerits	18. Section 3.1: Although the (95) overburden samples are almost all non-PAG, occasionally enriched in Cd, Zn and As, their spatial distribution, particularly those from the access road needs to be shown on a map. A brief statistical summary of the test results according to the three different source areas would be useful too. The samples used in the more specific tests are neither specified (except their labels) nor is their choice explained.	See previous response (information request number #1) for meetings on 4 July 2014 and 26 September 2014. A map can be added to present overburden sample locations during the technical review phase of the Application/EIS. There is no need to make additional statistical tables. Figure 3.3 - Comparison of MPA vs. NP for Overburden Samples in Appendix 5.1.3.1A that except for the OB-waste rock interface, all OB samples are non-PAG.
19.	First Nation	Nadleh Whut'en First Nation (Memo, Source)	Chief Martin Louie <u>Source Environmental Associates Inc.:</u> Rina Freed, Rob Griffith, Jan Gerits	19. Section 3.2: The presentation and analysis of the test data for waste rock samples are extensive. Oxidation facies (3) and ARD class (5) are used to classify waste rock samples; however, the choice of these particular classifications is nowhere explained. The relative number of samples from each class used in the various tests should be representative of the actual proportion of each class in the ARD block model outlined in chapter 5. This information should be presented in this section to demonstrate that the number of samples from each class used in the various tests is representative. In addition it would be helpful if the choice of samples used in the different test would be explained to the reader rather than only presenting the specific characteristics of each sample used. Again, it is important to demonstrate that both the number and characteristics of the samples used in the different tests are truly representative of the different ARD classes.	See previous response (information request number #1) for meetings on 4 July 2014 and 26 September 2014. The extent of oxidation is recognized as a fundamental aspect of ARD prediction since oxide, transition and sulphide facies may exhibit different oxidation and leaching characteristics. It is also an important characteristic for mining, processing and waste rock management. The oxidation facies are discussed in Section 1.3.2 Alteration and Mineralization of Appendix 5.1.3.1A. Oxide ore contains very low sulphur, significantly less than transitional and sulphide ore types, and most of the sulphur is expected to be NAG sulphate sulphur. Zinc, cadmium, and arsenic are also lower in the oxide ore compared to transitional and sulphide ore types. The derivation of the ARD classes are discussed in Section 4.0 ML/ARD Segregation Criteria of Appendix 5.1.3.1A. ML/ARD segregation criteria for the Project were initially developed by applying industry guidelines and conventions (Price, 1998, 2009), but evolved as more site-specific data became available, especially with respect to metal leaching from non-PAG wastes. The solid phase zinc values used define the non-PAG waste categories were chosen based on values that are about 5 to 10 times greater than the global average crustal abundance of 70 mg/kg, and were subsequently supported by the ML/ARD characterization results presented in that section. Samples for specialized tests were generally chosen to have a broad span of ABA and metal (primarily Zn) characteristics. The samples used in the specialized humidity cell test for example are described in Table 3-29: Waste Rock Humidity Cell Samples. Samples of waste rock were plotted on the frequency

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					<p>distribution of NPR, S and Zn as shown in Figures 3-31 to 3.33 in Appendix 5.1.3.1A.</p> <p>The approach in testing was to assemble a large ABA database and ICP metal database with broad spatial coverage within the pit. The database included results from a dedicated waste rock drilling program along the west and north walls of the proposed pit in order to augment the spatial distribution of the database. The extensive database (both ABA and ICP metals from routine exploration analysis) was then used in the ARD block model. The block model results are most representative of the ARD classes and oxide facies in ore, low grade ore and waste rock within the pit not the individual datasets.</p> <p>An additional table (an expansion of Table 2.2) that gives the number of samples in each ARD class for each test type can be prepared during the Application/EIS review phase if the clarification provided herein is not considered sufficient.</p> <p>Note also that the waste management plans call for sub-aqueous storage of all PAG 1, PAG 2 and NAG 3 rock in the TSF, and on-land storage of NAG 4 and NAG 5 - essentially reducing the number of waste rock class to 2.</p>
20.	First Nation	Nadleh Whut'en First Nation (Memo, Source)	Chief Martin Louie <u>Source Environmental Associates Inc.:</u> Rina Freed, Rob Griffith, Jan Gerits	20. Section 3.3: Similar to the waste rock, the presentation and analysis of the test data for ore samples are extensive. Again, the choice of ore samples used in the various tests is not explained and it is difficult to assess if the number and characteristics of the selected ore samples are representative.	See previous response (information request number #1) for meetings on 4 July 2014 and 26 September 2014. Please see response to previous comment (information request number #19).
21.	First Nation	Nadleh Whut'en First Nation (Memo, Source)	Chief Martin Louie <u>Source Environmental Associates Inc.:</u> Rina Freed, Rob Griffith, Jan Gerits	21. Chapter 4: While the distinction between PAG and NAG and between PAG 1 and PAG 2 is clear, there is still no sufficient explanation provided for the Zn concentrations used for the distinction between NAG 3, NAG 4 and NAG 5.	See previous response (information request number #1) for meetings on 4 July 2014 and 26 September 2014. Please see response to the two previous comments (information request number #19).
22.	First Nation	Nadleh Whut'en First Nation (Memo, Source)	Chief Martin Louie <u>Source Environmental Associates Inc.:</u> Rina Freed, Rob Griffith, Jan Gerits	22. Chapter 5: g) The explanation of the derivation of the ARD block model is appropriate. The consistency between the different sulphur measurements of the ABA data set (Leco) and the geological metal data set (ICP) should be demonstrated. The same applies to the consistency between the NP values of the ABA dataset or NP values estimated from the calcium assays of the larger geological metal dataset. Overall the presented ARD block model is appropriate. h) As mentioned earlier, the use of detailed statistical parameters (e.g. percentiles) without testing of the frequency distribution is not warranted. Discrepancies between calculated mean and median values may be a first indication that the tested parameter is not normal distributed and the calculated statistical parameters may be incorrect.	<p>See previous response (information request number #1) for meetings on 4 July 2014 and 26 September 2014. Section 5 of Appendix 5.1.3.1A in the Application/EIS presents the derivation of the ARD block model as stipulated in the AIR, Section 5.1.3.1. The comment requests further elaboration of the data and this is a technical review question that could be accommodated during the technical review phase, if the clarification provided herein is not considered sufficient. Comparison of waste rock sulphur by Leco furnace compared to sulphur by ICP is discussed in Section 3.2.3.2 Sulphur Species and Acid Potential and for NP by ABA compared to NP by ICP Ca in Section 3.2.3.3 Neutralization Potential in Appendix 5.1.3.1A.</p> <p>The answer to this question is the same as to previous information requests number # 19-21, i.e. the classification was not based on distribution.</p>
23.	First Nation	Nadleh Whut'en First Nation (Memo, Source)	Chief Martin Louie <u>Source Environmental Associates Inc.:</u> Rina Freed, Rob Griffith, Jan Gerits	23. Chapter 6: For a better understanding of the water quality prediction it would be helpful to present the site water balances for operations, closure and post-closure in figures. Without this information the transformation of loadings into concentrations is difficult to understand. Apparently the predicted water quality of the water balance components (stockpiles, waste rock dumps, TSF etc.) is constant and not affected by extreme conditions like storms, dry or wet years.	See previous response (information request number #1) for meetings on 4 July 2014 and 26 September 2014. Knight Piesold provided a site water balance that was used in the geochemistry and water quality models. Knight Piesold water balance and water management plans are included in the Application/EIS in Appendix 2.2A-6 and 2.2A-10. Storms, dry and wet year variations were not considered for geochemical modeling. During operations all runoff will report to the tailings impoundment where it will be contained. At closure there will be no discharge. At post closure the mine site will discharge back to Davidson Creek.

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24.	First Nation	Nadleh Whut'en First Nation (Memo, Source)	Chief Martin Louie <u>Source Environmental Associates Inc.:</u> Rina Freed, Rob Griffith, Jan Gerits	24. Section 6.1: The modeling assumptions seem appropriate however it is not clear how the different surface areas of the waste rock at the site were estimated. If those surface areas were estimated from the waste rock particle size distribution at the site that information should be provided.	See previous response (information request number #1) for meetings on 4 July 2014 and 26 September 2014. The surface area of ore and waste rock placed stockpiles, dumps or in the TSF was scaled up from the particle size measured in humidity cell testing to the surface area of waste rock based on the predicted fragmentation distribution. Results are shown in Table 6-1: Calculated Waste Rock Surface Area in Appendix 5.1.3.1A. Additional information on the predicted fragmentation distribution can be provided. The waste rock scale up was based on a predicted bench fragmentation distribution chart (which can be provided). The waste rock surface area used in the model was calculated from the average of the 4 different waste types used in the blasting study (wet weak waste, dry weak waste, wet strong waste, dry strong waste).
25.	First Nation	Nadleh Whut'en First Nation (Memo, Source)	Chief Martin Louie <u>Source Environmental Associates Inc.:</u> Rina Freed, Rob Griffith, Jan Gerits	25. Section 6.4: The derivation of source terms and prediction of drainage quality for the waste rock dumps appears to be appropriate. However, without any information on the water balance it is not clear why no distinction has been made between runoff and infiltration with seepage from the waste dumps.	See previous response (information request number #1) for meetings on 4 July 2014 and 26 September 2014. The overall site water balance including average annual flows for year 17 of operations (ultimate mine configuration) from the waste rock dumps is described in Appendix 2.2A-6 for Section 2.2 Proposed Project Description. A table of the water balance used in the water quality model can be provided. Runoff and infiltration are the two components of overall waste stockpile drainage and are not captured as separate waste streams from the stockpiles. However, within the models for the on-land stockpiles (low grade ore, temp ore, OB/NAG), it was assumed that the annual volume of runoff interacted with only that mass of rock placed in a given year. The annual volume of infiltration interacted with the cumulative mass of waste rock. The runoff concentration and the infiltration concentrations were combined to give a single stockpile drainage concentration.
26.	First Nation	Nadleh Whut'en First Nation (Memo, Source)	Chief Martin Louie <u>Source Environmental Associates Inc.:</u> Rina Freed, Rob Griffith, Jan Gerits	26. Section 6.5: Although the approach used is clear, the details on how the water quality of the TSF is actually derived are not clearly explained and therefore difficult to understand. Particularly Table 6-12 requires further explanation of the first 3-4 rows. It is also not clear how the stored tailings and tailings supernatant impact the TSF water quality. For a better understanding of the source term derivation and the water quality prediction this section should be revised and incorporate the contribution from tailings on the predicted water quality of the TSF.	See previous response (information request number #1) for meetings on 4 July 2014 and 26 September 2014. The level of information provided satisfies the requirements of the AIR. Additional discussion can be held through meetings during the technical review phase of the Application/EIS.
27.	First Nation	Nadleh Whut'en First Nation (Memo, Source)	Chief Martin Louie <u>Source Environmental Associates Inc.:</u> Rina Freed, Rob Griffith, Jan Gerits	27. Section 6.6: The derivation of source terms and the prediction of the water quality of the pit lake appear to be appropriate. Rather than assuming two different modeling scenarios involving annual turnover and permanent stratification it is possible to predict the likelihood of either scenario by modeling the physical stability of the pit lake water column.	See previous response (information request number #1) for meetings on 4 July 2014 and 26 September 2014. The level of information provided satisfies the requirements of the AIR. Additional discussion can be held through meetings during the technical review phase of the Application/EIS.
28.	First Nation	Nadleh Whut'en First Nation (Memo, Source)	Chief Martin Louie <u>Source Environmental Associates Inc.:</u> Rina Freed, Rob Griffith, Jan Gerits	28. Chapter 8: A lot of the information in this chapter concerns the interpretation of data that appears to be presented for the first time. That interpretation would have been much more useful if it had been presented earlier (e.g. in chapters 3-5), for example when presenting ABA samples classified by ARD class or as an explanation for the choice of samples used for specific tests. It is recommended that many of the conclusions (and interpretations) in this chapter are incorporated in earlier chapters to improve the understanding of choices and decisions made. A revised chapter 8 would then present a summary of conclusions presented earlier. i) For the geochemical characterization of the various mine wastes it is important to demonstrate that the specific samples collected for the different tests are really representative in relative number and characteristics for the various mine wastes generated during the mining operations. This has not been done adequately for the overburden, waste rock and ore samples used in the various tests. j) The statistical data presented in tables assumes that parameter values are normal distributed. This not always true and this limitation should be addressed in the report either by a note in each table or revision of the tables. k) The derivation of the water quality of the TSF in section 6.5 seems inadequate and should be revised to include the contribution from tailings.	See previous response (information request number #1) for meetings on 4 July 2014 and 26 September 2014. It not clear what Chapter 8 this comment is referring to. If referring to Chapter 8 conclusions, each section (Waste rock, ore, tailings, overburden) does have conclusions at the end of the chapter. The level of information provided satisfies the requirements of the AIR. Additional discussion can be held through meetings during the technical review phase of the Application/EIS.

Table 2: Blackwater Gold Project – Concordance Tracking Table of Comments and Responses during the Extended Screening Period (NWFN)

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**Blackwater Gold Project – Concordance Tracking Table of Comments and Responses during the Extended Screening Period
(NWFN – Firelight)**

Application Information Requirements ¹						Application for an Environmental Assessment Certificate/ Environmental Impact Statement ²					NWFN (Firelight) Comments ³	NWFN (Firelight) Status ⁴	Explanation of how comments have been addressed in the September 2014 Application/EIS ⁵
ID	Part	Section	Page	Section Title	Application Information Requirement Description	Volume	Part	Section	Page	Section Title			
395	B	5.1.3.3	71	Vegetation	Plant Species at Risk Survey: Plant species and ecosystems at risk (Red and Blue lists) include those listed on the BC CDC (2013) website and those listed on Schedule 1 of SARA (Government of Canada, 2002b). An online search is conducted for a list of plant species and ecological communities at risk that potentially occur in the proposed Project area. The BC CDC maps known locations of Red- and Blue- listed species and ecosystems known as Occurrences. Using geographic mapping software, a second spatial search is conducted for Occurrence records possibly occurring in the proposed Project area.	2	B	5.1.3.3, subsection 5.1.3.3.3.2	5.1.3-34	Vegetation	Additional information related to Whitebark Pine is required. 1- Section 5.4.6.3.5.6.1: Ecosystem loss mitigation – p. 5.4.6-21 – not clear if cone collection was successful or unsuccessful in 2013. Proponent should provide a literature review of relative success of other whitebark pine propagation and rust-resistant screening programs. 2 - Section 5.4.6.3.5.6.5: Whitebark Pine Regeneration mitigation: provide literature review of whether supplemental feeding of Clark’s nutcracker can maintain populations in an area. 3 - Section 5.4.6.3.6.5.3: Mitigate Against Invasive Plants – not clear what control measures are being considered for invasive plants. Please revise the Application to include all control measures that will be used. These should not be delegated to later planning processes; the Proponent needs to show that its mitigation will be extensive and effective. To the latter point, please provide evidence from the literature to confirm high likelihood of effectiveness of specific mitigation measures against invasive plants.	Partially absent	<p>1 - Further detail and literature review is provided in and Appendix in Section 5.4.6, Plant Species and Ecosystems At Risk.</p> <p>2 – Success of this mitigation measure is currently documented for other development sites within the species’ range (see Appendix to Section 5.4.6 Plant Species at Risk “White Pine Blister Rust Screening for Whitebark Pine Prepared by: Alana Clason, MSc; Randy Moody, MSc Aug. 30, 2014) Comprehensive research as proposed in the EA has the potential to generate important knowledge regarding whitebark pine regeneration. The level of success of mitigation will be confirmed once the results of the monitoring program become available</p> <p>3 - These issues are addressed in Section 12.2.1.18.4.5 of the Application/EIS. Text has been updated in Section 5.4.6.3.6.3 to reflect this. Section 12.2.1.18.4.5 comprises the Invasive Species Management Plan (ISMP), which New Gold will enact during the construction and operational phases of the proposed mine. The ISMP was drafted using best practices outlined in various documents produced by the Invasive Species Council of British Columbia and Provincial and Federal Acts.</p>

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Application Information Requirements ¹						Application for an Environmental Assessment Certificate/ Environmental Impact Statement ²					NWFN (Firelight) Comments ³	NWFN (Firelight) Status ⁴	Explanation of how comments have been addressed in the September 2014 Application/EIS ⁵
ID	Part	Section	Page	Section Title	Application Information Requirement Description	Volume	Part	Section	Page	Section Title			
404	B	5.1.3.4	72	Wildlife and Wildlife Habitat	This subsection will include a description of the local and regional wildlife in the LSA and RSA, including, but not limited to: • Habitat: documentation of: (a) terrestrial habitat within the zone of influence for the proposed Project;	2	B	5.1.3.4, subsection 5.1.3.4.1	5.1.3-57	Wildlife and Wildlife Habitat	Moose: Section 5.4.10: Moose – documentation. Substantive trend-over-time data is missing. Proponent should add a literature review of current and trend-over time-status of moose populations and research in the Omineca region, and provide a discussion of factors known or suspected to be contributing to changes. Both NWFN knowledge and scientific evidence support assertions that moose populations have seen recent decreases within the region, and this “damaged baseline” needs to be recognized and characterized as it is critical context for how much additional adverse change –if any - will be acceptable, both from an ecological and and Aboriginal rights protection perspective.	Moose: Partially absent	The recent decline in moose populations is cited and considered in both project effects and cumulative effects assessment. FLNRO is currently studying potential causes and factors affecting moose declines throughout B.C. and information from these studies will be included in adaptive management and best management practises when available. Conservative assessments of habitat and mortality risk and the use of habitat suitability modeling address potential project effects within the Context of current low population levels throughout B.C.
418	B	5.1.3.4	73	Wildlife and Wildlife Habitat	The methods considered for baseline characterization include a combination of secondary information research and review, field surveys and local knowledge when available. Specific methods for field surveys include the following: • Amphibians and reptiles: field surveys are aimed at identifying the presence/not-detected status of all common or rare species. Suitable survey habitat for amphibians is selected based on the review of aerial photographic information, including the water body size and breeding habitat potential. Visual encounter surveys and road surveys for amphibians and reptiles follow modified Resource Inventory Standards Committee (RISC) protocols of transect searches (RISC, 1998a). Surveys are conducted to identify wetlands that appear suitable for amphibian breeding. During the ground surveys, the shorelines of wetlands are surveyed systematically for tadpoles and adult amphibians;	2	B	5.1.3.4, subsection 5.1.3.4.1	5.1.3-53	Wildlife and Wildlife Habitat	Caribou: 5.4.11.3.4.3 Changes in Caribou Population Dynamics: NWFN requests addition of an assessment of project effects on wolves, since this assessment is integral to both moose and caribou predation impacts. Re: 5.4.11.5.2.1 Significance of residual cumulative effects in the RSA; and Section 5.4.11.6 Limitations: the proponent has described limitations of the existing information for assessing cumulative effects. The cumulative effects assessment needs to be reworked in collaboration with NWFN, and federal and provincial agencies to ensure a proper assessment of regional impacts to caribou habitat is conducted. The lack of provision of data to represent the level of habitat loss and degradation for the two sub-populations related to forestry activities and MPB infestations within the Caribou RSA is a serious concern for NWFN. Add an assessment of potential effects of contaminant release from road accidents on caribou populations. An assessment of the potential impacts of camp residents is required, along with assessment of potential for increased snowmobiling/recreational vehicle access in backcountry, on caribou populations. Grizzly Bear Section 5.4.12.3.7.2: Mortality Risk within the Grizzly Bear Population Units: provide the total amount of linear corridors created in each GBPU associated with access roads for the transmission line; without this, it is hard to assess potential increases in access. Table 5.4.12-16: Add mitigation measures re: mortality risk from increased access. Efficacy of firearm/hunting control unknown and should be monitored. Provide review of relevant case studies showing how well these approaches control hunting pressure. Assess potential impacts of increased backcountry use (snowmobiles, recreational vehicles) on grizzly bear habitat use.	Caribou: Partially absent Grizzly bear - Partially Absent	Wolves are not directly considered within the project because of their wide ranging movements and limited available data. However, because wolf densities are known to be closely related to prey, moose habitat suitability mapping and measures of calf mortality from recent caribou surveys were used to conclude that wolf densities were high and mortality risk for caribou and moose were examined in this Context. With respect to cumulative effects to caribou, habitat loss was examined related to forestry activities, fire and mountain pine beetle infestation within the 2 subpopulations of caribou. Contaminant release from possible road accidents is addressed through traffic control and management plans and the risk was considered low and isolated for wildlife. Management plans for caribou include addressing concerns of camp residents and recreational access to caribou habitat. Grizzly Bear - calculation of linear access changes included changes in motorized access associated with the transmission line. Mitigation was also proposed to limit motorized access and grizzly bear hunting is restricted to limited entry hunting or closed within the GBPUs affected by the project. The Province manages grizzly bear hunting through closures and limited entry hunting to maintain mortality rates (including problem animal kills) below 4% which is considered a conservative sustainable mortality rate for grizzly bear populations.

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Application Information Requirements ¹						Application for an Environmental Assessment Certificate/ Environmental Impact Statement ²					NWFN (Firelight) Comments ³	NWFN (Firelight) Status ⁴	Explanation of how comments have been addressed in the September 2014 Application/EIS ⁵
ID	Part	Section	Page	Section Title	Application Information Requirement Description	Volume	Part	Section	Page	Section Title			
947	B	6.1	123	Economic Baseline	This section of the Application will present the economic baseline information for the LSA and RSA. The economic baseline will include the following information: • Provincial economic activity (Gross Domestic Product (GDP)) and revenues for recent years and applicable economic forecasts;	5	B	6.1	6-1	Economic Baseline	The AIR requires identification of "employment and unemployment conditions in the LSA and RSA using the most recent Canada and provincial statistics for the various communities, regions and Indian Reserves" (p. 123). However, the proponent utilizes aggregated statistics for the percentage of adults in the LSA and RSA working, looking for work, or unemployed (p. 6-2). Data disaggregated down to the community and First Nation level (if not available from Census data, qualitative and in some cases quantitative material can be gathered through engagement with First Nations), is required in order to properly characterize baseline conditions within First Nations communities such as Nadleh Whut'en First Nation.	Partially Absent	Socioeconomic data at the First Nation level is important for analysis, particularly in Part C (as indicated the LSA and RSA for the economic baseline are quite large). Socioeconomic interviews were initiated in 2012/13 with First Nations and NWFN was encouraged to participate. At that time, the Proponent was advised that NWFN would not participate until a capacity funding agreement was reached. The Proponent looks forward to gaining insight into baseline conditions for NWFN and considering that information in mitigation, monitoring and other Project-related activities as may be appropriate should additional information be made available by NWFN.
961	B	6.2.2.3	124	Potential Effects of the Proposed Project and Proposed Mitigation	This subsection will: • Identify and analyze potential adverse effects resulting from the proposed Project's construction, operations, closure and post-closure phases;	5	B	6.2.2.3, Subsection 6.2.2.3.1	6-16 6-17	Potential Effects of the Proposed Project and Proposed Mitigation	First Nations within the LSA and RSA are aggregated into the potential workforce (6-27 – 6-34). The Application will not be providing a meaningful assessment of potential beneficial and adverse effects on First Nations unless it provides defensible estimates of the likely proportion of the construction and operations workforce that would originate from local communities and local First Nations.	Partially Absent	Detailed estimates of the construction and operations workforce that would originate from local First Nations (such as NWFN) were not available at the time of writing, and will be subject to future negotiations between the Proponent and First Nations.
977	B	6.2.3.3	126	Potential Effects of the Proposed Project and Proposed Mitigation	This subsection will: • Identify and analyze potential adverse effects resulting from the proposed Project's construction, operations, closure and post-closure phases;	5	B	6.2.3.3, Subsection 6.2.3.3.1	6-41	Potential Effects of the Proposed Project and Proposed Mitigation	It is a CEAA 2012 requirement to address how changes in the environment will affect socio-economic conditions of Aboriginal peoples; however, potential effects of the proposed Project, residual effects, and cumulative effects of changes in the environment on Nadleh Whut'en economic condition have not been articulated in this section. The absence of this information makes this section deficient in regards to CEAA 2012, subsection 5(1)(c)(i).	Partially Absent	Changes in the environment and how those relate to socio-economic conditions are discussed under the following Valued Components: • Regional and Local Services (Section 7.2.4); • Family and Community Well-being (Section 7.2.5); • Non-Traditional Land and Resource Use (Section 7.2.6); • Current Land and Resource Use for Traditional Purposes (Section 7.2.7); and • Visual Resources (Section 7.2.8).

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ID	Part	Section	Page	Section Title	Application Information Requirement Description	Volume	Part	Section	Page	Section Title			
1041	B	7.1.3	132	Current Land and Resource Use for Traditional Purposes	This section of the Application will provide a summary of the current use of lands and resources for traditional purposes by Aboriginal peoples potentially affected by the proposed Project. Current use of lands and resources for traditional purposes may or may not be linked to the exercise of asserted or established Aboriginal or treaty rights (Aboriginal Interests) by Aboriginal people; they may have originated before or after the critical dates related to assessment of Aboriginal Interests, and may make use of locations inside or outside the boundary of an asserted traditional territory. For each Aboriginal group, current land use information available may vary depending on the participation of the particular Aboriginal group in the EA Process.	5	B	7.1.3	7.1-16	Current Land and Resource Use for Traditional Purposes	<p>This section is deficient in relation to the AIR requirement 7.1.3.</p> <p>As a best practice, the Proponent should be required to assess effects of the project on a baseline that requires a full TK/Traditional Land and Occupancy Study for NWFN. It is not acceptable that this AIR requirement and the effects assessment required under <i>CEAA 2012 subsection 5(1)(c)(iii)</i> be addressed without proper and current information provided by NWFN.</p> <p>As noted, this section does not collect "current" information from NWFN about "current use", i.e., it is not based on conducted interviews, focus groups, consultations or a completed TK/TLU study to provide its baseline profile. Further, it is not based on existing published ethnohistorical, ethnographic and land planning information related to NWFN and Carrier nations in general.</p> <p>The two key sources cited for this section, i.e., a publication the "Pacific Trail Pipelines Aboriginal Skills to Employment Partnership" and another from School District 91, do not qualify as credible historical or ethnographic sources for informing a baseline profile for NWFN's traditional land and resource use.</p> <p>NWFN maintain, and we request the BC EAO and CEAA to in writing confirm, that the "baseline" provided, and the sources relied upon, <u>do not meet the requirement for meaningful data collection traditional land use, occupancy and other values within the would-be Project-affected area.</u></p> <p>It has not relied upon any primary sources, nor does it make reference to any of the available and academically recognized secondary sources (ethnographic, historical, geographic land-use). For a publically available list of <u>available</u> sources related to Carrier First Nations, see for example, http://www.ydli.org/biblios/ccultbib.htm</p> <p>Please note, however, that secondary data analysis does not and cannot replace Project-specific TLU data collection, the only adequate means by which Project-specific interactions with, and impacts on, NWFN Aboriginal rights and title can be properly ascertained.</p> <p>In order to provide a meaningful baseline profile for assessing the project's effects on NWFN's current and desired future use of lands and resources for traditional purposes, this section needs to be heavily revised based upon information obtained through a completed TK/Traditional Land Use and Occupancy Study for the NWFN.</p>	Partially Absent	<p>The Proponent has engaged with NWFN since 2012. A record of engagement and consultation activities (including efforts to gather TK/TLU data) with NWFN since 2012 is provided in Section 17 and Appendix 17A. NWFN has identified that a TK/TLU study is required and the Proponent is working with NWFN to reach an agreement to undertake the study. The Proponent has reviewed the recommended secondary sources and where appropriate added additional detail/reference. The Proponent recognizes that limited secondary information does not serve as a fulsome representation of current traditional uses. The Proponent is committed to working with NWFN in understanding their TK/TLU information and current use of lands within the RSA or LSA and to integrating relevant information when available. The process of how TK/TLU information will be integrated is presented in Section 17 Aboriginal Groups Consultation (Figure 17.1.4-1: Integration of Traditional Knowledge and Land Use Information into the Blackwater Gold Project Development).</p> <p>Addressed in Section 7.2.7.2.2</p>

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1150	B	7.2.7.2	142	Valued Component Baseline	This subsection will: • Provide baseline information on the VC and the source of the information;	5	B	7.2.7.2	7.2.7-7	Valued Component Baseline	<p>This section is deficient and does not provide sufficient information to serve as a baseline profile as the foundational basis for assessing project and cumulative effects on NWFN's current and desired future use of lands and resources for traditional purposes. Please see comments provided in row ID # 361, above. These comments provided for 7.3.1 equally apply to section 7.2.7.2 of the Draft Application.</p> <p>For clarity, NWFN's position is that this section of the Draft Application is deficient first and foremost because of the lack of "current" TK/TLRU information related to NWFN. To NWFN, a desktop study is not sufficient to provide appropriate or sufficient information to meaningfully assess adverse project and cumulative effects on NWFN's use of lands and resources for traditional purposes. That notwithstanding, it should also be stated that the even by the inadequate standard of a desktop study, the information provided in this section is clearly deficient.</p> <p>2. A reading of subsection 7.2.7.2.2.3 (Trapping) raises serious questions about how information is being collected regarding NWFN's traditional territory, or how NWFN's traditional land use and occupancy on the land is being represented in the Draft Application. It is expected by NWFN that TK/TLU information collected from NWFN members as part of this EA and related consultation process follow protocol arrangements made with Chief and Council and/or adopted formally as Nation policy. It is <u>not acceptable</u> to NWFN that the Proponent has collected information from one individual NWFN member and used that to guide the assessment in regards to traditional land use activities based on communal rights.</p> <p>3. Figure 7.2.7-3 is very misleading because it incorrectly implies that, (1) NWFN traditional land use is determined by provincial "trapline" boundaries, and (2) the only established trapping area within NWFN territory that may be impacted by the Project is the one depicted in the map [TR0712T036, Alfred George]. Both implications are incorrect. Provincial traplines are not the appropriate or correct spatial and cultural boundaries for understanding NWFN land use. NWFN members, whose rights and title have never been extinguished, make of use of all the lands within NWFN territory, including all lands and waters that are traversed by the transmission line ROW and the Project Access Road. NWFN requests that this map be removed from the draft Application and amended in consultation with NWFN's lands and resource manager.</p>	Partially absent	<p>The Proponent recognizes that secondary information does not serve as a fulsome representation of current traditional uses. A record of engagement and consultation activities (including efforts to gather TK/TLU data) with NWFN since 2012 is provided in Section 17 and Appendix 17A. The Proponent is committed to working with NWFN in understanding their TK/TLU information and current use of lands within the RSA or LSA and to integrating relevant information when available.</p> <p>It is understood that NWFN land uses are not limited to the boundaries of the Alfred George trapline but rather the entire traditional territory of NWFN. Wording was revised and the traditional territory of the NWFN is considered in Section 7.2.7 and Section 15. The geographic extent of NWFN's Traditional Territory is based on mapping information from the Carrier Sekani Tribal Council. The interview conducted with the trapline holder does not form a substantive data source for the Application/EIS, and sections have been revised to more clearly indicate where primary (i.e. consultation records with Chief and Council) and secondary information is used. Where available, the Proponent made use of primary data such as an interview with the trapline holder or concerns raised during consultation with NWFN. However, the limitations of these data sources are understood. Due to these limitations, the Proponent did not conduct a significance determination for NWFN where data was unavailable. Section 7.2.7 now provides some discussion of how the Project may interact with NWFN land use. The Proponent continues to be committed to working with NWFN in understanding their TK/TLU information and to integrating relevant information when available.</p> <p>Figure 7.2.7-3 provides a visual overview of NWFN's Traditional Territory (as provided by the Carrier Sekani Tribal Council) in relation to the Project components and study areas. The figure also identifies any reserves associated with NWFN. The only Provincial delineated trapline area known to be associated with a NWFN member is identified. Should additional information become available regarding other traditional use areas (such as trapping), the Proponent is committed to integrating the relevant information.</p>

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1154	B	7.2.7.3	142	Potential Effects of the Proposed Project and Proposed Mitigation	This subsection will: • Identify and analyze potential adverse effects resulting from the proposed Project's construction, operations, closure and post-closure phases;	5	B	7.2.7.3	7.2.7-40	Potential Effects of the Proposed Project and Proposed Mitigation	<p>A full reconsideration of potential project effects on use of lands and resources for traditional purposes by NWFN members is required, because of:</p> <ol style="list-style-type: none"> 1. Lack of baseline profile for NWFN makes the conclusions about project and cumulative effects and mitigation premature and unsupported. 2. The extrapolation of effects from non-Aboriginal land used to reach conclusions about adverse effects on Aboriginal TLU is not a methodology supported by peer-reviewed literature, and is highly problematic, largely due to the different spatial boundaries (i.e., traditional territory) within which First Nations generally engage in traditional use of lands and resources. Conclusions about non-Aboriginal use of resources within an LSA or RSA is not applicable to considering cumulative effective effects on resources within the spatial boundary of NWFN's traditional territory. The EAO and CEAA should not and cannot accept this faulty and reductionist methodology. 3. The Draft Application has discounted NWFN's concerns about water quality related to downstream discharge from the mine, and has not addressed potential contamination in the Nechako reservoir and Nechako river system. This issue needs to be addressed in the Draft Application. 4. Potential effects related to the Project Access Road (Kluskus and Kluskus-Ootsa FSR) on NWFN's harvesting of moose and other ungulates have been ignored. Moose populations, in particular, have been on a serious observed declining trend within NWFN traditional territory, and additional truck traffic along this road, which runs in parallel to NWFN territory for at least 50km before it crosses into NWFN territory, poses a substantial risk to moose. 5. Effects on species of fish of special cultural concern that are either endangered (Nechako White Sturgeon) or in significant decline (Sockeye salmon) have not been mentioned in reference to potential impacts to NWFN traditional land use, e.g., from Transmission Line construction and potential truck accidents and spills along the Mine Access Road, and the special mitigation requirements for monitoring to ensure the highest possible effectiveness. 	Partially absent	The Proponent is committed to working with NWFN in understanding their TK/TLU information within the RSA or LSA and to integrating relevant information when available. These comments were considered in Section 7.2.7 and revisions were made to rely on a more robust approach using quantitative and qualitative methods to assess effects on selected indicators and factors. This revised approach does not focus on biophysical VC's as the sole proxy to assessing effects on current Aboriginal land uses. It also provides a more thorough discussion of the limitations, assumptions and approach used/ Section 15 now incorporates the results from 7.2.7 where appropriate. The Proponent remains committed to ongoing dialogue with NWFN. It is also committed to integration of TK/TLU information into mitigation, monitoring and other Project-related activities as may be appropriate should additional information be made available by NWFN. The Proponent has initiated an agreement negotiations process with NWFN to among other objectives will facilitate the provision of TK/TLU information.

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ID	Part	Section	Page	Section Title	Application Information Requirement Description	Volume	Part	Section	Page	Section Title			
1164	B	7.2.7.4	143	Residual Effects and their Significance	This subsection will: <ul style="list-style-type: none"> Identify and describe any residual effects after mitigation; Where residual adverse effects have been identified, provide an assessment of the significance of those residual effects considering context, magnitude, geographic extent, duration, reversibility and frequency; Assess the likelihood of the effect; Assess the significance of the residual effects; and Assess/discuss the level of confidence and risk in the determination of significance and likelihood of the residual effect. 	5	B	7.2.7.4	7.2.7-60	Residual Effects and their Significance	<p>1. Lack of baseline profile for NWFN makes the conclusions about residual project effects on WNFN's Current Use of Lands and Resources for Traditional Purposes invalid. It is not possible to assess residual effects without a proper baseline. See comment ID # 136.</p> <p>2. The conclusions of sub-section 7.2.7.4.2.2, Residual Effects on Trapping (re: hunting) are entirely unsupported and should be removed from the Draft Application and clarified that this section is incomplete until a proper NWFN baseline TK/TLUO Study can be completed.</p> <p>3. Although NWFN is potentially supportive of a monitoring proposal to establish a TK/TLUO Committee to monitor Project effects, it has little value until the baseline profile has been properly characterized through a NWFN TK/TLUO study. Further, a monitoring proposal and the form of adaptive management that it implies is not a valid form of mitigation; therefore this proposal should be removed from the list of mitigation measures. That 'adaptive management' is not a form of mitigation is clearly stated in the federal EIS Guidelines (p. 32) for this project.</p> <p>4. Thresholds of acceptable change in relation to the number of wildlife populations available for meaningful practice of Aboriginal rights must be established and assessed in the final Application. This best practice is also in keeping with federal Recovery Plans for Species at Risk, such as the Woodland Caribou and Nechako White Sturgeon.</p>	Absent	The Proponent remains committed to ongoing dialogue with NWFN. It is also committed to integration of TK/TLU information into mitigation, monitoring and other Project-related activities as may be appropriate should additional information be made available by NWFN. The Proponent has initiated an agreement negotiations process with NWFN to among other objectives will facilitate the provision of TK/TLU information. Section 7.2.7 was revised including 7.2.7.4.2.2 to follow a more robust approach of assessment using quantitative and qualitative sources. Where TK/TLU information was unavailable, no significance determination was made.
1165	B	7.2.7.5	143	Cumulative Effects	This subsection will: <ul style="list-style-type: none"> Determine the need for assessing cumulative effects; Assess potential cumulative effects; and If applicable, assess cumulative effects and evaluate these effects using the same criteria and steps as noted in Section 7.2.7.4 above. 	5	B	7.2.7.5	7.2.7-122	Cumulative Effects	<p>The complete absence of a cumulative effects assessment on potential project effects on NWFN's current use of lands and resources for traditional purposes (CULRTP) is a serious deficiency.</p> <p>The decision not to conduct a cumulative effects assessment on NWFN's CULRTP is based on incomplete and flawed information regarding potential residual effects. As noted in previous sections of this table (See ID # 409), the conclusions regarding a lack of residual effects from the Project on NWFN's CULRTP is <u>without any basis</u> due to the absence of a proper baseline study for assessing project and cumulative effects. Effective forms of mitigation cannot be considered without proper effects characterization.</p> <p>Cumulative effects of multiple current projects, especially the transecting of NWFN's territory by multiple proposed linear project components, combined with serious cumulative and legacy effects related to intensive forestry (including mountain pine beetle salvaging), mining and hydro development on our territory, have pushed the populations of several species of high cultural value (e.g., caribou, moose, sockeye salmon, Nechako White Sturgeon) below levels that permit NWFN members to exercise their Aboriginal right to sustainable harvesting. This is a serious issue and needs to be addressed through additional studies.</p>	Absent	The Proponent is unable to assess cumulative effects without understanding the residual effects of the Project on NWFN traditional uses. TK/TLU is also important (as NWFN has said). The Proponent remains committed to ongoing dialogue with NWFN. It is also committed to integration of TK/TLU information into mitigation, monitoring and other Project-related activities as may be appropriate should additional information be made available by NWFN. The Proponent has initiated an agreement negotiations process with NWFN to among other objectives will facilitate the provision of TK/TLU information.

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ID	Part	Section	Page	Section Title	Application Information Requirement Description	Volume	Part	Section	Page	Section Title			
1166	B	7.2.7.6	143	Limitations	This subsection will present assumptions and limitations relative to the assessment of Project effects and the assessment of cumulative effects.	5	B	7.2.7.6, 7.2.7.7	7.2.7-134	Limitations	This section is incomplete, and should have concluded that the limitations of the assessment of Project and cumulative effects on NWFN CULRTP are so substantial that no conclusions regarding the significance of these effects can be reached until a proper baseline study has been conducted. See comments above (Comment ID # 361, 409 and 410).	Absent	Section 7.2.7 was revised to provide more information on the approach (including greater use of quantitative and qualitative methods for assessing effects on selected indicators and factors) as well as the limitations and assumptions of the section. The Proponent remains committed to ongoing dialogue with NWFN. It is also committed to integration of TK/TLU information into mitigation, monitoring and other Project-related activities as may be appropriate should additional information be made available by NWFN. The Proponent has initiated an agreement negotiations process with NWFN to among other objectives will facilitate the provision of TK/TLU information.
1167	B	7.2.7.7	143	Conclusion	This subsection will provide a conclusion regarding the significance of residual effects and cumulative effects if applicable.	5	B	7.2.7.8	7.2.7-83	Conclusion	This section is incomplete, and should have concluded that the limitations of the assessment of Project and cumulative effects on NWFN CULRTP are so substantial that no conclusions regarding the significance of these effects can be reached until a proper baseline study has been conducted. See comments above (Comment ID # 361, 409 and 410).	Absent	Section 7.2.7 was revised to provide more information on the approach (including greater use of quantitative and qualitative data sources) as well as the limitations and assumptions of the section. However, the limitations of the data sources are understood. Due to these limitations, the Proponent did not conduct a significance determination for NWFN where data was unavailable but a more fulsome discussion of how the project may interact with NWFN is now presented. The Proponent remains committed to ongoing dialogue with NWFN. It is also committed to integration of TK/TLU information into mitigation, monitoring and other Project-related activities as may be appropriate should additional information be made available by NWFN. The Proponent has initiated an agreement negotiations process with NWFN to among other objectives will facilitate the provision of TK/TLU information.

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ID	Part	Section	Page	Section Title	Application Information Requirement Description	Volume	Part	Section	Page	Section Title			
1186	B	8.1	146	Heritage Baseline	This section of the Application will present the heritage baseline information for the LSA and RSA. The heritage baseline includes archaeology, historical heritage (including structures of architectural significance), and paleontological resources. A key starting point for research is the baseline inventory, which draws on analysis of archaeological and historical records.	5	B	8.1	8-1	Heritage Baseline	<p>1 - A data-gap analysis and desktop review is insufficient as means to establish a VC baseline for an assessment of potential heritage effects (p. 146), especially in the context of First Nations heritage.</p> <p>2 - Further assessment involving traditional knowledge is required. There is a need to utilize relevant traditional and community knowledge to identify sacred sites in the Project area. The proponent must work with Nadleh Whut'en First Nation to identify and protect First Nation existing cultural heritage resources within the LSA and RSA of the transmission lines and FSR. It is a CEAA requirement to address how changes in the environment will affect physical and cultural heritage and/or any structure, site or thing that is historical, archeological, paleontological or of architectural significance with respect to the conditions of Aboriginal peoples. The absence of this information makes this section deficient in regards to CEAA 2012, subsection 5(1)(c)(ii) and (iv). Furthermore, the Reference Guide for the Canadian Environmental Assessment Act: Assessing Environmental Effects of Physical and Cultural Heritage Resources (Agency, 2012) states that cultural heritage resources should be assessed in relation to the mandates, objectives, and intents of current legislation and policies on heritage articulated at various levels of government (federal, provincial, municipal, or territorial). Please clarify if this information is provided elsewhere in the Application.</p>	Partially Absent	<p>1 - The data-gap analysis and desktop review is only the starting point for the Heritage assessment and not the whole assessment. The data-gap analysis and desktop review informed further heritage studies, especially the Archaeological Impact Assessment. It provides the Heritage researchers with a Context in which to understand the known heritage of the project area, including both a spatial and temporary framework for heritage.</p> <p>2 - Further assessment involving traditional knowledge can take place provided the Proponent is provided with the traditional knowledge and that TK is applicable to the heritage studies (i.e. the TK mentions or deals with activities and/or locations in which and for which physical evidence (the archaeology) would be left behind.</p> <p>The CEAA 2012 and the Reference Guide for Heritage for CEAA were utilized in the Heritage studies.</p> <p>Information on clarifying the rest of the paragraph especially the last sentence is available in Sections 8.2.2.1, 8.2.3.1 and 8.2.4.1.</p>
1252	B	9.2.1	153	Identification and Selection of Valued Components	This subsection will present the rationale and justification for Candidate VCs, Selected VCs and Candidate VCs not selected as VCs for Human Health.	5	B	9.2.1	9-23	Identification and Selection of Valued Components	<p>The Environmental Exposures VC needs to disaggregate the residual effects of the health of Aboriginal and non-Aboriginal people that could potentially be exposed to contaminants generated by the Project. It is a CEAA requirement to address how changes in the environment will affect health outcomes with respect to the conditions of Aboriginal peoples; therefore, potential effects of the proposed Project. The absence of this information makes this section deficient in regards to CEAA 2012, subsection 5(1)(c)(i). Further assessment is required by the proponent.</p>	Partially absent	<p>In the HHERA (Appendix 9.9.2A), Section 4.1.2 explains that human receptors include Aboriginal people. Greater detail was provided in Section 9.2.2.4 to address Aboriginal receptors.</p> <p>Where available, values for food ingestion rates from Chan et al (2011) were employed for subsistence users and populations (Table 4.1 5 in HHERA) residing near the geographic center of BC. For the HHERA, the food ingestion values described in the assessment are consumption values considered from various recent studies and surveys on consumption in all of Canada. HC (2010a) recommends that, when available, site-specific values should be employed for subsistence users and populations. Chan et al. (2011) conducted a First Nations food, nutrition, and environment study for the First Nations of BC with the active participation of First Nations; the study describes the traditional diet of First Nations people found on the land and waters around their communities.</p>

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														Random BC First Nation communities were invited to participate in the survey and provide input into the design of study and research protocols (Chan et al., 2011). Individuals ages 19 years and over living on reserve and self-identified as First Nations were invited to participate in the study. Data were collected from 1,103 participants (men and women) from 21 randomly selected communities in the province of BC (Chan et al., 2011). Table 4.1. 5 in Appendix 9.2.2A summarizes the estimated high consumption of major traditional foods adopted from Chan et al. (2011) and used in the HHRA as consumption rates for the Aboriginal adult receptors. Toddler consumption rates were estimated based on the same proportions between adults and toddler First Nation receptors in HC (2010a).
1259	B	9.2.2.3	154	Potential Effects of the Proposed Project and Proposed Mitigation	This subsection will: • Identify and analyze potential adverse effects resulting from the proposed Project's construction, operations, closure and post-closure phases;	5	B	9.2.2.3	9-34	Potential Effects of the Proposed Project and Proposed Mitigation	First Nations should be involved in monitoring any application of herbicides/defoliants around the transmission line and associated access and branch roads that are in the proximity of any areas of tradition use, and in particular, water bodies. This requirement and the role of First Nations in monitoring and implementation of management plans is not subject to meaningful consideration in the Application/EIS.	Partially Absent	Section 12.2.1.18.4.5.8.1.7 "Step 7: Determine Control Method" of the Invasive Species Management Plan (Section 12.2.1.18.4.5) states that chemical control which involves use of herbicides to kill or stress the invasive plant is not anticipated to be used at the Project. Section 9.2.2.3 was edited to state that the Proponent will engage nearby First Nations in the environmental monitoring, including the country foods monitoring program.	
1274	B	9.2.2.4	155	Residual Effects and their Significance	This subsection will: • Identify and describe any residual effects after mitigation;	5	B	9.2.2.4	9-38	Residual Effects and their Significance	Further clarification is required into order to assess effectiveness of mitigation to address potential contamination, e.g., how the project footprint may potentially create avoidance areas with the Nadleh Whut'en Traditional Territory. In addition, potential spills and accidents may have a significant negative impact on the traditional land use activities and resources. There is a need to consider the risk perception on Nadleh Whut'en on current land and resource use for traditional purposes (hunting, trapping, fishing, and plant gathering) from dust emissions, minor and major chemical spills, and chemical contamination within the Nadleh Whut'en Territory. Further clarification is required to understand how the Project will affect NWFN member's use of country foods, where harvesters may avoid animals and plants in the Traditional Territory, which can lead to dietary changes.	Partially Absent	Section 9.2.2.3 was edited to state that the Proponent will engage nearby First Nations in the environmental monitoring, including the country foods monitoring program. The risk of accidents and malfunctions is discussed in Section 10 of the Application/EIS. Environmental exposures mitigation relies on mitigation measures proposed for air quality and water quality which are the main pathways considered for assessing risks to human health. The conclusion of assessment of residual effects on human health indicates that residual effects will be negligible and therefore no additional mitigation measures are required.	

BLACKWATER GOLD PROJECT

APPLICATION FOR AN ENVIRONMENTAL ASSESSMENT CERTIFICATE / ENVIRONMENTAL IMPACT STATEMENT

BLACKWATER GOLD PROJECT – CONCORDANCE TRACKING TABLE OF COMMENTS AND RESPONSES DURING THE EXTENDED SCREENING PERIOD



Application Information Requirements ¹						Application for an Environmental Assessment Certificate/ Environmental Impact Statement ²					NWFN (Firelight) Comments ³	NWFN (Firelight) Status ⁴	Explanation of how comments have been addressed in the September 2014 Application/EIS ⁵
ID	Part	Section	Page	Section Title	Application Information Requirement Description	Volume	Part	Section	Page	Section Title			
1389	C	14	166	ABORIGINAL GROUPS BACKGROUND INFORMATION	This section of the Application will provide background information on each of the Aboriginal groups specified in the section 11 Order. This section will describe the environment, economic, social, cultural, heritage, and health conditions for each of the identified Aboriginal groups. It will also include maps, where available, of the asserted traditional territory of the Aboriginal groups potentially affected by the proposed Project. Using a range of primary and available secondary data sources, as well as other methods developed through discussions with Aboriginal groups, the description will include relevant discussions of: <ul style="list-style-type: none"> • Socio-cultural: <ul style="list-style-type: none"> o Ethnography; o Population and demographics; o Reserves, where applicable; o Language; o Governance; o Family and cultural practices; o Community well-being; • Economic: <ul style="list-style-type: none"> o Land use setting and planning; and o Economic setting; o Traditional land use and traditional knowledge (fishing, hunting, trapping, plant harvesting); o Employment and labour force; and o Skills and training. 	6	C	14, Subsection 14.3.1	14-12	ABORIGINAL GROUPS BACKGROUND INFORMATION	Given the very high-level and incomplete nature of the information provided in this section, it is assumed that none of the subsections in Section 14.0 that purport to provide information on social, economic and cultural aspects of NWFN could be, and will be intended to serve as baseline information. BC EAO and CEAA are requested to confirm that this section of the Draft Application is to provide “background” information only, is not intended to inform as “baseline data” any of the human environmental effects assessments that have been conducted for this EA. This is a concern because section 15 (p. 15-3) states that, “Section 7.2.7 and Section 14 present baseline information on the current use of lands and resources for traditional purposes for each of the Aboriginal Groups assessed in this section.”	Clarification requested	Section 14 is not a baseline study, but provides background information only. Interviews to collect data for the section were conducted in 2012/13. NWFN was encouraged to participate but at the time, noted that a capacity agreement would be required first, The Proponent remains committed to ongoing dialogue with NWFN and capacity funding discussions are ongoing. The Proponent is committed to integration of TK/TLU information into mitigation, monitoring and other Project-related activities as may be appropriate should additional information be made available by NWFN. The Proponent has initiated an agreement negotiations process with NWFN to among other objectives will facilitate the provision of TK/TLU information.
1390	C	14	166	ABORIGINAL GROUPS BACKGROUND INFORMATION		6	C	14, Subsection 14.3.2	14-26	ABORIGINAL GROUPS BACKGROUND INFORMATION	1. The “Traditional Land Use and Traditional Knowledge” section (14.3.2.5) is nearly identical to that provided in subsection 7.1.3 and 7.2.7.2 (7.2.7.1.3). It reiterates the same information As a result it suffers from the same deficiencies, as noted in Comment ID # 361. It is wholly inadequate to serve as a baseline for NWFN’s TLRU. 2. Errors in reference to proposed pipeline projects that would traverse NWFN territory (see 14.3.2.6.1 Economic Setting) should be corrected. Also, this section is very high level and is deficiency insofar as providing any valuable information for understanding the economic context of NWFN.	Partially Absent	1) The Proponent remains committed to ongoing dialogue with NWFN. The Proponent is committed to integration of TK/TLU information into mitigation, monitoring and other Project-related activities as may be appropriate should additional information be made available by NWFN. The Proponent has initiated an agreement negotiations process with NWFN to among other objectives will facilitate the provision of TK/TLU information. 2) As per the AIR, a summary level discussion is required with respect to economic setting. The pipeline projects sited are currently in active advancement and as such they were included. The Proponent looks forward to further discussion on these matters with NWFN.

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Application Information Requirements ¹						Application for an Environmental Assessment Certificate/ Environmental Impact Statement ²					NWFN (Firelight) Comments ³	NWFN (Firelight) Status ⁴	Explanation of how comments have been addressed in the September 2014 Application/EIS ⁵
ID	Part	Section	Page	Section Title	Application Information Requirement Description	Volume	Part	Section	Page	Section Title			
1397	C	14	166	ABORIGINAL GROUPS BACKGROUND INFORMATION	The items listed above will aim to incorporate information provided directly by Aboriginal groups, where available. A summary of traditional knowledge and traditional use information from Aboriginal groups, and other sources, relevant to the proposed Project and not subject to confidentiality provisions, will be presented in the Application. Where feasible, information collection and reporting methodologies are determined by or in collaboration with Aboriginal groups, and may include broad or site-specific information collected from knowledge holders.	6	C	14	14-1	ABORIGINAL GROUPS BACKGROUND INFORMATION	A general overview of "traditional land uses" of all Carrier/Dakelh First Nations, (in subsection 14.2), does not clearly tie specific cultural, social and economic practices to the Nadleh Whut'en First Nation, nor is there any reference to NWFN practices within their territory. As NWFN is the rights- and title-holder being addressed in this section, information that is general to Carrier/Dakelh is not adequate for addressing rights- and title-based issues. Contrary to the requirement in the AIR, this section does not indicate which First Nations were involved in determining, or collaborating with the proponent, in information collection and reporting methodologies. References to information obtained from "Interviews with Elders and community members" do not specify which First Nations such elders and community members were affiliated with. The result is that all First Nations are being "lumped" together in this account without regard to social, historical, geographic differences, or without regard (or fair representation) to the fact that Nations such as NWFN have not participated in TK/TLU interviews with the proponent.	Partially Absent	The section was revised to more clearly specify the data sources throughout the section including the respective communities for the elders providing information. The Proponent remains committed to ongoing dialogue with NWFN. The Proponent is committed to integration of TK/TLU information into mitigation, monitoring and other Project-related activities as may be appropriate should additional information be made available by NWFN. The Proponent has initiated an agreement negotiations process with NWFN to among other objectives will facilitate the provision of TK/TLU information.
1399	C	15	167	ABORIGINAL RIGHTS	<p>This section of the Application will discuss potential or established Aboriginal rights and related interests for the Aboriginal groups identified for the proposed Project.</p> <p>This section of the Application will summarize the Proponent's understanding of Aboriginal rights and related interests asserted within the proposed Project area. In doing so it will:</p>	6	C	15, Subsection 15.1, Subsection 15.2, Subsection 15.3, Subsection 15.4, Subsection 15.5, Subsection 15.6, Subsection 15.7, Subsection 15.8, Subsection 15.9, Subsection 15.10	15-1, 15-6, 15-23, 15-33, 15-45, 15-55, 15-69, 15-75, 15-77; 15-79	ABORIGINAL RIGHTS	<p>1. <u>Aboriginal Title</u>: Subsection 15.1.1.2 (p. 15-2) states that "no procedural aspects of consultation related Aboriginal title have been delegated to the Proponent." If this is the case, then there appears to be a significant gap between New Gold's understanding of the Section 11 Order and what the Section 11 Order actually requires which would make substantial parts of this Application deficient in regards to the requirement to address potential project impacts on <u>Aboriginal rights, including title</u>. This statement is in direct contradiction with the Section 11 Order where "Aboriginal Interests" are defined as "asserted or determined aboriginal rights, including title, and treaty rights." Subsection 11.1.1 of the Order further states, "<u>For the purposes of developing the Application, the Proponent must consult with the Aboriginal Groups listed in Schedule B to this Order with respect to the potential effects or the proposed Project on their Aboriginal Interests.</u>" (emphasis added)</p> <p>Furthermore, since Aboriginal title is a sub-set of Aboriginal rights, this Application and related consultations being carried out by New Gold would be not only out of compliance with the Section 11 Order, but also with the AIR which requires the Application to, "discuss potential or established Aboriginal rights...for the Aboriginal groups identified for the proposed Project" and "Identify any specific asserted Aboriginal rights (including title) about which the Proponent receives information from Aboriginal groups and other sources".</p> <p>2. NWFN is concerned that the methodology in this section is flawed in that it appears to be based on extrapolating impacts on Aboriginal rights from disarticulated environmental effects assessments of biophysical VCs in combination with very limited assessments of Aboriginal traditional use.</p>	Partially Absent	<p>1) The text has been revised to more clearly articulate expectations with respect to title.</p> <p>2) With respect to methodology, these comments were considered in Section 7.2.7 and 15 and revisions were made to rely on a more robust approach using quantitative and qualitative methods to assess effects on selected indicators and factors. This revised approach does not focus on biophysical VC's as the sole proxy to assessing effects on Aboriginal rights. Section 15 now incorporates the results from 7.2.7 where appropriate. The Proponent remains committed to ongoing dialogue with NWFN. It is also committed to integration of TK/TLU information into mitigation, monitoring and other Project-related activities as may be appropriate should additional information be made available by NWFN. The Proponent has initiated an agreement negotiations process with NWFN to among other objectives will facilitate the provision of TK/TLU information.</p>

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Application Information Requirements ¹						Application for an Environmental Assessment Certificate/ Environmental Impact Statement ²					NWFN (Firelight) Comments ³	NWFN (Firelight) Status ⁴	Explanation of how comments have been addressed in the September 2014 Application/EIS ⁵
ID	Part	Section	Page	Section Title	Application Information Requirement Description	Volume	Part	Section	Page	Section Title			
1400	C	15	167	ABORIGINAL RIGHTS	• Identify past, present and anticipated future uses of the proposed Project area by Aboriginal groups;	6	C	15, Subsection 15.2.1, Subsection 15.3.1, Subsection 15.4.1, Subsection 15.5.1, Subsection 15.6.1, Subsection 15.7.1, Subsection 15.8.1, Subsection 15.9.1, Subsection 15.10.1	15-1, 15-1, 15-6, 15-23, 15-33, 15-45, 15-55, 15-69, 15-75, 15-77, 15-79	ABORIGINAL RIGHTS	<p>This section is deficient on three levels:</p> <p>1. The sources of information are inappropriate and the content is clearly insufficient for identifying a full range of past, current and future uses of NWFN territory potentially impacted by the Project.</p> <p>2. The framework for the discussion of past, current and future uses of the Project area is extremely narrow. There is no reference to historical governance of the territory by NWFN chiefs and tenure holders, the use of lands and resources for economic purposes (e.g., trade and barter) or for building materials for homes and transportation. In this section the discussion of current and future uses of the territory has been limited to consideration of traditional land uses that, while important, are not the only potential uses that NWFN may have for its lands and resources.</p> <p>3. This section has not considered ways in which NWFN seeks to use and <u>manage</u> the lands in its territories for non-traditional economic and social purposes, and how this may be affected by the Project.</p>	Absent	1), 2) and 3) At the time of writing, specific information made was unavailable from NWFN. Should this information be provided it will be integrated into Section 15. The Proponent is committed to working with NWFN in understanding their TK/TLU information and to integrating relevant information when available. The Proponent has initiated an agreement negotiations process with NWFN to among other objectives will facilitate the provision of TK/TLU information.
1403	C	15	167	ABORIGINAL RIGHTS	• Describe mitigation measures to avoid or reduce such impacts.	6	C	15, Subsection 15.2.3, Subsection 15.3.3, Subsection 15.4.3, Subsection 15.5.3, Subsection 15.6.3, Subsection 15.7.3, Subsection 15.8.3, Subsection 15.9.3, Subsection 15.10.4	15-1, 15-10, 15-17, 15-25, 15-36, 15-46, 15-57, 15-72, 15-76, 15-79, 15-80	ABORIGINAL RIGHTS	<p>This section is fully deficient. No baseline for NWFN has been collected or developed to identify and characterize existing Aboriginal rights that may be impacted by the Project. Without a baseline, a determination of significance of effects on NWFN Aboriginal rights is not valid or credible.</p> <p>In addition, the use and treatment of information related to this trapline is inappropriate and NWFN would request that all references to this trapline be removed from the Draft Application.</p>	Absent	<p>At the time of writing, specific information made was unavailable from NWFN. Should this information be provided it will be integrated into Section 15. The Proponent is committed to working with NWFN in understanding their TK/TLU information and to integrating relevant information when available. The Proponent has initiated an agreement negotiations process with NWFN to among other objectives will facilitate the provision of TK/TLU information.</p> <p>The reference to the trapline has been deleted.</p>
1405	C	16	168	OTHER ABORIGINAL INTEREST	This section of the Application will identify other Aboriginal interests with respect to potential social, economic, environmental, heritage and health effects (to the extent that these are not already identified in Section 15). This section will also describe how these interests have been addressed.	6	C	16, Subsection 16.2	16-5	OTHER ABORIGINAL INTEREST	<p>Any conclusions regarding the potential effects of the Project on NWFN's Aboriginal rights, including title, remain incomplete due to the lack of baseline information characterizing the nature of NWFN's Aboriginal rights and the nature and extent of project and cumulative effects on NWFN rights. Due to this fundamental deficiency, this section does not meet the requirement of the AIR or the Section 11 Order for the Application to assess potential adverse effects on NWFN's Aboriginal rights, including title, and ways to avoid, mitigate or otherwise accommodate such potential adverse impacts.</p>	Absent	The Proponent remains committed to ongoing dialogue with NWFN. It is also committed to integration of TK/TLU information into mitigation, monitoring and other Project-related activities as may be appropriate should additional information be made available by NWFN. The Proponent has initiated an agreement negotiations process with NWFN to among other objectives will facilitate the provision of TK/TLU information.

Notes: ¹ Description of requirements as outlined in the Application Information Requirements
² Description of where requirements have been addressed in the Application/EIS
³ Comments received on the Application/EIS dated May 2014
⁴ Status of requirement as determined by BC EAO based on comments received on the Application/EIS dated May 2014
⁵ Response and explanation of how comments have been addressed in the Application/EIS dated September 2014

November 12, 2014

Saik'uz First Nation
135 Joseph Street
Vanderhoof, BC
V0J 3A1

BY EMAIL

Dear Chief Thomas:

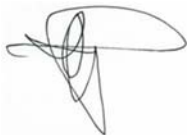
Subject: Proposed Blackwater Gold Project – Saik'uz First Nation Consultation
summary between May and November 3, 2014

Attached, please find a report summarizing New Gold's consultation efforts with the Saik'uz First Nation (SFN) between May and November 2014 regarding the proposed Blackwater Gold Project (the Project). New Gold is required to consult with Aboriginal groups regarding potential adverse effects of the Project on Aboriginal interests, and on measures to avoid, mitigate or accommodate such potential adverse effects.

The attached report builds on our letter dated September 16, 2014, which outlined consultation activities to date and proposed further consultation. New Gold will continue to consult with SFN during the review of the Application for an Environmental Assessment/Environmental Impact Statement (EA Application) and document and respond to issues, concerns and interests raised by SFN with respect to the Project.

We look forward to receiving the SFN comments during the review of New Gold's EA Application. Please contact me if you have any questions. I can be reached by phone at 604-639-2005 and by email at Tim.Bekhuys@newgold.com.

Sincerely,



Tim Bekhuys
Director, Blackwater Project

cc. Shelley Murphy, Executive Project Director, BC Environmental Assessment Office
Christal Nieman, Acting Project Manager, Canadian Environmental Assessment
Agency

Attachment

New Gold Inc.

BLACKWATER GOLD PROJECT
**Saik'uz First Nation Consultation Summary,
May to November, 2014**

November 2014

Citation:

New Gold. 2014. *Blackwater Gold Project: Saik'uz First Nation Consultation Summary, May to November, 2014*. Prepared by New Gold Inc.: Vancouver, British Columbia.

New Gold Inc.

Two Bentall Centre
Suite 1800 - 555 Burrard Street
Vancouver, BC
Canada V7X 1M9
T: +1 (604) 695-4100
F: +1 (604) 696-4110

BLACKWATER GOLD PROJECT

Saik'uz First Nation Consultation Summary, May to November, 2014

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GLOSSARY AND ABBREVIATIONS

Terminology used in this document is defined where it is first used.

AIR	Application Information Requirements
Application	Application for an Environmental Assessment Certificate
BC EAO	BC Environmental Assessment Office
EA	Environmental Assessment
EIS	Environmental Impact Statement
MOU	Memorandum of Understanding
Project, the	Blackwater Gold Project, the
SFN	Saik'uz First Nation
TLU	Traditional Land Use
TK	Traditional Knowledge

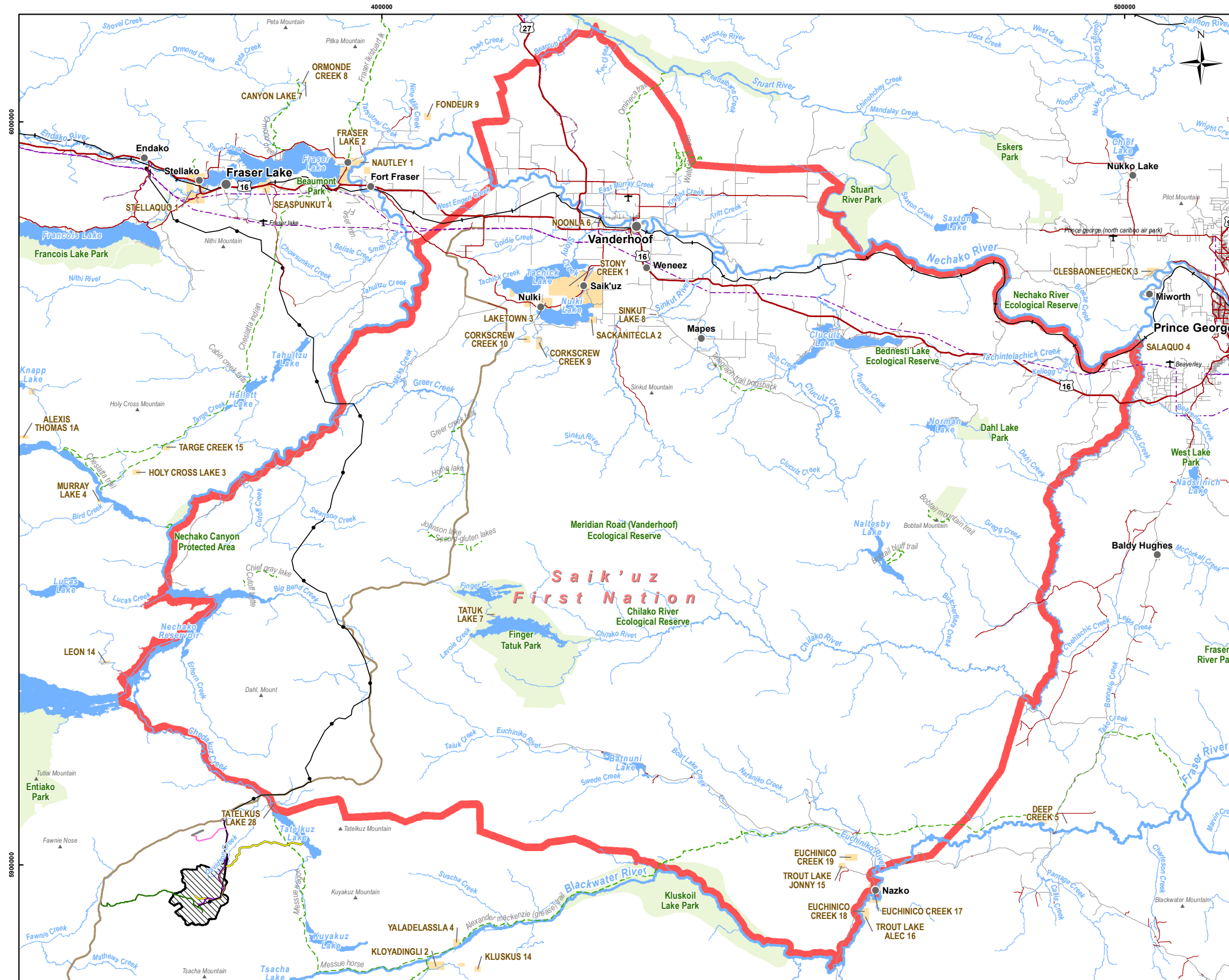
1. INTRODUCTION

New Gold Inc. (New Gold) is proposing to develop an open pit gold and silver mine approximately 160 kilometres (km) southwest of Prince George and 110 km south of Vanderhoof in north-central British Columbia (BC). The middle segment of the transmission line runs through the Saik'uz First Nation's (SFN's) traditional territory, while the mine site itself is located south of the SFN territory (Figure 1-1).

The proposed Blackwater Gold Project (the Project) is currently in the federal and provincial environmental assessment (EA) processes. New Gold's Application for an Environmental Certificate/Environmental Impact Statement (Application/EIS) has been submitted to the BC Environmental Assessment Office (BC EAO) for evaluation against the Application Information Requirements (AIR), issued by the BC EAO on May 15, 2014.

This document describes the consultation activities that have been undertaken by New Gold with the SFN between May 1 and November 3, 2014. These activities include New Gold's efforts to obtain information on the SFN Aboriginal interests and to seek SFN feedback on proposed measures to avoid or mitigate potential adverse effects on SFN interests. Consultations with SFN have been undertaken in accordance with New Gold's Aboriginal Groups Consultation Plan (May 2014).

Figure 1-1
Saik'uz First Nation
Traditional Territory



- Legend**
- Populated Place
 - ▲ Mountain Peak
 - ✈ Airport/Airfield
 - 16 Highway
 - Arterial/Collector
 - Resource/Recreation
 - Local/Street
 - Other
 - Kluskus / Kluskus-Ootsa FSR
 - Recreation Trail
 - Railway
 - Transmission Line
 - Stream
 - Waterbody
 - Park or Protected Area
 - Indian Reserve
- Project Components**
- Proposed Transmission Line
 - Exploration Road
 - Proposed Mine Access Road
 - Proposed Fresh Water Pipeline
 - Airstrip Access Road
 - ▭ Airstrip Extent
 - ▭ Mine Site
- Traditional Territory**
- ▭ Saik'uz First Nation



Scale: 1:500,000
 0 5 10 20
 Kilometers

Reference:
 Context layers:
 BC Government GeoBC Data Distribution
 Traditional Territory:
 Carrier Sekani Tribal Council - <http://www.carriersekani.ca/>

Source: AMEC (2014).

2. BACKGROUND

2.1 NEW GOLD ABORIGINAL CONSULTATION PLAN

Prior to the timeframe for this report, the draft Aboriginal Groups Consultation Plan was provided to SFN on September 19, 2013 for review and comment. On September 26, 2013 New Gold met with SFN to review the plan. At the meeting SFN noted that its comments were forthcoming. New Gold inquired about the status of the pending comments on October 15, 2013, November 4, 2013, and November 14, 2013, but no comments have been received by New Gold to date. The BC EAO approved the Aboriginal Groups Consultation Plan in May 2014.

2.2 ABORIGINAL RIGHTS AND INTERESTS

New Gold contacted the SFN on June 23, 2014 and July 15, 2014 to offer to meet with SFN to present the findings of the EA and provide information on how SFN concerns were addressed in the Application/EIS. New Gold was unable to confirm a meeting date with the SFN.

New Gold made other efforts to provide this information to SFN. In July 2014 New Gold provided copies of the attached PowerPoint to a SFN consultant during their visit to New Gold's Vanderhoof office (Appendix A). The presentation provided an overview of New Gold's consultations with SFN, outlined how SFN interests and concerns were addressed in the Application/EIS, including measures to address the issues and concerns that have been raised by SFN. New Gold was informed by the SFN consultant on July 18, 2014 that the materials had been reviewed by SFN and there was no feedback.

New Gold has updated Section 7.2.7 (Current Use of Lands and Resources for Traditional Purposes) and Section 15 (Aboriginal Rights) in the October 2014 Application/EIS to address comment received from the BC EAO Working Group. Section 7.2.7 discusses how the Project may interact with the Aboriginal current use of lands and resources, and Section 15 assesses the potential effects of the Project on Aboriginal rights, and proposes measures to mitigate impacts on rights. Section 16 (Other Aboriginal Interests) of the Application/EIS discusses the potential effects of the Project on Aboriginal interests and proposes measures to mitigate impacts on these interests.

3. INFORMATION DISTRIBUTION AND CONSULTATION ACTIVITIES

Information distribution and consultation activities undertaken by New Gold between May 1, 2014 and November 3, 2014 are described in the sections below, and summarized in Table 3-1.

Table 3-1. New Gold’s Key Consultations with SFN between May 1, 2014 and November 3, 2014

Date (Location)	Communication Method	Topic
May 15, 2014	E-mail	Conveyed the draft Wildlife Management Plan to SFN for review and comment, including proposed mitigation measures (no input received to date).
May 20, 2014 (Stoney Creek Reserve)	SFN Industry Forum	Attended SFN forum, along with other proponents who have projects in SFN territory, to provide Project information, and respond to questions from SFN members.
June 17, 2014 (Stoney Creek Reserve)	SFN Industry Forum	Attended SFN forum to provide Project information and respond to questions from SFN members. New Gold made a presentation on the Project, and reviewed SFN’s involvement in the EA to date.
June 19, 2014 (New Gold Vanderhoof Office)	Meeting	New Gold met with SFN leadership to obtain feedback on SFN’s preferred consultation protocol and approach. SFN noted they would like more interaction with New Gold. In response, New Gold committed to increase the frequency of communications with New Gold.
June 23, 2014	E-mail	Followed up on the June 17, 2014 forum and June 19, 2014 meeting to ask if there were any comments on the June 19, 2014 meeting minutes and proposed next steps, including the meeting to discuss the EA and proposed mitigation (meeting offer subsequently declined by SFN), offer to community members to attend a Mining 101 course and discuss the experience from the New Afton mine with regard to Aboriginal employment.
July 15, 2014 (New Gold Vanderhoof Office)	Meeting	Provided copies of PowerPoint presentation referred to in Section 2.2 above. Offered to meet with SFN to present the presentation (meeting offer subsequently declined by SFN).
July 15, 2014	Mt. Milligan mine tour (to be rescheduled)	Site tour booked by New Gold to visit Mt. Milligan, an operating copper/gold mine, for SFN and others. Due to unforeseen travel delays, SFN was unable to attend. Efforts to organize an additional site tour are underway.
July 18, 2014	Agreement	New Gold and SFN signed a Traditional Knowledge (TK) Protocol Agreement.

(continued)

Table 3-1. New Gold's Key Consultations with SFN between May 1, 2014 and November 3, 2014 (completed)

Date (Location)	Communication Method	Topic
August 12, 2014	E-mail	Requested a meeting with SFN to being discussions on a Memorandum of Understanding (MOU) related to the Project.
August 26-28, 2014	Online Forum	Invited SFN to participate in a live webcast of Mining 101 (no SFN members participated).
September 9, 2014 (New Gold Vancouver office)	Meeting	Meeting with SFN leadership to discuss the Project and consultation process, including the MOU. New Gold committed to ongoing dialogue with SFN to address concerns and interests over the life of the Project. SFN raised concerns about the impacts of the Project on water and indicated they would like to be involved in the Project.
September 16, 2014	E-mail	Conveyed letter to SFN outlining New Gold's approach to implementing the Aboriginal Groups Consultation Plan, summarizing recent consultation activities, and identifying proposed future activities (i.e., meetings to discuss the Application/EIS, meeting with SFN leadership to discuss the incorporation of Traditional Knowledge/Traditional Land Use (TK/TLU), and New Gold participation at monthly SFN forum).
October 15, 2014	E-mail	Conveyed an information package, which included a table summarizing SFN comments received during the June 2014 Application/EIS screening and New Gold's responses. The package also explained how SFN's comments on the May 2014 Application/EIS have been addressed in the October 2014 Application/EIS (Appendix B).

3.1 COMMUNITY MEETINGS/OPEN HOUSES

Beginning in March 2014, New Gold has been attending monthly Industry Forums organized by SFN on the Stoney Creek reserve. SFN invites proponents with projects in SFN territory to provide the SFN membership with updates on their projects. New Gold participated in the May 20 and June 17 forums to provide information about the Project, and to obtain general comments from the SFN on the Project. At the June 17, 2014 forum New Gold made a presentation on the Project and the status of the EA review.

3.2 MEETINGS

New Gold met multiple times with SFN leadership during the reporting period to discuss and finalize the TK protocol agreement and work toward developing a MOU, describe studies currently underway and provide updates on the Project. This included meetings with the SFN Chief to discuss TK agreements.

New Gold met with SFN leadership on June 19, 2014 to discuss SFN's preferred approach or protocol to consulting SFN about the Project. SFN indicated they would like to have more interaction with New Gold. In response to this request, New Gold agreed to increase the frequency of communication with SFN.

New Gold met with SFN leadership on September 9, 2014 to provide an update on the status of the EA review of the Project, and to discuss the consultation process with SFN. At the meeting, New Gold and SFN discussed the MOU. New Gold noted it was interested in having ongoing dialogue with SFN to avoid or reduce the potential effects over the life of the Project. SFN raised concerns about the impacts of the Project on water and indicated they would like to be involved in the Project.

In addition to meetings with SFN leadership, New Gold had informal meetings with SFN members at the New Gold Vanderhoof office. During these meetings, New Gold provided information on the Project and responded to questions. SFN members raised concerns about impacts on trapping related to the transmission line (see Section 4 for New Gold's responses).

3.3 SITE TOURS

SFN contacted New Gold on July 10, 2014¹ to request a tour of the Project site. However, New Gold was unable to organize a tour due to forest fire activity and associated safety concerns.

On June 12 2014, New Gold invited SFN to participate in a tour of the Mt. Milligan mine, an operating metal mine with a similar design to the Blackwater Project, including a zero discharge tailings facility. New Gold scheduled the tour for July 15 2014 with SFN and other participants; however, due to unforeseen travel delays, SFN was unable to attend.

3.4 TRADITIONAL KNOWLEDGE/TRADITIONAL LAND USE STUDIES

New Gold and SFN signed a TK Protocol Agreement on July 18, 2014. The agreement covers collation and reporting of Project-specific TK, integration of the TK into the Project effects assessment as well as an agreement to manage confidentiality issues.

¹ Seven SFN members and TK researchers visited the Project site on October 16, 2013.

3.5 MINERALS AND MINING EDUCATION

In response to a 23 June 2014 request from SFN related to training, New Gold invited SFN to participate in a live webcast for Mining 101 on August 26, 27 and 28, 2014. No SFN members participated in the session.

4. ISSUE IDENTIFICATION

Interests and concerns raised by SFN during consultations undertaken between May and November 2014 are summarized in Table 4-1, along with New Gold responses. The issues raised by SFN during the timeframe are consistent with the issues previously identified. New Gold will continue to consult with SFN during the review of the Application/EIS and document and respond to issues, concerns and interests raised by SFN with respect to the Project.

Table 4-1. Issues Raised by SFN and New Gold’s Responses

Issue	New Gold’s Response
TK protocol agreement.	New Gold signed a TK Protocol agreement with SFN in July 2014.
Employment and training opportunities.	In response to this request, New Gold invited SFN to participate in a live Mining 101 webcast on August 26, 27 and 28, 2014. Employment and training discussions with SFN are ongoing.
Interest in mine tour.	New Gold hosted a site tour to Mount Milligan mine for SFN and others on July 15 2014; however, SFN was unable to attend. New Gold is planning to organize another tour of the Mt. Milligan mine at a future date.
Impacts to trap line along the transmission line.	New Gold has committed to negotiate compensation for affected trapline holder in accordance with industry and provincial protocols (and associated proof of loss of revenue; see appended July 2014 PowerPoint).
Project effects on water.	At SFN’s invitation, New Gold is planning to make a presentation to the community in mid-November. The presentation will discuss the Project’s effects on water quality, water flow and fish habitat, and measures to mitigate these effects (refer to Appendix A).
Involvement in the Project through mine lifecycle.	At the September 9, 2014 meeting, New Gold outlined a process to include SFN in the development of operating plans. Discussions are underway with SFN to reach a MOU.

Appendix A

*Blackwater Gold Project- Effects Assessment Update
(Saik'uz First Nation; July 9, 2014)*

BLACKWATER GOLD PROJECT

Saik'uz First Nation Consultation Summary, May to November, 2014

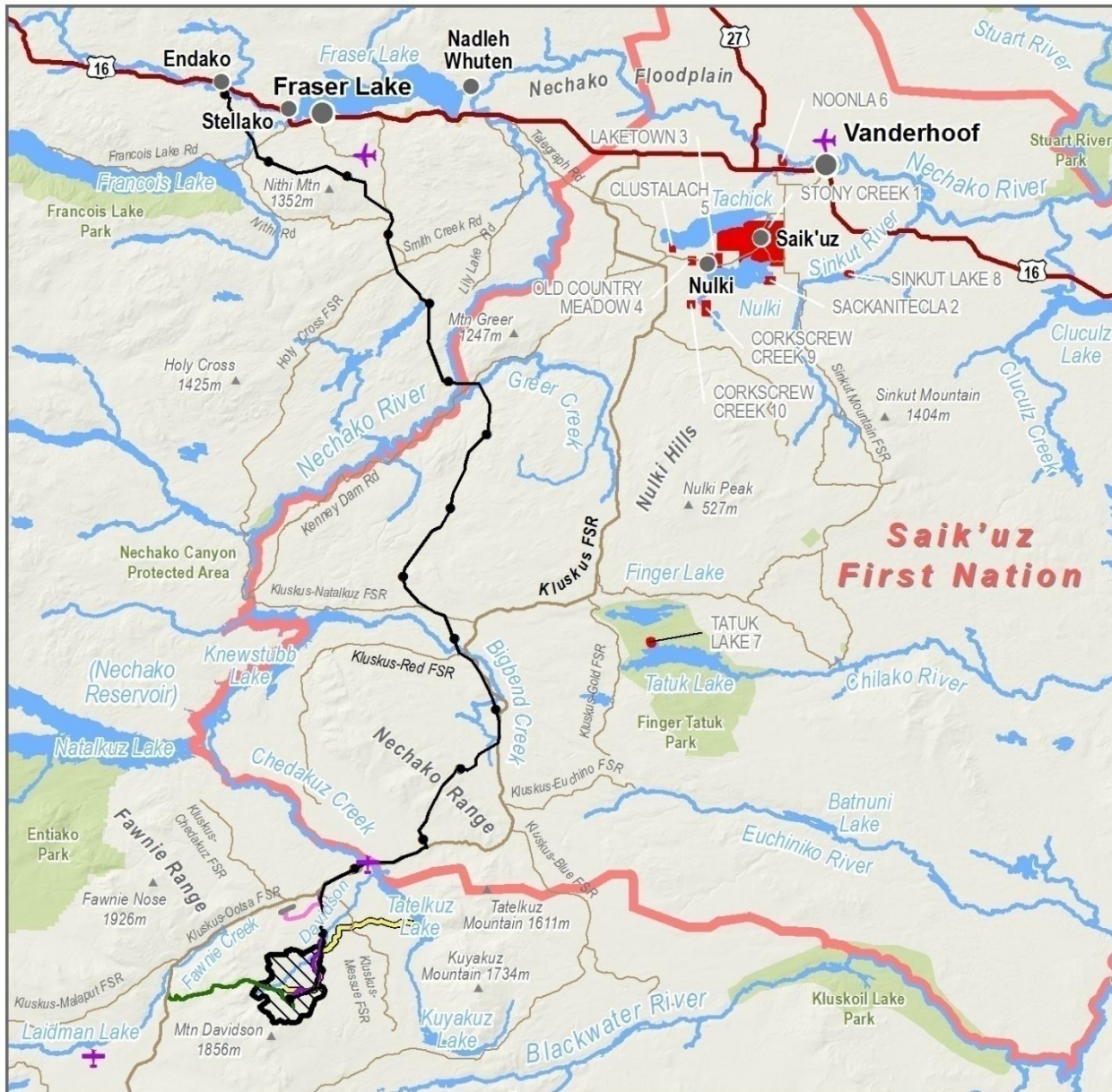


SAIK'UZ FIRST NATION
Blackwater Gold Project – Effects Assessment Update

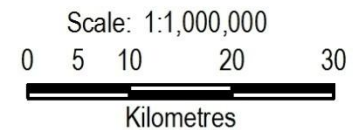
July 09, 2014

1. Discuss results of consultation conducted up to date
2. Review how SFN issues and concerns are addressed in the Application/EIS
3. Discuss proposed mitigation and monitoring measures to address issues raised by SFN
4. Discuss future consultation activities
5. Review Application/EIS report structure and content
6. Receive feedback

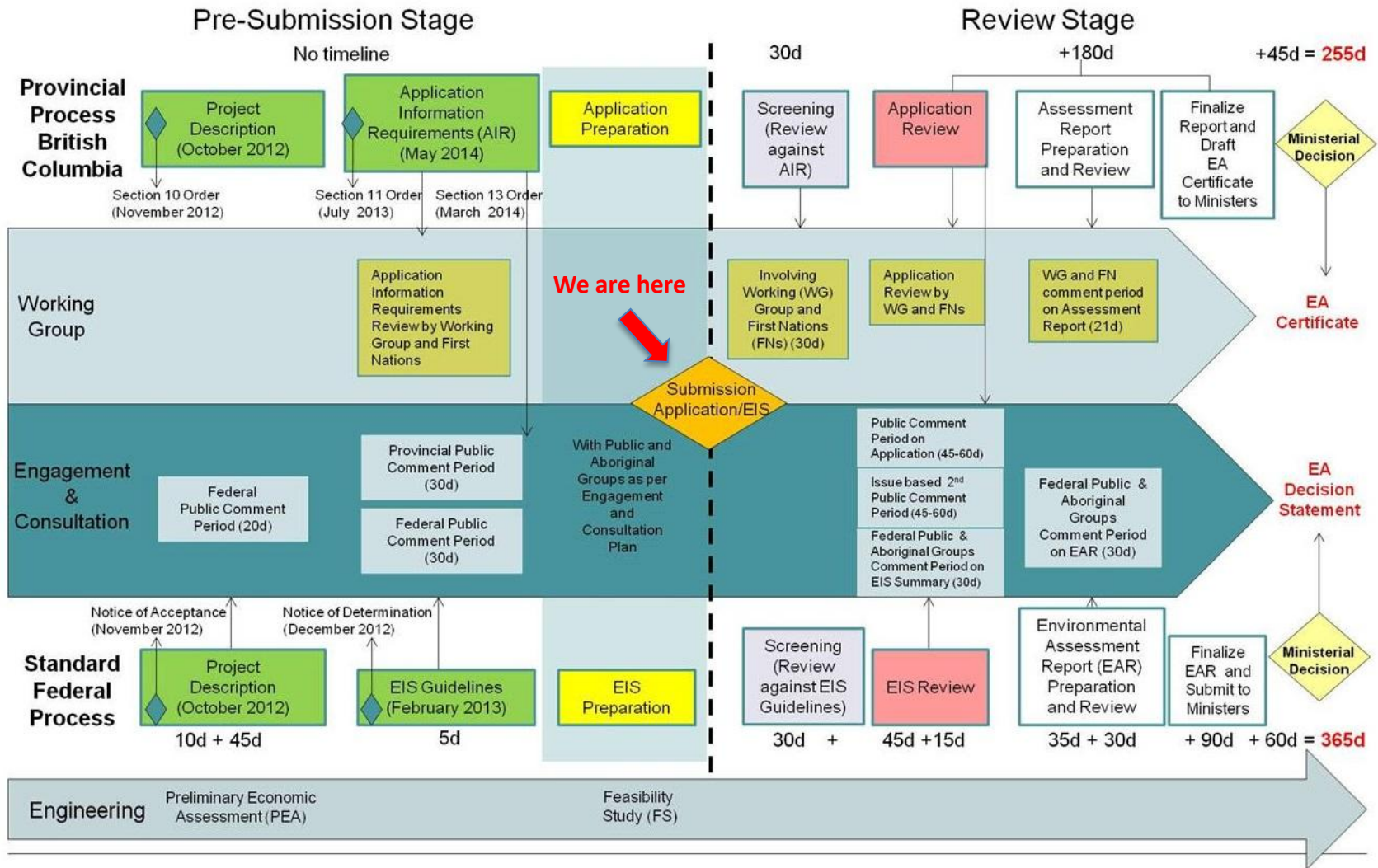




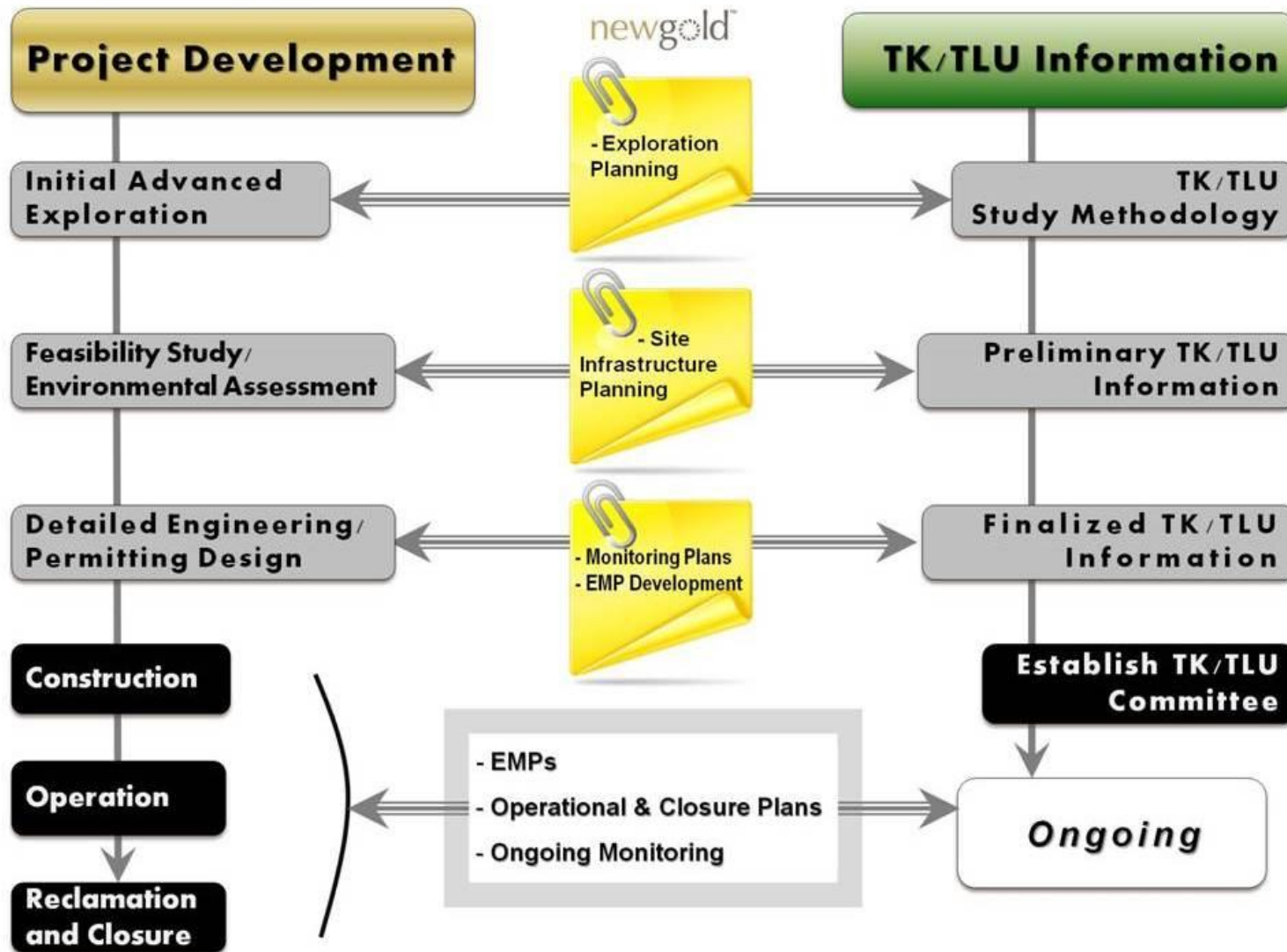
- Populated Place
- ✚ Airport ✚ Airstrip
- 16 Highway
- Kluskus / Kluskus-Ootsa FSR
- Other FSR
- Saikuz First Nation
- SFN Reserves
- Park
- Proposed Project Components**
- Exploration Road
- Transmission Line
- Mine Access Road
- Fresh Water Pipeline
- Airstrip Access Road
- Airstrip Extent
- Mine Site



Coordinated Federal and Provincial Environmental Assessment Process



Integration of Traditional Knowledge & Land Use (TK/TLU) Information into the Blackwater Gold Project Development



The Aboriginal Groups Consultation Plan (AGCP) is intended to serve two purposes:

- Ensure regulatory requirements are achieved.
- Ensure open and transparent information sharing with Aboriginal groups.

The Application/EIS:

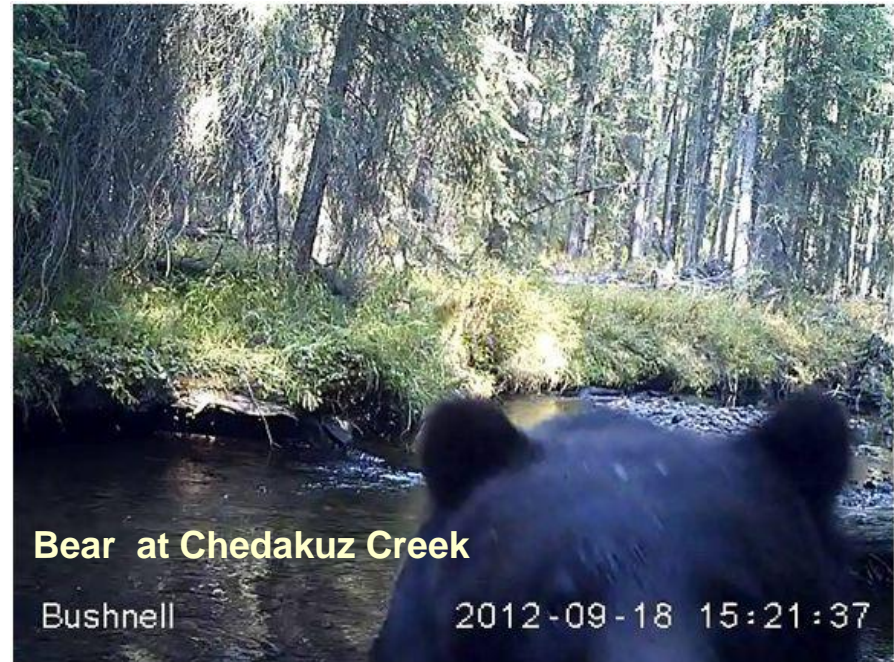
- Results of consultation between April 2011 and April 2014, which included:
 - Presentations to leadership.
 - Community meetings.
 - Effects assessment meetings.
 - Socio-economic interviews.
 - Working Group participation.
 - On-going project updates.
- Section 3.3 describes how the consultation activities were executed in accordance with the AGCP and section 11 Order.
- Section 17 discusses the results of the consultation with Aboriginal groups.

- Traditional Use
 - Trapping
 - Hunting
 - Traditional Plant Harvesting

- Aquatics
 - Water quality
 - Fishing

- Social & Economic
 - Training
 - In-migration of workers & the potential strain

- Increase in the number of projects in SFN territory



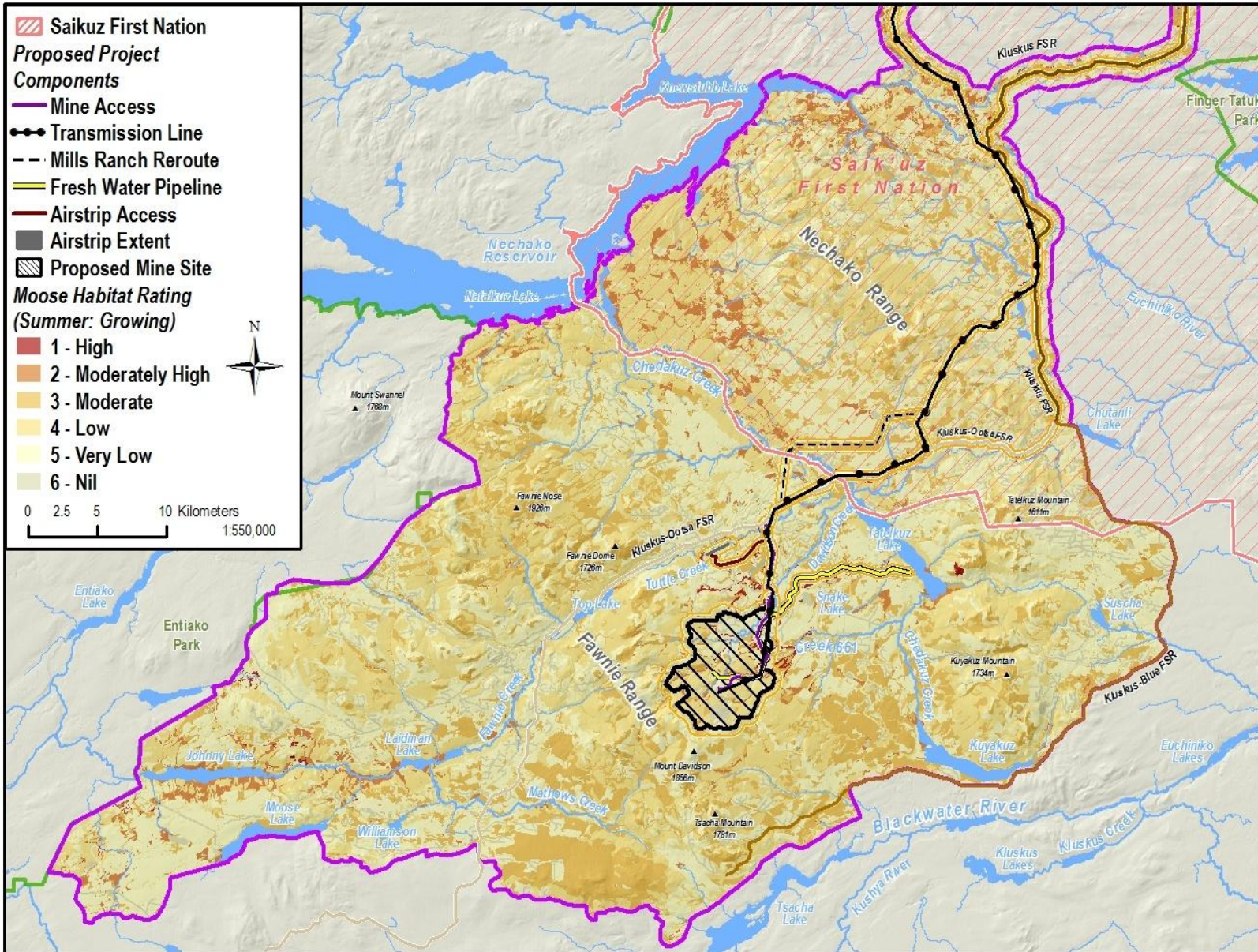
Traditional Use – Trapping and Hunting

Potential Issue	Potential Environmental Effect	Valued Component
Hunting	Effects on moose population that will reduce numbers	7.2.7 Current Land Use for Traditional Purposes 5.4.10 Moose
	Potential effects on black bear populations	7.2.7 Current Land Use for Traditional Purposes
Trapping	Effects on animal species trapped and/or effects that may disrupt traplines or access to them	7.2.6 Non-traditional Land Use 7.2.7 Current Land and Resource Use for Traditional Purposes

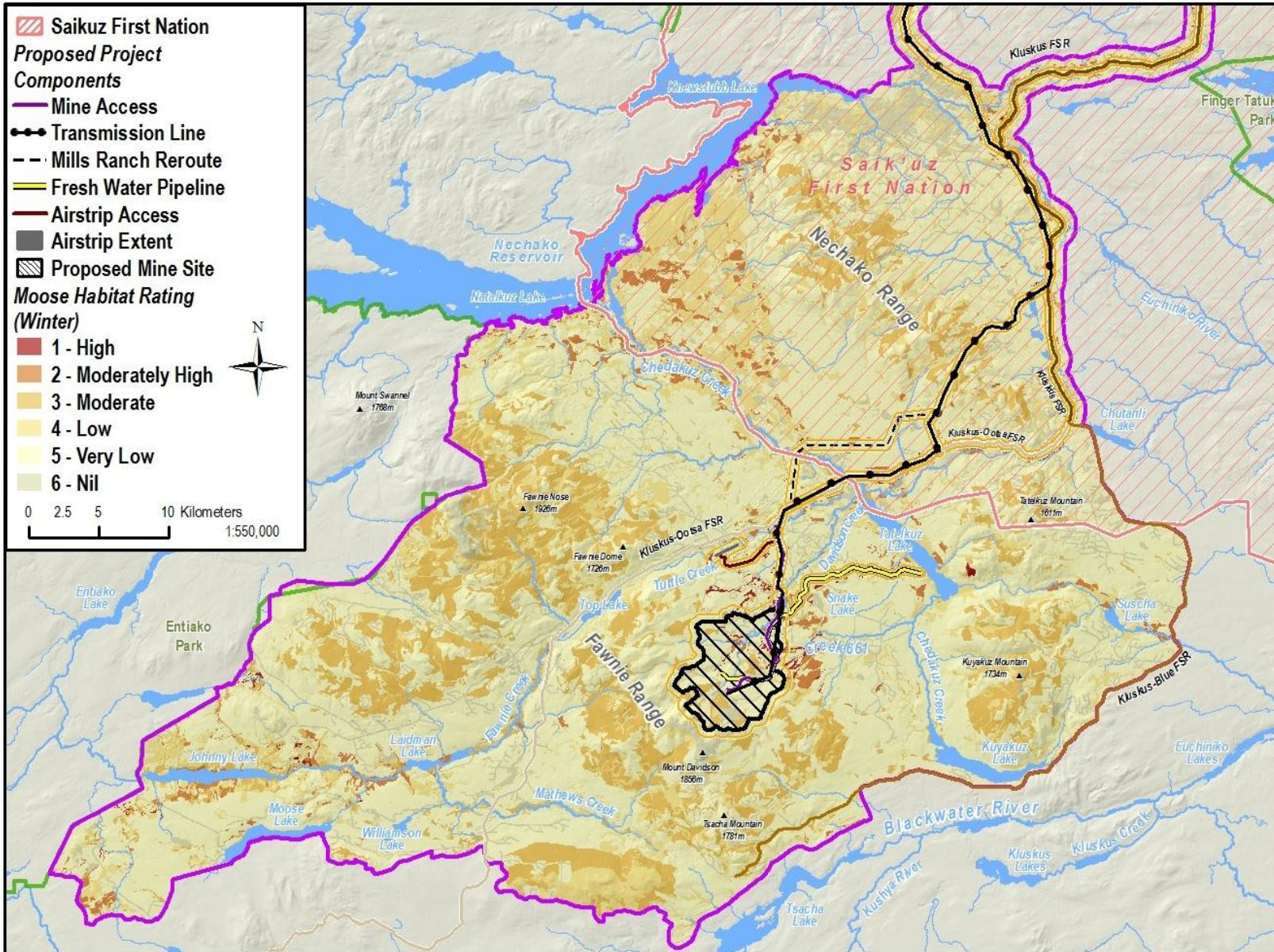
Proposed Mitigation

Potential Project effects could be experienced along 112.03 km of the existing FSR and 71.98 km of the transmission line where these Project components overlap their Traditional Territory. Project design measures, access management, vegetation and wildlife management measures and communication with trapline holders are being proposed to address potential effects on traditional use.

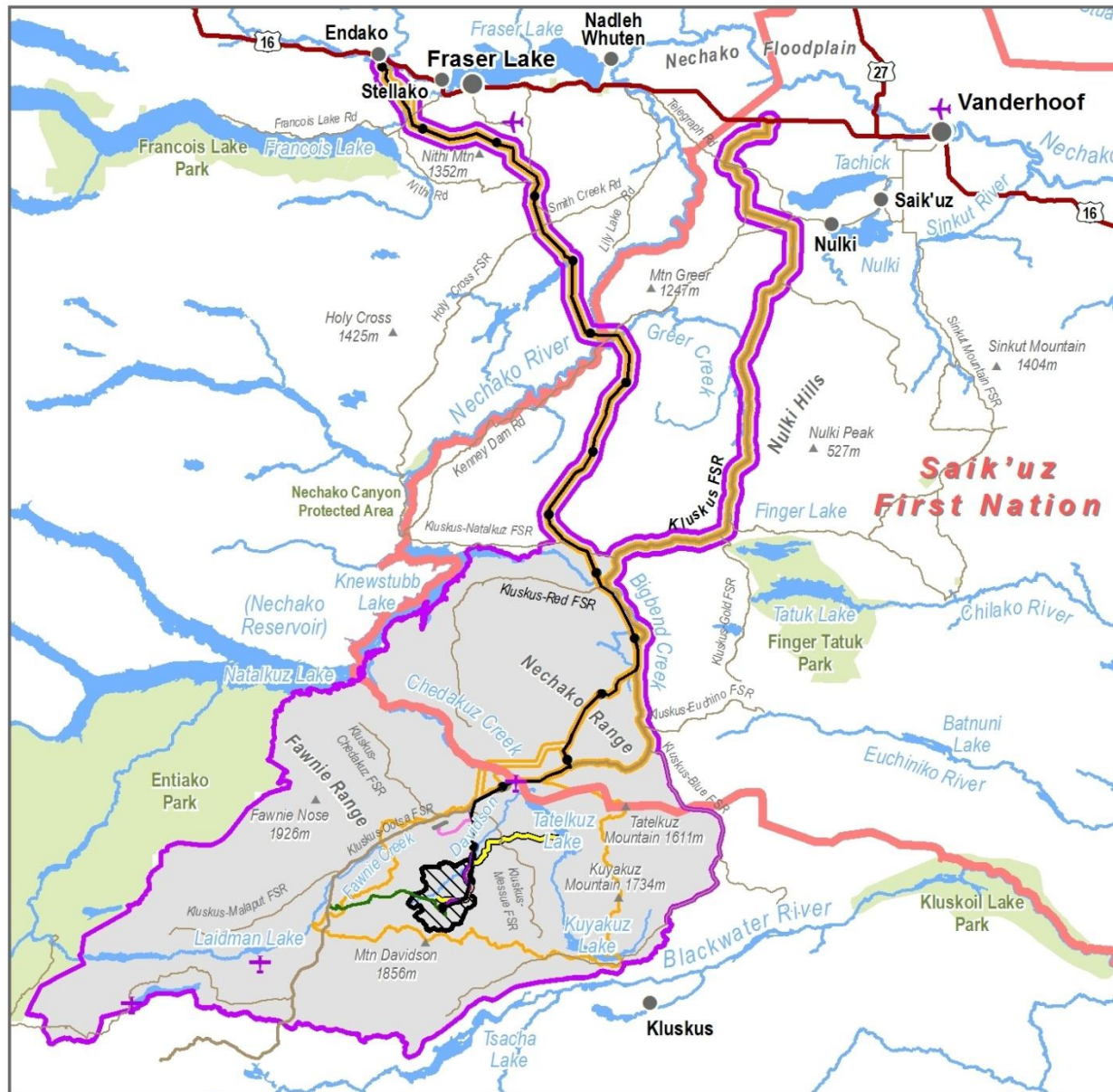
Moose (Summer)



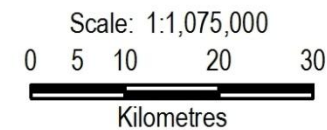
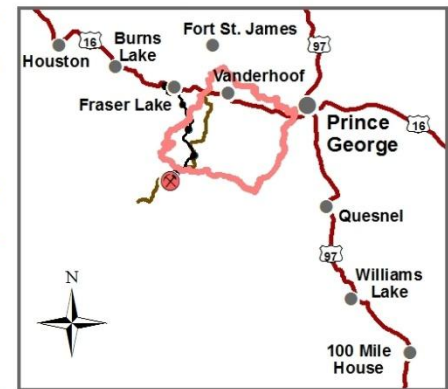
Moose (Winter)



Current Land and Resources Use for Traditional Purposes



- Populated Place
- ✚ Airport ✚ Airstrip
- 16 Highway
- Kluskus / Kluskus-Ootsa FSR
- Other FSR
- Park
- Proposed Project Components**
- Exploration Road
- Transmission Line
- Mine Access Road
- Fresh Water Pipeline
- Airstrip Access Road
- Airstrip Extent
- Mine Site
- Current Land and Resource Use for Traditional Purposes**
- Regional Study Area
- Local Study Area



Transmission Line Appearance



Transmission Line Appearance



Project Description – Section 2.2.4.4

- The transmission line has been routed to make use of existing access and to cross recently logged areas as much as practical along its alignment.
- Two types of access road will be employed:
 - Branch roads are those roads accessing the transmission line ROW.
 - Access roads are those roads located inside the ROW that are used to access proposed pole locations.

Transportation and Access Management Plan – Section 12.2.1.18.4.14

- Temporary access to transmission line ROW and pole locations during construction.

Wildlife Management Plan – Section 12.2.1.18.4.6

- Prohibit hunting and fishing for employees and contractors while on company business or while staying in construction or operations camps.
- Prohibit feeding of wildlife.
- Manage waste to minimize wildlife attractants.
- Maintain a bear awareness program to orient employees to correct waste disposal procedures and reporting guidelines.
- Provide employee and contractor training on wildlife safety and awareness.

Landscape, Soils, and Vegetation Management and Restoration Plan – Section 12.2.1.18.4.4

- Landscape changes, including re-grading and alteration of baseline contours for mine site and transmission line development, will be managed by:
 - Maximizing use of previously disturbed habitat to minimize effect of the Project during construction.
 - Reducing adverse effects on landscape stability by using best practice procedures during construction.
- Vegetation disturbances will be managed by:
 - Developing Timber Salvage Plan to assist in planning, scheduling, and implementation of salvage of merchantable timber.

Trapline Tenures – Section 7.2.6

- On-going communication with trappers.
- Compensation for affected trapline holder in accordance with industry and provincial protocols with associated proof of loss revenue

Potential Issue	Potential Environmental Effect	Valued Components
Plant Harvesting - medicinal plants and berry plants	Potential effects on some medicinal plants and berry-gathering areas.	9.2.1 Environmental Exposures 5.4.5 Ecosystem Composition 5.4.6 Plant Species and Ecosystems at Risk 7.2.7 Current Land Use for Traditional Purposes

Proposed Mitigation

The SFN Traditional Territory overlaps with a portion of the transmission line ROW, and the majority of the Kluskus FSR. Effects on plants as a result of construction, operation, and decommissioning/closure phases of the transmission line, and dust from the traffic using the Kluskus FSR (including loss of traditional use plants, dust and nitrogen deposition, and invasive species) are considered minor and not significant. Implement a no plant harvesting policy for all workers while resident at the work site. Project design measures, access management, vegetation and reclamation management measures are being proposed to address potential effects on traditional use.

Invasive Species Management Plan – Section 12.2.1.18.4.5:

- Provides prevention, control, and monitoring of growth and spread of invasive plants in areas of disturbed or exposed soil or subsoil.
- Management of invasive species will be sustained throughout all phases of the Project.

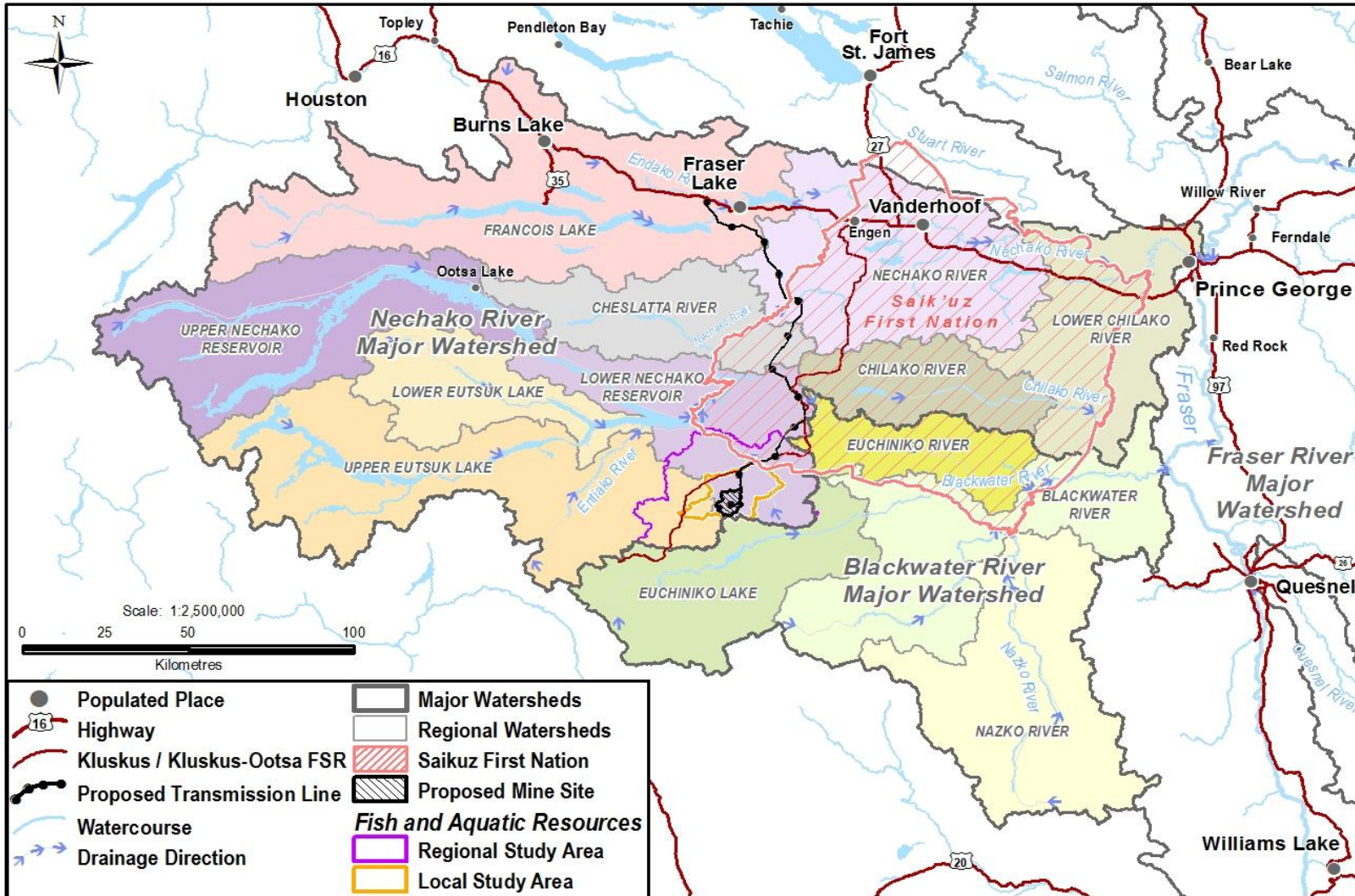
Potential Issue	Potential Environmental Effect	Valued Components
Concern raised about cyanide and its potential effects	Potential effects from cyanide on wildlife, water, air and humans	5.3.3 Surface Water Quality 5.3.4 Sediment Quality
Potential negative effects on water flow	Proposed mining facilities (TSF, open pit and water management facilities) and related activities (water withdrawal and discharge) have the potential to affect natural streams, drainage areas, annual flows, seasonal distribution of flow, high and low flows, and lake levels	5.3.3 Surface Water Quality 5.3.4 Sediment Quality
Potential negative effects on water quality	Specific waterbodies need to be identified to assess potential effects	5.3.3 Surface Water Quality 5.3.4 Sediment Quality
Fishing	Effects on waterbodies from the transmission line crossings that could affect water quality and access to fishing	5.3.8 Fish 5.3.9 Fish Habitat 5.3.3 Surface Water Quality 5.3.4 Sediment Quality

Proposed Mitigation

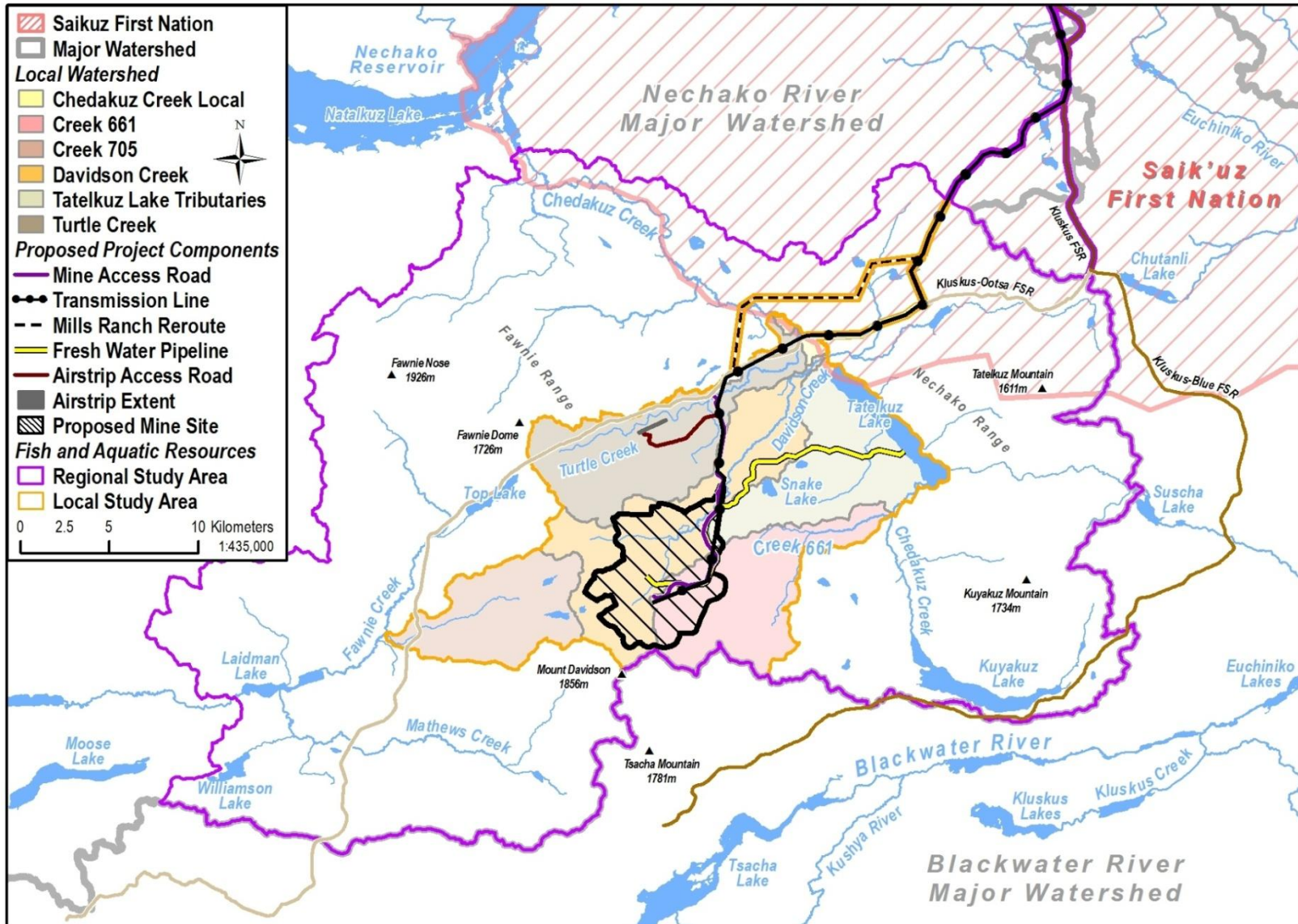
The SFN Traditional Territory is to the north and east of the mine site portion of the LSA. None of the fish or fish habitat in this portion of the Project will be adversely affected.

The mine site will not discharge during the operation and closure phases and mitigation measures are proposed during the construction and post-closure phases that confine the residual project effects on aquatic resources to catchments immediately adjacent to the mine site.

Nechako River & Blackwater River Watersheds



Fish and Fish Habitat Study Areas

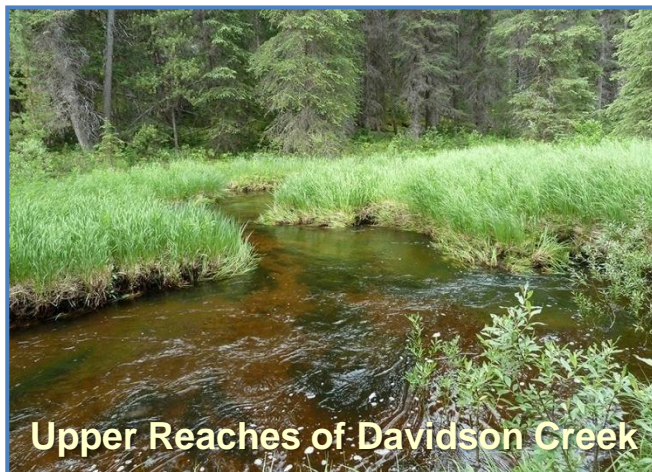


Instream Flow Study

- Seasonal instream flow needs for rainbow trout and kokanee fish in Davidson Creek, Creek 661, Creek 705 and lower Chedakuz Creek were predicted
 - using a physical habitat modelling software package; and,
 - velocity-depth data collected from 103 transects on the four streams

- Instream flow regimes were considered acceptable
 - if they produced habitat area at least 90% of baseline habitat area

- Predicted instream flow needs in Davidson Creek
 - will be met by flow augmentation of Davidson Creek by water pumped from Tatelkuz Lake

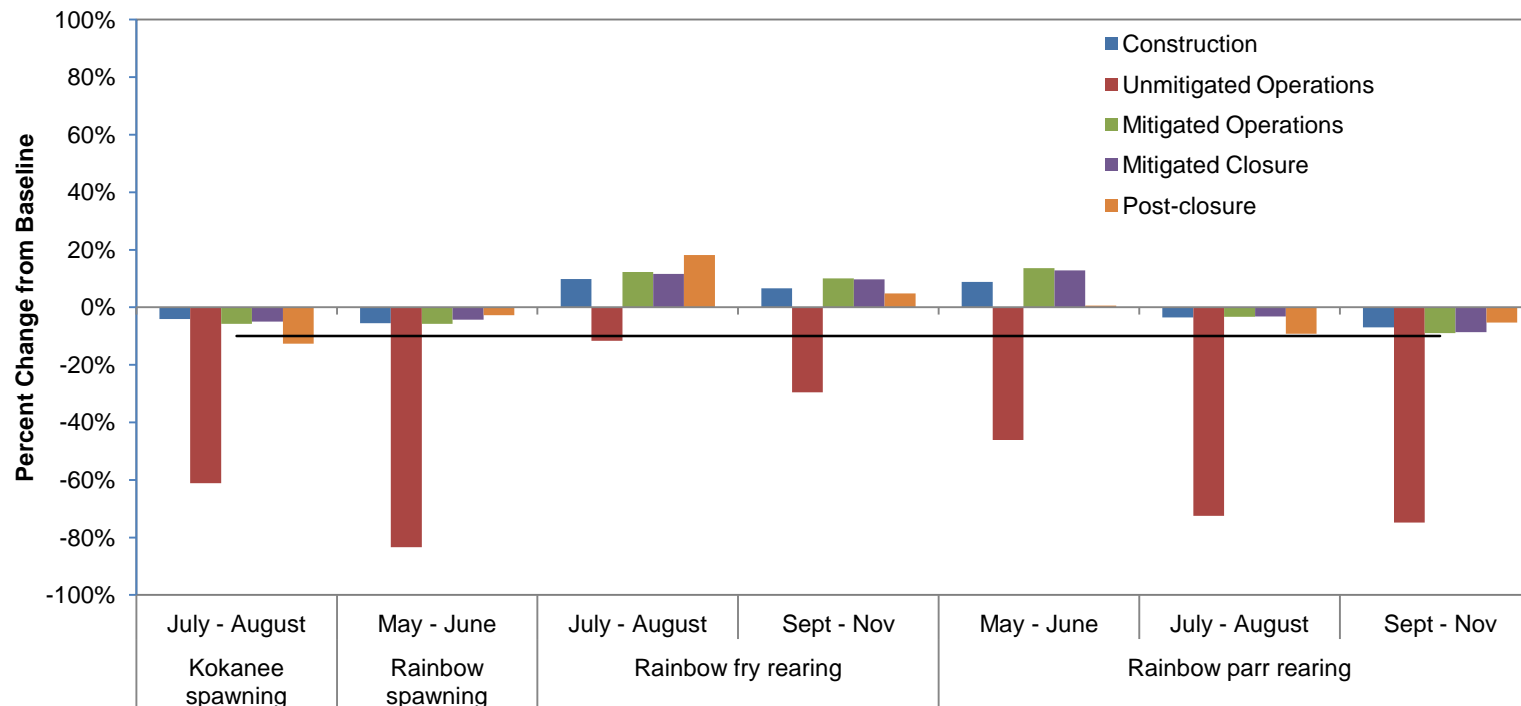


Upper Reaches of Davidson Creek



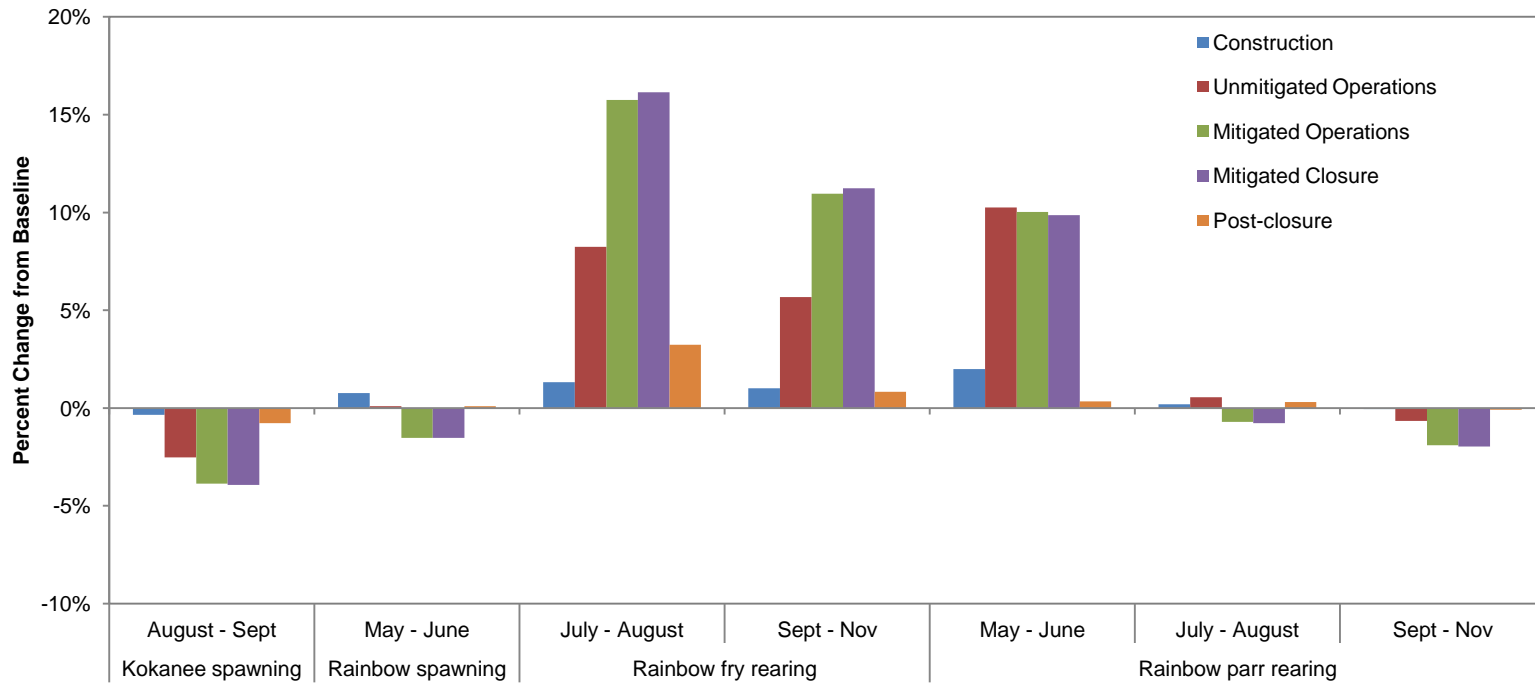
Davidson Creek Fish Survey, 2011

Instream Flow Study



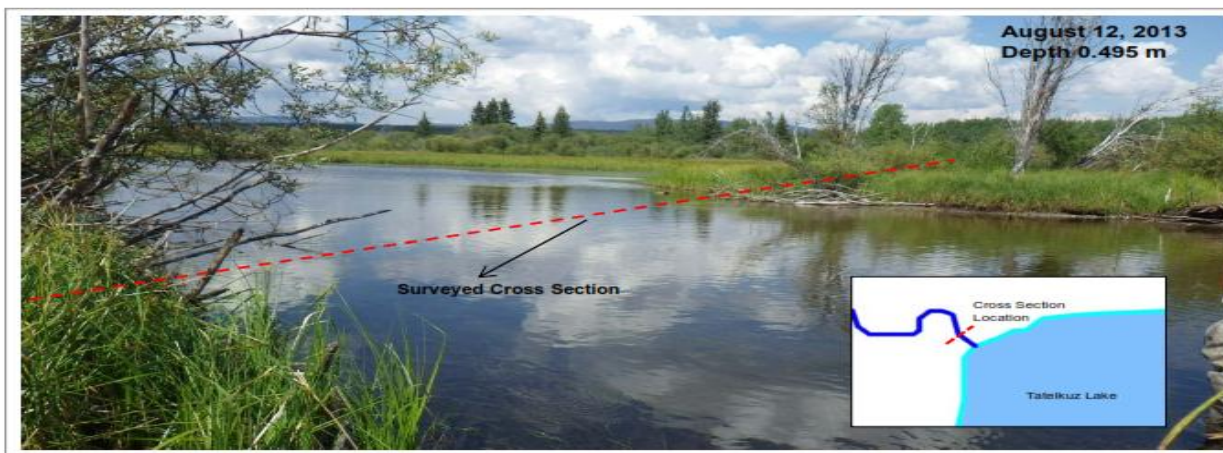
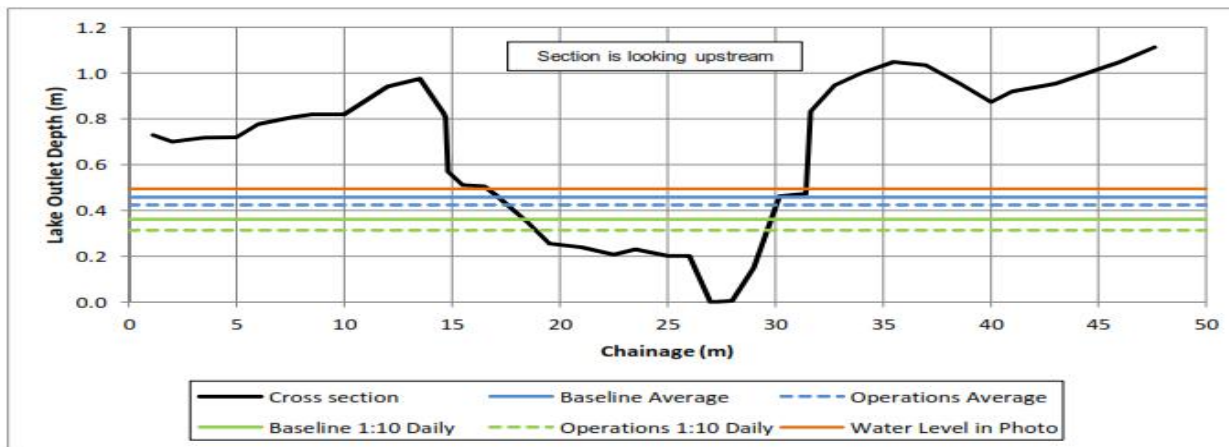
Summary of Percent Change in Total Habitat Area for Chedakuz Creek, for 15-year Watershed Model Flow Series

Instream Flow Study

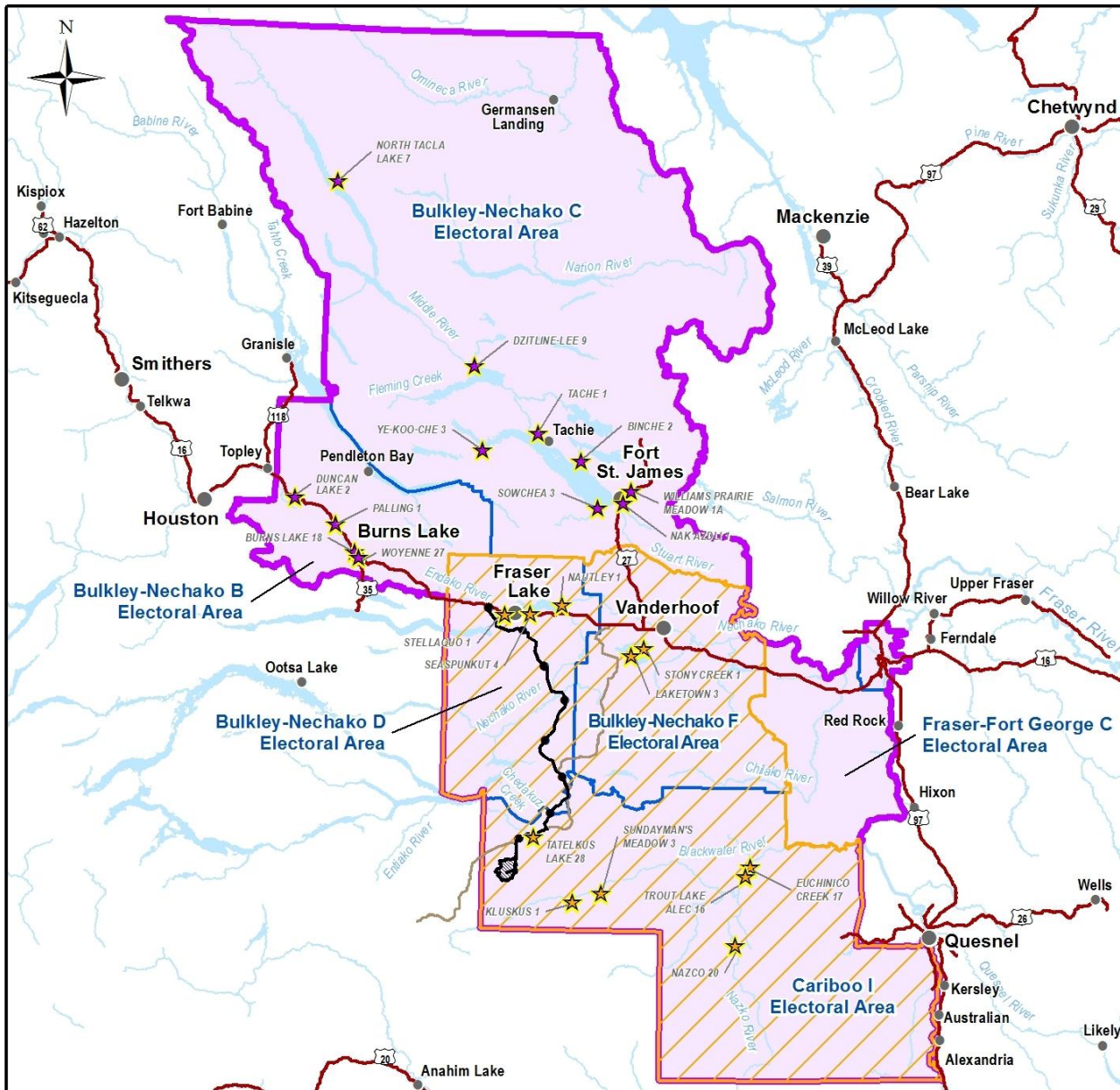


Summary of Percent Change in Total Habitat Area for Davidson Creek Downstream of TSF, for 15-year Watershed Model Flow Series

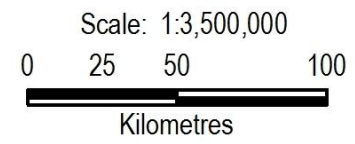
Tatelkuz Lake Outlet Impact of Project



Social & Economic Study Areas



- Populated Place
- 16 Highway
- Kluskus / Kluskus-Ootsa FSR
- Stream
- Waterbody
- Electoral Boundaries
- Project Components**
- Proposed Transmission Line
- Proposed Mine Site
- Social and Economic**
- Local Study Area
- Regional Study Area
- Indian Reserves**
- Local Study Area
- Regional Study Area

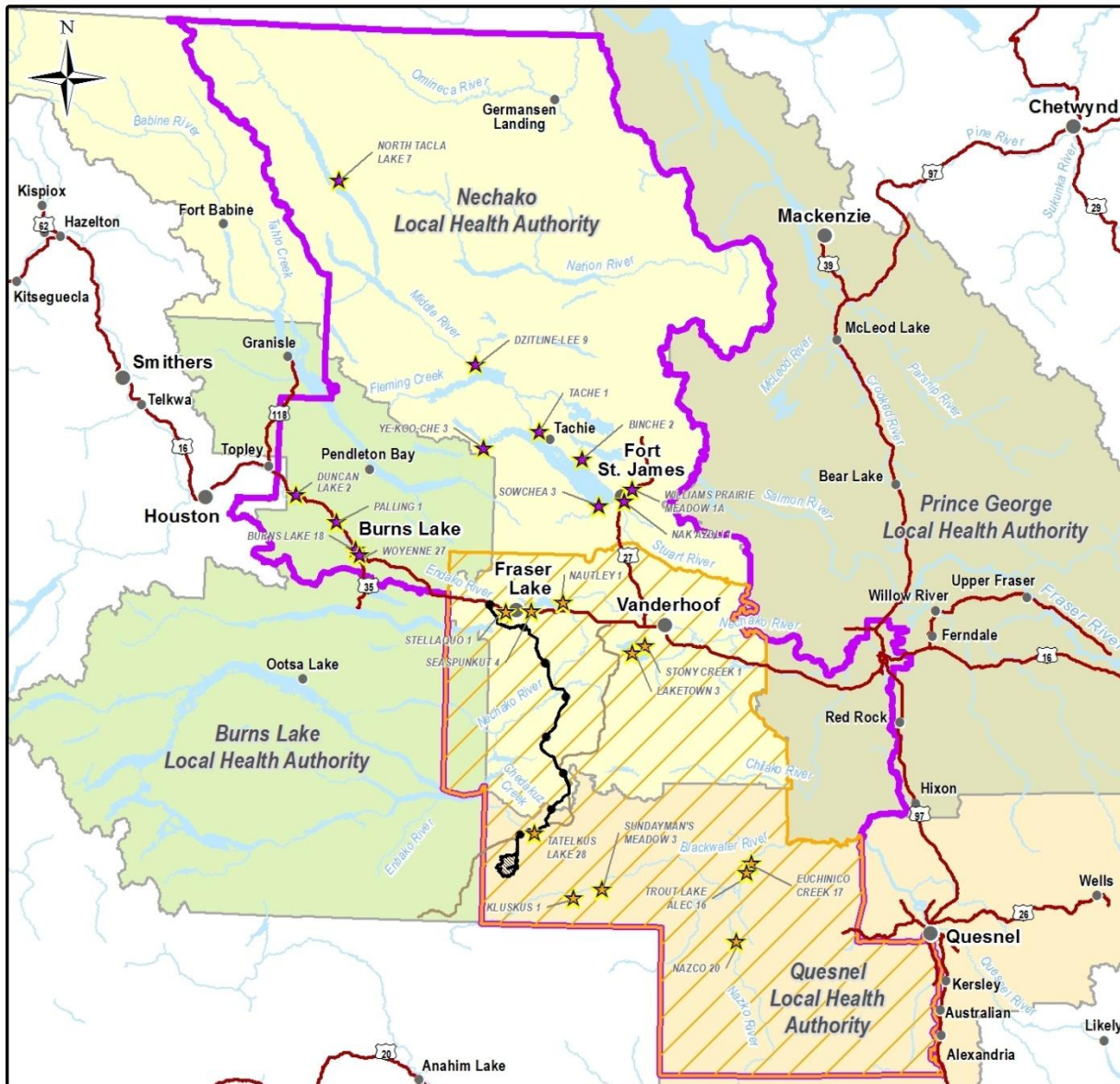


Potential Issue	Potential Environmental Effect	Valued Component
Employment and contract opportunities	Improved income and economic well-being, employment	6.2.5 Regional and Local Employment and Businesses

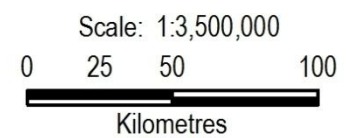
Proposed Mitigation

- Provide access to money management training.
- Offer counseling services as well as cultural awareness training and harassment-free workplace to its employees.
- Work with local agencies to assist monitoring community wellbeing and to take corrective actions where appropriate.
- Work with Aboriginal groups to identify and remove barriers to employment and training.

Social & Economic Study Areas: Local Health Authorities



- Populated Place
- 16 Highway
- Kluskus / Kluskus-Ootsa FSR
- Local Health Authorities**
- Burns Lake LHA
- Nechako LHA
- Prince George LHA
- Quesnel LHA
- Project Components**
- Proposed Transmission Line
- Proposed Mine Site
- Social and Economic**
- Local Study Area
- Regional Study Area
- Indian Reserves**
- Local Study Area
- Regional Study Area



Potential Issue	Potential Environmental Effect	Valued Component
Concern about increased stress on social support and frontline workers as a result of in-migration	Potential effects from in-migration of workers and increased disposable income, increased pressure is placed on local social support services and frontline workers	7.2.5 Family and Community Well-being 7.2.7 Current Use of Land and Resources for Traditional Use
In-migration of workers and greater disposable income increases demand and pressures against Aboriginal women (e.g., violence against women including domestic abuse, human trafficking, and prostitution)	Potential for negative economic, well-being effects such as increases in crime, alcohol/drug abuse, or family dysfunction	6.2.5 Regional and Local Employment and Businesses
Potential exacerbation of alcohol and drug use and sale of drugs	Potential for negative well-being effects, such as increases in crime, alcohol/drug abuse or family dysfunction	

Proposed Mitigation

- Provide access to money management training.
- Offer counseling services as well as cultural awareness training and harassment-free workplace to its employees.
- Work with local agencies to assist monitoring community wellbeing and to take corrective actions where appropriate.
- Work with Aboriginal groups to identify and remove barriers to employment and training.²⁸

SFN has expressed concern with the numbers of projects happening in the Saik'uz Territory.

The Application conducted a Cumulative Effects Assessment of the residual effects of the effects assessment.



Kluskus Forest Service Road at Nechako Range

Purpose:

- Continue to engage Aboriginal groups in the proposed Project.
- Involve Aboriginal groups in assessing and verifying the results of environmental studies and effects assessments.
- Verify and involve Aboriginal groups in assessing the effectiveness of proposed mitigation.
- Invite Aboriginal groups to offer input into culturally appropriate approaches to avoid, reduce, mitigate, or otherwise accommodate potential adverse effects on traditional and current use.
- Identify opportunities for longer-term participation in economic, employment, training, and other capacity-building interests.

Approach to resolve issues:

- Endeavour to resolve 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.
- In some cases, outstanding issues and concerns may be addressed in agreement negotiations.



Volumes 1 to 6 – Application/EIS Main Body
Volumes 7 to 23 – Appendices with Supporting Documentation

This Application is organized in four sections:

- Part A Introduces the Project and provides background information;
- Part B Elaborates the Project's potential environmental, economic, social, heritage, and health effects, including cumulative effects and the significance of residual effects, in accordance with the provincial and federal EA processes;
- Part C Identifies Aboriginal groups, and their rights and interests, that could potentially be affected by the Project, and how effects will be addressed and mitigated; and
- Part D Provides the conclusions of the assessment and demonstrates that all potential adverse effects of the Project have been identified, assessed, and avoided or mitigated where practicable.



Appendix B

*Blackwater Gold Project- Information Request Tracking Table
and Responses during the Extended Screening Period
(Saik'uz First Nation; October 15, 2014)*

BLACKWATER GOLD PROJECT

Saik'uz First Nation Consultation Summary, May to November, 2014

October 15, 2014

Saik'uz First Nation

Email Transmittal to:

1. Jackie Thomas

RE: ENVIRONMENTAL ASSESSMENT APPLICATION/IMPACT STATEMENT

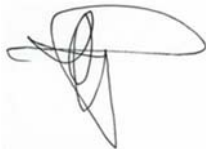
Dear Jackie,

New Gold appreciates the comments and information requests you have provided to the Blackwater Gold Project Application/EIS dated May 2014. Please find attached to this letter an information package that explains how your comments have been addressed as follows:

- Table 1: Blackwater Gold Project – Information Request (IR) Tracking Table of Comments and Responses during the Extended Screening Period (Saik'uz First Nation)

We trust this information explains clearly how the Application/EIS has been updated to reflect your feedback.

Regards,



Tim Bekhuys
Director, Blackwater Project

Table 1: Blackwater Gold Project – Information Request (IR) Tracking Table of Comments and Responses during the Extended Screening Period (Saik’uz First Nation)

**Blackwater Gold Project – Information Request (IR) Tracking Table of Comments and Responses during the Extended Screening Period
(Saik’uz First Nation)**

ID #	Type	Organization	Name of Commenter	Information Request (IR)	Explanation of how comments have been addressed in the September 2014 Application/EIS
1.	First Nation	Saik’uz First Nation	Jackie Thomas	Concordance Table ID 24 (Section 2.2-39 - Off Site Infrastructure). There is absent information, The offsite infrastructures doesn't include the main access road from Engen nor the Transmission Line access points and ancilliary connections to the Kenney Dam Road. The additional access use is expected to put additional resource users into the Saik’uz territory with the additional pressures for land acquisitions, tenures and other resource activities in the future. See also comments provided for Concordance Table ID 536-541 and 551-553.	The Kluskus-Ootsa FSR is discussed in Section 2.2.1.1 and 2.2.4.2.8. An overview of transportation and access management is provided in Section 2.2.3.8 and the Transportation and Access Management Plan is detailed in Section 12.2.1.18.4.14. The Kluskus-Ootsa FSR is a shared road with Canfor being the largest user. New Gold will have a shared use agreement with Canfor. Except for a brief period during mine construction, New Gold will be a minor user of the road. There will be minor upgrades of the road in Saik’uz territory as shown on Figure 2.2.4-1. The transmission line will require some new access roads which will terminate at the transmission line itself and will not provide any new connections between existing roads; the transmission line is discussed in Section 2.2.4.4. Thus the transmission line access roads will only provide very limited new access; the transmission line itself will not provide access to wheeled vehicles. The transmission line is shown on Figure 2.2.1-1. The Kenny Dam road was added to this figure. A discussion of effects to current use of lands for traditional purposes is provided in Section 7.2.7. The section also discusses effects to SFN and access management.
2.	First Nation	Saik’uz First Nation	Jackie Thomas	Concordance Table ID 42-45 (Section 2.7-1 to 2.7-6 Land) There are partially absent information. Section 2.7-1 makes reference to the LRMP's of which First Nations weren't involved in developing nor are any First Nation Stewardship Plans listed. Section 2.4-4 to 2.4-6 makes reference to other developments on the land as well as identifying future developments with no references to First Nations plans for same lands nor references to First Nations authorizations. See also comments provided for Concordance Table ID 405-412.	Section 2.7 was developed on the basis of information with respect to management plans and consideration of other known administrative boundaries. The Proponent encourages input from Aboriginal groups regarding land use planning and will consider these activities, as appropriate, in future stages of the Project (i.e. permitting).
3.	First Nation	Saik’uz First Nation	Jackie Thomas	Concordance Table ID 56 (Section 2.9-1 to 2.9-3 Permits) There are partially absent information. References to provincial authorizations required with no references to First Nations authorizations and/or permits.	Section 2.9 was developed on the basis of information with respect to all permitting authorizations required. Further consultation requirements for permits are determined by the responsible agency.
4.	First Nation	Saik’uz First Nation	Jackie Thomas	Concordance Table ID 71 (Section 4.18 - Spatial Boundaries) There is absent information. There are baseline information gaps in terms of access and although Saik’uz has made frequent comments to this issue through meetings and letters to the BCEAO to address these concerns, it is absent in the draft Application, although references to LRMP's are made.. See also comments provided for Concordance Table ID 24, 42-45, 405-412.	Feedback received from First Nations during the AIR preparation period was considered as appropriate in the definition of the spatial boundaries for the selected VCs.
5.	First Nation	Saik’uz First Nation	Jackie Thomas	Concordance Table ID 75 (Section 4.25 - Existing Conditions) There is absent information. The potential interactions between the project and VC's from natural and/or human trends that may alter the existing conditions irrespective of the changes that may be caused by the proposed Project or other projects. See also comments for Concordance Table ID 113, 148, 173, 197,249,281,360,361,367.	The text in this section has been updated to further define existing conditions. "In addition to the description relative to the VC, the scope of the description of existing conditions also includes: • Natural and/or human trends that may alter the existing conditions irrespective of the changes that may be caused by the proposed Project or other projects and activities in the study area; and • Description of how other past and present projects and activities in the study area have affected or are affecting each VC." An assessment of cumulative effects, which considers other projects and activities present in the RSA for each VC has been conducted when residual effects of the Project were determined to be other than Not Significance (negligible).
6.	First Nation	Saik’uz First Nation	Jackie Thomas	Concordance Table ID 96 (Section 5.1.2 - Hydrology) There is partially absent information. The regional area is not inclusive of the downstream of activities proposed nor are the interactions with those water systems understood.	The hydrology study areas consider all of the catchments potentially affected by the projects and those have been selected for the assessment residual effects of the mine site. The Regional Study Area goes downstream from the mine site to the discharge of Chedakuz Creek into the Nechako reservoir. There are no effects on flow anticipated downstream of the Local Study Area for the mine site.

BLACKWATER GOLD PROJECT

APPLICATION FOR AN ENVIRONMENTAL ASSESSMENT CERTIFICATE / ENVIRONMENTAL IMPACT STATEMENT
BLACKWATER GOLD PROJECT – IR TRACKING TABLE OF COMMENTS AND RESPONSES DURING THE EXTENDED SCREENING PERIOD



ID #	Type	Organization	Name of Commenter	Information Request (IR)	Explanation of how comments have been addressed in the September 2014 Application/EIS
7.	First Nation	Saik'uz First Nation	Jackie Thomas	Concordance Table ID 113; 249 (Section 5.1.3.3; 5.4.6.2 - Vegetation; Plants and Ecosystems) There is partially absent information. Saik'uz First Nation has made specific references to have First Nation information related to vegetation and plants of Saik'uz First Nation food inventories completed, as well as plants of medicinal importance. There are none listed in additional baseline information. Reliance on partial information by select members cannot suffice as complete information.	The Proponent remains committed to ongoing dialogue with Saik'uz First Nation (SFN). As indicated in the section, 19 traditional use plants were added to the vegetation assessment due to input provided during interviews with Aboriginal groups, Chief and Councils and keyoh/trapline holders. The Proponent remains committed to integration of TK/TLU information into mitigation, monitoring and other Project-related activities as may be appropriate should additional information be made available by SFN.
8.	First Nation	Saik'uz First Nation	Jackie Thomas	Concordance Table ID 148; 173; 197; 281; 360; 361; and 367 (Section 5.3.2.2; 5.3.5.2; 5.3.8; 5.4.10.2; 7.1.2; 7.1.3; 7.2.2.2 - Surface Water Flow; Groundwater Quantity; Fish; Moose; Non Traditional Land & Resource Use; Current Land Resource for Traditional Purposes; Demographics) There is partially absent information. The AIR makes references in each of the above to identification of past and future activities that may impact each VC inclusive of traditional and community knowledge. There are no First Nation references in any of the baseline information.	In developing the AIR, the Proponent relied on the best available information, including TK/TLU information. Although TK/TLU information from Saik'uz was not readily available on these matters there was TK/TLU available to varying degrees for other Aboriginal groups. The Proponent remains committed to ongoing dialogue with SFN and is committed to integration of TK/TLU information into mitigation, monitoring and other Project-related activities as may be appropriate should additional information be made available by SFN.
9.	First Nation	Saik'uz First Nation	Jackie Thomas	Concordance Table ID 375 (Section 7.2.3-3 - Regional Infrastructure) There is absent information. There are references to the traffic on the Kluskus Forest Service Road and none listed for the Kenney Dam Road which will also provide access points to the transmission line. Saik'uz First Nation would need this KDR traffic report completed as well as a report of trend over time for forest service roads to fully understand the implications of the project on our use and practice of aboriginal rights. See comments provided for Concordance Table ID 405-412.	Section 2.2, Figure 2.2.1-1 illustrates that access to the mine site will be along the Kluskus FSR. There are no plans to use the Kenney Dam Road.
10.	First Nation	Saik'uz First Nation	Jackie Thomas	Concordance Table ID 60-61 (Section 3.3 - Aboriginal Groups Information Distribution and Consultation) See comments provided for Concordance Table ID 526, 527, 529, 535-541 and 551-553.	Refer to responses to Table ID 526, 527, 529, 535-541 and 551-553.
11.	First Nation	Saik'uz First Nation	Jackie Thomas	Concordance Table ID 405-412(Section 7.2.7 - Current Land and Resource Use for Traditional Purposes) The Draft EA Application relies on the use of lands and resources by only a limited number of Saik'uz members to characterize the use of lands and resources by the Nation as a whole. By limiting data collection to a few individuals, this approach fails to adequately describe the baseline of the Nation's current use of lands and resources for traditional purposes, as is required by s. 7.2.7 of the AIR. A similar problem arises with the information provided on Saik'uz's Aboriginal rights, as described further below. The lack of adequate baseline information on the Saik'uz Nation is highlighted by the statement in the Draft EA Application that "traditionally used plants are widespread in the Fraser Plateau Ecoregion". This fails to take into account the preferred harvesting locations of Saik'uz members, and is also an unsupported statement regarding what plants are traditional used in light of the lack of information that New Gold obtained from Saik'uz regarding the Nation's current uses (as opposed to limited information from select members). Another key concern is the repeated reliance in the effects assessment on particular species to evaluate the effects on current use (and Aboriginal rights, as described further below). Impacts on use, although related in part to impacts on the corresponding resources or species that are used, are broader, and may occur even where impacts to the specific resource or species are not predicted. For example, although a species population may not be impacted by a proposed activity, social perceptions of damage (such as disease or contamination) or increased challenges and obstacles to access, may nonetheless impact Saik'uz members' continued use of that resource or species. By relying on impacts to the species or resource, New Gold has failed to address the actual impacts on the Nation's current use of lands and resources. Finally, based on incomplete current use data, the Draft EA Application nonetheless concludes that the proposed natural gas pipeline projects do not intersect with areas where land and resources are currently used for traditional purposes. As such, these large projects, which will likely have 'significant impacts on habitat fragmentation and access for current use, were not included in the cumulative effects assessment. This is a substantial omission, which must be addressed before the EA Application is accepted for review. See also comments provided for Concordance Table ID 526, 527,529, 535-541 and 551-553.	This comment was considered in Section 7.2.7 and revisions were made to rely on a more robust approach using quantitative and qualitative methods to assess potential effects on selected indicators and factors. This revised approach does not focus on biophysical VC's as the sole proxy to assessing effects on current Aboriginal land uses. In addition, the Application/EIS now provides clearer detail on which SFN interviews were used in the sections. In this case, Aboriginal trapline and keyoh holders were interviewed as well as SFN Chief and Council. The traplines and keyohs are still used for harvesting (hunting, gathering and only one is still used for trapping) purposes so they are included in the assessment. It does not represent an assessment on all SFN uses and Section 7.2.7 identifies the limited data as a weakness. Section 15 now incorporates the results from 7.2.7 where appropriate. The statement regarding traditional plants and the Fraser Plateau was removed from Section 7.2.7. The Proponent remains committed to ongoing dialogue with SFN. It is also committed to integration of TK/TLU information into mitigation, monitoring and other Project-related activities as may be appropriate should additional information be made available by SFN. The process of how TK/TLU information will be integrated is presented in Section 17 Aboriginal Groups Consultation (Figure 17.1.4-1: Integration of Traditional Knowledge and Land Use Information into the Blackwater Gold Project Development). The Proponent and SFN signed a TK Protocol on 16 July 2014 with a number of objectives including how to facilitate the provision of TK/TLU information.

ID #	Type	Organization	Name of Commenter	Information Request (IR)	Explanation of how comments have been addressed in the September 2014 Application/EIS
12.	First Nation	Saik'uz First Nation	Jackie Thomas	<p>Concordance Table ID 526 (Part C - Aboriginal Groups Information Requirements) Part C of the AIR incorporates by reference the guidance outlined in the EAO User Guide and the Proponent Guide to Providing First Nation Consultation. Notably, before the AIR was finalized, both of these documents had been updated (i.e., the EAO User Guide of 2010 was updated in March 2011, and the Proponent Guide for Providing First Nation Consultation Information of 2010 was replaced with the Guide to Involving Proponents when Consulting First Nations in the Environmental Assessment Process in December 2013). The updated versions of these EAO policies, which were in effect when the AIR was finalized, are therefore relied on for these COIID11ents. The EAO User Guide states that common law principles should be adopted by proponents when consulting First Nations. These principles include: starting consultation as early as possible; ensuring opportunities for First Nations to provide feedback; genuinely considering Aboriginal concerns and attempting to find ways to address them; and being responsive. In addition, the Proponent Guide notes that the key objectives of consultations with First Nations during an EA are to develop solutions with First Nations regarding ways to reduce or avoid potential impacts to Aboriginal rights, title and interests. The Proponent Guide also acknowledges the importance of incorporating TK into baseline studies. The timeline of discussions between Saik'uz and New Gold regarding the incorporation of our TK in the EA Application highlights New Gold's failure to abide to the EAO guidance, as mandated in the AIR. Notably, Saik'uz initially tabled a TK Protocol, setting out the process for collecting Saik'uz TK and obtaining consent for use thereof, with New Gold in September 2013. Although some discussions were held between the parties over the following months, and Saik'uz has diligently sought to finalize the Protocol, final agreement remains outstanding. Nevertheless, New Gold has submitted its Draft EA Application without any properly obtained TK from Saik'uz, and has thereby also failed to incorporate this vital information into the baseline studies required to assess the Project. Contrary to New Gold's suggestion in the Draft EA Application, this vital baseline information cannot be left to the Project design, execution, management and monitoring stages. As the parties have not yet signed a TK Protocol, the sole information on Saik'uz's Aboriginal rights presented in the Draft EA Application is information provided by select individual members, without delegation, confirmation, verification or validation by the Nation. Statements in the Draft EA Application regarding the exercise of Aboriginal rights (including which species are most hunted and where, what trees and plants are most commonly harvested and where, the exercise and location of spiritual and ceremonial ceremonies, etc.) are therefore inappropriate and inadequate, as it is well recognized that Aboriginal rights are collectively held, and their scope cannot be limited to descriptions provided by single individuals, without delegation, confirmation, verification or validation by the Nation (which did not occur here). See also comments provided for Concordance Table ID 527, 529, 535-541 and 551-553, which highlight New Gold's failure to consider the effects of the Project on Saik'uz's Aboriginal Rights in the Draft EA Application, as required by the AIR.</p>	<p>The Proponent remains committed to ongoing dialogue with Saik'uz First Nation. A TK Protocol was signed in July 2014 with SFN. The TK Protocol outlines how the Proponent will utilize TK information provided by Saik'uz First Nation in the future. The Proponent is committed to integration of TK/TLU information into mitigation, monitoring and other Project-related activities as may be appropriate should additional information be made available by SFN. The process of how TK/TLU information will be integrated is presented in Section 17 Aboriginal Groups Consultation (Figure 17.1.4-1: Integration of Traditional Knowledge and Land Use Information into the Blackwater Gold Project Development). TK/TLU information was incorporated for SFN at the time of writing and to the extent that it was made available. Section 14 has been revised to more clearly identify the primary and secondary data sources. In addition, reference to data supplied by the individual Joseph keyoh holder has been deleted and/or moved to sections which pertain only to the Joseph keyoh.</p>
13.	First Nation	Saik'uz First Nation	Jackie Thomas	<p>Concordance Table ID 527, 529, 535 (Section 14 - Background Info) Section 14.0 of the Draft EA Application does not contain all the information required under s.14.0 of the AIR (Aboriginal Groups Background Information). First, this section of the Draft EA Application provides a generalized overview of the Dalkeh peoples, without specific background information on "each of the Aboriginal groups specified in the section 11 order", including Saik'uz, as is mandated in the AIR. Notably, the generalized overview presented in s. 14.2 (misleadingly titled "Aboriginal Traditional Land Use and Traditional Knowledge") repeatedly draws from select Nation-specific studies (such as Dewhirst, J. 2013 which focuses on the Lhoosk'uz Dene Nation Traditional Territory, and DM Cultural Services Ltd. 2013 which focuses on the Ulkatcho First Nation) to provide an overview of all Aboriginal TK surrounding the Project area. This is wholly inappropriate as Aboriginal TK is Nation-specific, and cannot be generalized in this manner. Further, AIR-mandated discussions and information are missing - including information on Saik'uz's health conditions (the existence of a health centre does not convey information on the Nation's health conditions), socio-cultural conditions (including governance, family and cultural practices, and community well-being) and economic conditions (most notably, economic conditions associated with traditional land use and TK (i.e., traditional economies), which information New Gold has not yet been sought or obtained from the Saik'uz Nation). In addition, contrary to s.14 of the AIR, no map of Saik'uz traditional territory potentially affected by the proposed project is provided in s. 14 of the Draft EA Application. Finally, the absence of any information collection and reporting methodologies determined by, or in collaboration with, Saik'uz (as recommended in the AIR) is notable - instead the Draft EA Application refers to "standard</p>	<p>Section 14 aims to provide background information on Aboriginal groups including TK/TLU. The initial discussion focuses on providing an overview, including a historic overview of Dalkeh people. This section relies on approximately 20 secondary data sources including a report by John Dewhirst which describes the Dalkeh keyoh system. As per the AIR, each First Nation has a section describing the social, economic and land use characteristics. These sections rely on publically available information, primary data collection (where First Nation agreed to participate in interviews) as well as information supplied directly from individual First Nations. The report by DM Cultural Services and John Dewhirst are 2 of 20 sources used to support the section.</p> <p>Community information related to health and social conditions for Saik'uz were not made available at the time of writing. When this information is made available to the Proponent it will be integrated as appropriate in Project planning and execution.</p> <p>A map illustrating SFN traditional territory was added to Section 14. This map also depicts project infrastructure. A more detailed map is included in Section 7.2.7 Current Land and Resource Use for Traditional Purposes.</p>

ID #	Type	Organization	Name of Commenter	Information Request (IR)	Explanation of how comments have been addressed in the September 2014 Application/EIS
				<p>approaches" to gathering information, which are inappropriate for collecting information to describe socio-economic conditions of Aboriginal groups, and do not meet the requirements of s. 14 of the AIR. See also comments provided for Concordance Table ID 405-412,526,536-541 and 551-553.</p>	
14.	First Nation	Saik'uz First Nation	Jackie Thomas	<p>Concordance Table ID 536 - 541 (Section 15 - Aboriginal Rights) Section 15.0 of the Draft EA Application does not contain all the information required under s. 15.0 of the AIR (Aboriginal Rights). First, due to the lack of TK obtained from Saik'uz, this section of the Draft EA Application incorrectly characterizes the limited information provided from select Saik'uz members as Saik'uz Aboriginal rights. As mentioned previously and as is legally well recognized, Aboriginal rights are collectively held and can therefore not be characterized solely from the perspective of individual Saik'uz members. Information provided by individual members also fails to adequately represent the past, present and anticipated future uses of the Project area by the Nation as a whole, as specifically required by the AIR. As such, conclusions on which species are most often hunted, the best moose hunting areas, hunting within the LSA and RSA, areas in which fishing rights are exercised, plant gathering sites, and the significance of effects on Saik'uz's Aboriginal rights (as summarized in s. 15.4.3.1), are incorrect and inadequate, and do not fulfill the AIR requirement to discuss potential or established Aboriginal rights and related interests of Saik'uz. We also note that contrary to New Gold's assertion that funding has been provided to Saik'uz to complete a TK study, only limited funding has been provided to date, and outstanding funding remains subject to the conclusion of a TK Protocol between the parties and the subsequent completion by Saik'uz of the requisite work. New Gold has also referred to other sources of TK from Saik'uz. These sources, however, are of limited scope, do not specifically pertain to the Nation's rights, and/or were compiled in a non-transparent manner and contrary to Saik'uz confidentiality policies. As such, the Draft EA Application contravenes the requirement outlined in s. 14 of the AIR to only present TK and traditional use information that is not subject to confidentiality provisions. New Gold also alleges that it has engaged extensively with Saik'uz since February 2012. This engagement, however, is largely limited to general scheduling, initial meet-and-greets, Project introductions, overviews and updates, unauthorized interviews with select members, agreement negotiations, and correspondence with regulators to which New Gold was cc'd. The Draft EA Application also fails to fulfill the AIR and Section 11 Order requirements to consider impacts on Aboriginal title (see s. 15.1.1.2). Notably, "Aboriginal Interests" are defined in the Section 11 Order to include Aboriginal title, and the Section 11 Order requires New Gold to consider the potential adverse effects on the Aboriginal interests (i.e., rights, including title) of Saik'uz within the scope of the assessment. The AIR also specifically requires New Gold to identify asserted Aboriginal rights, including title. We note that in evaluating impacts on title, guidance must be drawn from the Supreme Court of Canada's recent decision in <i>Tsilhqot'in Nation v. British Columbia</i>, which includes the acknowledgment that "[g]overnments and individuals proposing to use or exploit land, whether before or after a declaration of Aboriginal title, can avoid a charge of infringement or failure to adequately consult by obtaining the consent of the interested Aboriginal group". Further, as previously recognized by the Supreme Court of Canada, where mitigation measures are adopted in response to First Nation's concerns, these should be developed in consultation with that First Nation. The repeated reliance in s. 15 of the Draft EA Application on other sections of the Draft EA Application that describe mitigation measures for specific species or resources fails to take into account the unique needs of mitigation measures required to address impacts on Aboriginal rights, which, as explained above, are much broader than impacts to a specific species or resources. Notably, those mitigation measures that are presented fail to fulfill the AIR requirements in at least two important ways. First, the AIR specifically requires New Gold to "describe mitigation measures to avoid or reduce" the Project impacts on past, present and anticipated future uses, and asserted Aboriginal rights, including title. As mentioned above, the Draft EA Application fails to identify such uses or rights and title of Saik'uz. As the actual impacts to the Nation are unknown, appropriate mitigation measures cannot be proposed. Further, the Draft EA Application repeatedly provides that various issues will be addressed in management plans - specific measures to avoid or reduce impacts are therefore not adequately defined for a fulsome evaluation on whether such measures will be appropriate and sufficient to avoid or reduce impacts. Finally, as New Gold concluded that there are no residual effects (albeit on inadequate data), New Gold has not assessed the potential cumulative effects of the Project with other past, existing and reasonably foreseeable projects and activities on Saik'uz's Aboriginal rights, including title. Instead, New Gold</p>	<p>The Proponent remains committed to ongoing dialogue with SFN. The Proponent is committed to integration of TK/TLU information into mitigation, monitoring and other Project-related activities as may be appropriate should additional information be made available by SFN. The process of how TK/TLU information will be integrated is presented in Section 17 Aboriginal Groups Consultation (Figure 17.1.4-1: Integration of Traditional Knowledge and Land Use Information into the Blackwater Gold Project Development). A TK Protocol was signed in July 2014 with SFN. The TK Protocol outlines how the Proponent will utilize TK information provided by Saik'uz First Nation in the future. In cases where information was provided by one SFN keyholder or in other cases where the information was provided by Chief and Council is now attributed in the text. Where possible a greater discussion of effects and mitigation measures to effects on rights SFN has been provided. References to cumulative effects in Section 15 has been removed.</p> <p>With regards to the statement regarding Section 7.2.7. (Current Land and Resource Use for Traditional Purposes) relationship to section 15 (Aboriginal Rights) the Proponent has noted and accepted the comment and both Sections 7.2.7 and 15 have been updated accordingly.</p>

ID #	Type	Organization	Name of Commenter	Information Request (IR)	Explanation of how comments have been addressed in the September 2014 Application/EIS
				<p>has simply concluded in Table 15.4-2 that there are no cumulative effects. As mentioned above, New Gold has failed to properly identify Saik'uz Aboriginal rights and title. As such, the residual effects assessment is incomplete and incorrect, and the subsequent cumulative effects assessment is equally incomplete and incorrect. New Gold also relies heavily throughout Part C of the Draft EA Application on the current land and resource use for traditional purposes described in s. 7.2.7 (as evidenced by similar language used in both sections). Although the AIR does provide that the discussion of potential impacts on Aboriginal rights and title in Part C may draw on the current land and resource use, the AIR also notes that current uses may or may not be linked to the exercise of Aboriginal rights (AIR, s.7.2.7). This distinguishing feature is of vital importance, as the meaningful exercise of Aboriginal rights may have already been impacted by past and existing activities within a Nation's territory. The alienation of lands and resources by past and existing activities, and corresponding impacts on rights and title, does not, however, diminish those rights and title. In relying heavily on the description of current use to characterize Saik'uz's Aboriginal rights in Part C of the Draft EA Application, New Gold fails to appreciate this distinguishing feature between current use and Aboriginal rights, which is clearly acknowledged in the AIR. This is particularly notable in the findings of no residual effects, and corresponding lack of cumulative effects assessment. Bald statements, in the introductory paragraphs of the corresponding sections of the Draft EA Application, that merely repeat those made in the AIR do not remedy this erroneous approach. See also comments provided for Concordance Table ID 405-412, 526, 527, 529, 535 and 551- 553.</p>	
15.	First Nation	Saik'uz First Nation	Jackie Thomas	<p>Concordance Table ID 545 (Section 16 - Other Aboriginal Interests) Section 16.4 (page 16-28) repeats paragraphs 3 and 4 (contained in paragraphs 1 and 2).</p>	<p>Repetition in Section 16.4 has been deleted.</p>
16.	First Nation	Saik'uz First Nation	Jackie Thomas	<p>Concordance Table ID 551-553 (Section 17 - Aboriginal Groups Consultation) Although the limited scope of this evaluation does not entail an in-depth review of the Draft EA Application, the definition of TK provided by New Gold in the first sentence of s. 17.1.4 warrants a comment at the outset as it underscores part of the key underlying problem with the Draft EA Application - namely that it was prepared without Saik'uz's TK. The World Intellectual Property Organization has drafted, with the assistance of TK practitioners and experts worldwide, a more appropriate definition of TK, namely: "knowledge, know-how, skills and practices that are developed, sustained and passed on from generation to generation within a community, often forming part of its cultural or spiritual identity". This definition reflects the vital importance of TK to Indigenous identity and, ultimately, the underlying Aboriginal rights of the Aboriginal peoples to whom the TK belongs. Further, as mentioned above, the EAO User Guide provides that First Nations' consultation principles that courts have reinforced through the common law should be adopted by proponents when consulting First Nations. Well-recognized common law principles include that consultation must be meaningful, and not merely a check-in procedure. Further, a key requirement in honourable consultation is responsiveness. As such, wherever possible, First Nations' concerns should be demonstrably integrated into the proposed plan of action. With regards to the alleged consultation undertaken, New Gold has stated throughout s. 17 of the Draft EA Application that it has fulfilled the consultation requirements set out in the Section 11 Order. Section 11.1.1 of the Section 11 Order states that, for the purposes of developing the application, New Gold must consult with Saik'uz with respect to the potential effects of the proposed Project on its rights, title and interests. According to s. 17.3.3.1 of the Draft EA Application, New Gold undertook the following consultation activities with Saik'uz: meetings and presentations, written communications, agreement negotiations, a TLU study, socio- economic interviews, workshops and site tours. Contrary to New Gold's statements, several of the alleged consultation activities undertaken to date do not constitute consultation regarding the potential effects of the Project on Saik'uz's rights, title and interests, as required by the Section 11 Order. A large proportion of alleged consultation activities listed in Appendix 17 of the Draft EA Application pertain to general scheduling, initial meet-and-greets, Project introductions, overviews and updates, unauthorized interviews with select members, agreement negotiations, and correspondence with regulators to which New Gold was cc'd. To date, agreement negotiations have also been slow, and the capacity funding agreement was not signed until very recently when the EA Application was well on its way to completion (in February 2014). This late provision of funding is reflected in Saik'uz's inability to provide input on the Aboriginal Consultation Plan, as alluded to by New Gold in s. 17.3.3.2.3 of the Draft EA Application. Concurrently, a TK Protocol that will outline how TK is to be</p>	<p>Section 17.3.3 was updated to provide additional detail of the meetings and consultation undertaken with SFN. In addition, a TK protocol was signed on July 16 2014 with SFN. This provides a process for incorporation/utilization of TK/TLU information from SFN. The Proponent remains committing to understanding the concerns and Aboriginal interests of Saik'uz First Nation. It is also committed to integration of TK/TLU information into mitigation, monitoring and other Project-related activities as may be appropriate should additional information be made available by SFN. The process of how TK/TLU information will be integrated is presented in Section 17 Aboriginal Groups Consultation (Figure 17.1.4-1: Integration of Traditional Knowledge and Land Use Information into the Blackwater Gold Project Development).</p>

BLACKWATER GOLD PROJECT

APPLICATION FOR AN ENVIRONMENTAL ASSESSMENT CERTIFICATE / ENVIRONMENTAL IMPACT STATEMENT
 BLACKWATER GOLD PROJECT – IR TRACKING TABLE OF COMMENTS AND RESPONSES DURING THE EXTENDED SCREENING PERIOD



ID #	Type	Organization	Name of Commenter	Information Request (IR)	Explanation of how comments have been addressed in the September 2014 Application/EIS
				collected, confidentiality provisions, and permitted uses of Saik'uz's TK, remains outstanding. Further, contrary to New Gold's statement, a TLU study has not been completed. As such, contrary to requirements of s. 17.1 of the AIR, New Gold has failed to demonstrate any efforts to actually integrate Aboriginal TK; information that it has still not obtained from Saik'uz due to its own delay in finalizing the requisite corresponding agreement. In summary, many of the alleged consultation activities undertaken by New Gold with Saik'uz do not reflect the consultation principles outlined by Canadian courts. As such, New Gold has failed to abide to the guidance outlined in the EAO User Guide, as required by Part C and s. 17 of the AIR. In addition, the majority of the alleged consultation activities have not pertained to the potential effects of the Project on Saik'uz's rights, title and interests, thus also breaching the specific requirements of the Section 11 Order. See also comments provided for Concordance Table 10 526, 527, 529, and 535-541.	
17.	First Nation	Saik'uz First Nation	Jackie Thomas	Concordance Table ID 556 (Section 18 - Summary) The same comments as those provided for Concordance Table ID 405-412, 526, 527, 529, 535- 541 and 551-553 apply to s. 18 of the draft EA Application.	Section 18 was updated after the revised assessment in Section 7.2.7 and Section 15. As described, revisions were made to rely on a more robust approach using quantitative and qualitative methods to assess effects on selected indicators and factors. The revised approach does not focus on biophysical VC's as the sole proxy to assessing effects on current Aboriginal land uses. The Proponent remains committed to ongoing dialogue with SFN. It is also committed to integration of TK/TLU information into mitigation, monitoring and other Project-related activities as may be appropriate should additional information be made available by SFN. The process of how TK/TLU information will be integrated is presented in Section 17 Aboriginal Groups Consultation (Figure 17.1.4-1: Integration of Traditional Knowledge and Land Use Information into the Blackwater Gold Project Development).The Proponent has initiated an agreement negotiations process with SFN to among other objectives will facilitate the provision of TK/TLU information.
18.	First Nation	Saik'uz First Nation	Jackie Thomas	Concordance Table ID 558 (Section 19.2 - Outstanding Aboriginal Issues and Public Concern) The same comments as those provided for Concordance Table ID 405-412,526,527, 529, 535- 541 and 551-553 apply to s. 19.2 of the draft EA Application.	The Proponent remains committed to ongoing dialogue with SFN. It is also committed to integration of TK/TLU information into mitigation, monitoring and other Project-related activities as may be appropriate should additional information be made available by SFN. The process of how TK/TLU information will be integrated is presented in Section 17 Aboriginal Groups Consultation (Figure 17.1.4-1: Integration of Traditional Knowledge and Land Use Information into the Blackwater Gold Project Development). The Proponent has initiated an agreement negotiations process with SFN to among other objectives will facilitate the provision of TK/TLU information.
19.	First Nation	Saik'uz First Nation	Jackie Thomas	Concordance Table ID 560 (Section 21.4 -Aboriginal Groups - Consultation and Mitigation) The same comments as those provided for Concordance Table ID 405-412, 526, 527, 529, 535- 541 and 551-553 apply to s. 21.4 of the draft EA Application.	The Proponent remains committed to ongoing dialogue with SFN. It is also committed to integration of TK/TLU information into mitigation, monitoring and other Project-related activities as may be appropriate should additional information be made available by SFN. The process of how TK/TLU information will be integrated is presented in Section 17 Aboriginal Groups Consultation (Figure 17.1.4-1: Integration of Traditional Knowledge and Land Use Information into the Blackwater Gold Project Development).The Proponent has initiated an agreement negotiations process with SFN to among other objectives will facilitate the provision of TK/TLU information.

November 12, 2014

Lhoosk'uz Dene Nation
PO Box 4639
Quesnel, BC
V2J 3J8

BY EMAIL

Dear Chief Squinas:

Subject: Proposed Blackwater Gold Project – Lhoosk'uz Dene Nation Consultation
Summary, May and November 3, 2014

Attached please find a report summarizing New Gold's consultation efforts with the Lhoosk'uz Dene Nation (LDN) between May and November 2014 regarding the proposed Blackwater Gold Project (the Project). New Gold is required to consult with Aboriginal groups regarding potential adverse effects of the Project on Aboriginal interests, and on measures to avoid, mitigate or accommodate such potential adverse effects.

The attached report builds on our letter dated September 16, 2014, which outlined consultation activities to date and proposed further consultation. New Gold will continue to consult with LDN during the review of the Application for an Environmental Assessment/Environmental Impact Statement (EA Application) and document and respond to issues, concerns and interests raised by LDN with respect to the Project.

We look forward to receiving the LDN comments during the review of New Gold's EA Application. Please contact me if you have any questions. I can be reached by phone at 604-639-2005 and by email at Tim.Bekhuys@newgold.com

Sincerely,



Tim Bekhuys
Director, Blackwater Project

cc. Shelley Murphy, Executive Project Director, BC Environmental Assessment Office
Christal Nieman, Acting Project Manager, Canadian Environmental Assessment Agency

Attachment

New Gold Inc.

BLACKWATER GOLD PROJECT
**Lhoosk'uz Dene Nation Consultation
Summary, May to November, 2014**

November 2014

Citation:

New Gold. 2014. *Blackwater Gold Project: Lhoosk'uz Dene Nation Consultation Summary, May to November, 2014*. Prepared by New Gold Inc.: Vancouver, British Columbia.

New Gold Inc.

Two Bentall Centre
Suite 1800 - 555 Burrard Street
Vancouver, BC
Canada V7X 1M9
T: +1 (604) 695-4100
F: +1 (604) 696-4110

BLACKWATER GOLD PROJECT

Lhoosk'uz Dene Nation Consultation Summary, May to November, 2014

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- Appendix B. Blackwater Gold Project- Exploration Notice of Work Applications and Environmental Management Update (Lhoosk'uz Dene Nation; March 21, 2014)
- Appendix C. Blackwater Gold Project- Information Request Tracking Table of Comments and Responses during the Extended Screening Period (Lhoosk'uz Dene Nation; October 15, 2014)

GLOSSARY AND ABBREVIATIONS

Terminology used in this document is defined where it is first used.

ACP	Aboriginal Consultation Plan
AIR	Application Information Requirements
Application	Application for an Environmental Assessment Certificate
BC EAO	BC Environmental Assessment Office
EA	Environmental Assessment
EIS	Environmental Impact Statement
Project, the	Blackwater Gold Project, the
LDN	Lhoosk'uz Dene Nation

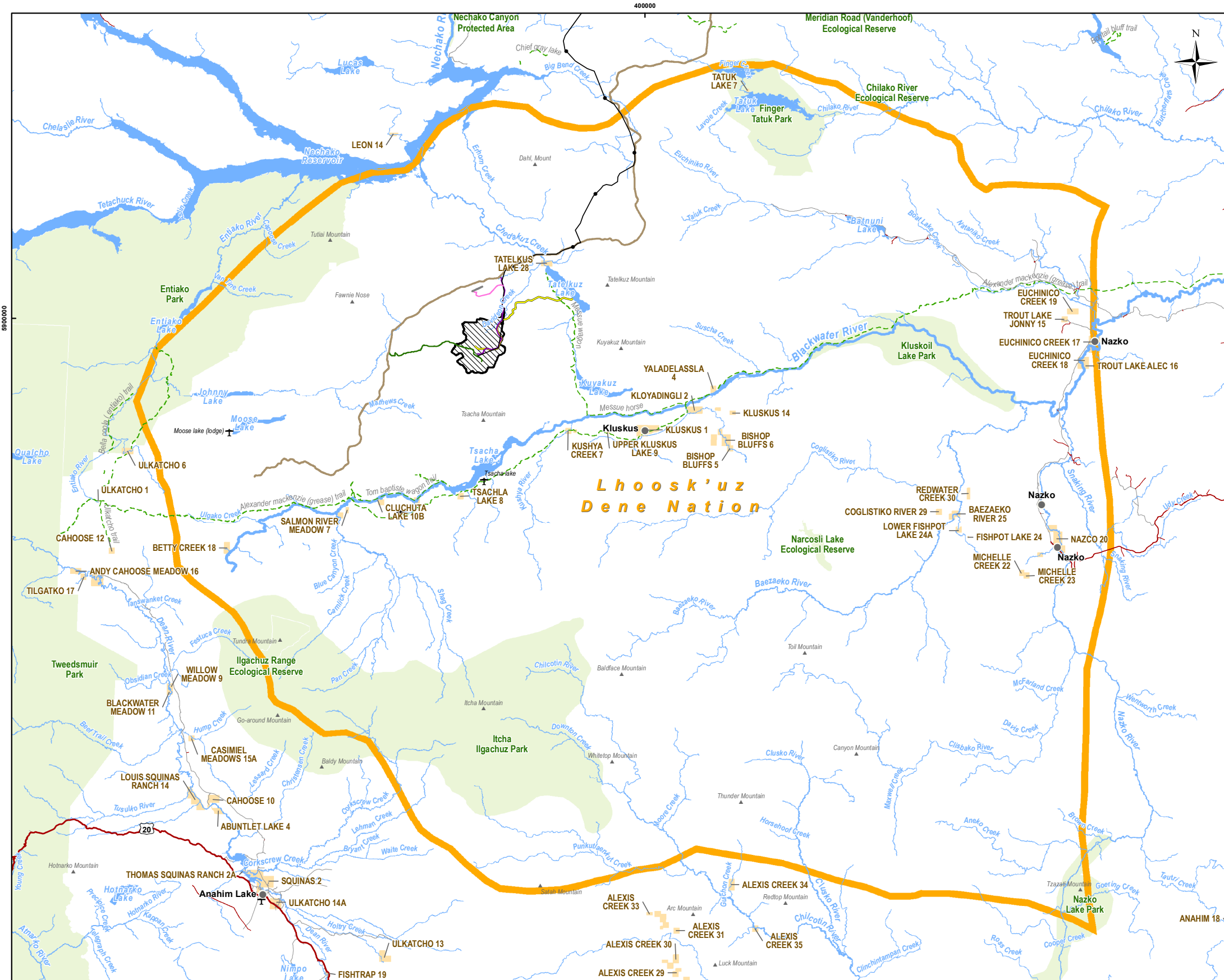
1. INTRODUCTION

New Gold Inc. (New Gold) is proposing to develop an open pit gold and silver mine approximately 160 kilometres (km) southwest of Prince George and 110 km south of Vanderhoof in north-central British Columbia (BC). The Project site including the mine access road and water supply system and part of the transmission line fall within the Lhoosk'uz Dene Nation (LDN) territory (Figure 1-1).

The proposed Blackwater Gold Project (the Project) is currently in the federal and provincial environmental assessment (EA) process. New Gold's Application for an Environmental Certificate/Environmental Impact Statement (Application) has been submitted (to the BC Environmental Assessment Office (BC EAO) for evaluation against the Application Information Requirements (AIR), issued by the BC EAO on May 15, 2014.

This document describes consultation activities undertaken by New Gold with LDN between May 1 and November 3, 2014. These activities include New Gold's efforts to obtain information on LDN Aboriginal interests and to seek LDN feedback on proposed measures to avoid or mitigate potential adverse effects on LDN interests. Consultations with the LDN involved in the EA have been undertaken in accordance with New Gold's Aboriginal Groups Consultation Plan (May 2014).

Figure 1-1
Lhoosk'uz Dene Nation
Traditional Territory



- Legend**
- Populated Place
 - ▲ Mountain Peak
 - ✈ Airport/Airfield
 - ⬮ Highway
 - Arterial/Collector
 - Resource/Recreation
 - Local/Street
 - Other
 - Kluskus / Kluskus-Ootsa FSR
 - Recreation Trail
 - Railway
 - Transmission Line
 - Stream
 - Waterbody
 - Park or Protected Area
 - Indian Reserve
- Project Components**
- Proposed Transmission Line
 - Exploration Road
 - Proposed Mine Access Road
 - Proposed Fresh Water Pipeline
 - Airstrip Access Road
 - Airstrip Extent
 - Mine Site
- Traditional Territory**
- Lhoosk'uz Dene Nation



Scale: 1:550,000
 0 5 10 20
 Kilometers

Reference:
 Context layers:
 BC Government GeoBC Data Distribution
 Traditional Territory:
 Carrier Chilcotin Tribal Council - <http://www.carrierchilcotin.org/>

Source: AMEC (2014).

2. BACKGROUND

2.1 NEW GOLD ABORIGINAL CONSULTATION PLAN

Prior to the timeframe for this report, the draft Aboriginal Groups Consultation Plan was sent to LDN on October 25, 2013 for review and comment. New Gold followed up by phone and email in November 2013 to seek comments on the draft Plan. On November 19, 2013, LDN responded via email with comments and input. New Gold discussed LDN comments during a teleconference on November 20, 2013. New Gold subsequently incorporated LDN comments into the Aboriginal Groups Consultation Plan. The BC EAO approved the Aboriginal Groups Consultation Plan in May 2014.

2.2 ABORIGINAL RIGHTS AND INTERESTS

New Gold met with LDN Chief and council on July 3, 2014 to discuss the effects assessment (EA) to: discuss how LDN issues and concerns are addressed in the Application/EIS, including proposed mitigation and monitoring measures to address issues raised by LDN: identify future consultation activities; and review the Application/EIS report structure and content. New Gold's presentation is included as Appendix A. Issues raised by LDN included concerns about the Project's effects on water quality, fish and fish habitat, hunting, trapping and plant gathering, and heritage resources. LDN also raised concerns about impacts from the use of cyanide. The LDN are interested in employment opportunities and training. The LDN are also concerned about impacts on community well-being (see Section 4 for identification of mitigation measures). New Gold provided draft meeting minutes to LDN for review and comment on July 16, 2014. LDN did not provide any comments on the meeting notes.

The July 3, 2014 meeting built upon an earlier presentation made by New Gold to LDN on March 21, 2014 (Appendix B). At the July 3 meeting, New Gold reviewed the issues and concerns raised by LDN and New Gold identified where the issues were referenced in the AIR and would be addressed in the Application/EIS.

New Gold has updated Section 7.2.7 (Current Use of Lands and Resources for Traditional Purposes) and Section 15 (Aboriginal Rights) in the October 2014 Application/EIS to address comment received from the BC EAO Working Group. Section 7.2.7 discusses how the Project may interact with the Aboriginal current use of lands and resources, and Section 15 assesses the potential effects of the Project on Aboriginal rights, and proposes measures to mitigate impacts on rights. Section 16 (Other Aboriginal Interests) of the Application/EIS discusses the potential effects of the Project on Aboriginal interests and proposes measures to mitigate impacts on these interests.

3. INFORMATION DISTRIBUTION AND CONSULTATION

Information distribution and consultation activities undertaken by New Gold between May 1, 2014 and November 3, 2014 are described in the sections below, and summarized in Table 3-1.

Table 3-1. New Gold’s Key Consultations with LDN between May 1, 2014 and November 3, 2014

Date (Location)	Communication Method	Topic
May 15, 2014	E-mail	Conveyed draft Wildlife Management Plan to LDN for review and comment (no comments received to date).
May 15, 2014	E-mail/Letter	Conveyed a map depicting New Gold mineral tenures and their overlap with traplines (and keyoh holders)
June 18, 2014	Letter	Offered to host a community meeting to inform LDN members about the Project and obtain community feedback on the Project.
July 3, 2014, (Lhoosk’uz Dene Office, Quesnel)	Meeting	Reviewed issues, concerns and interests raised by LDN to date and how they are being addressed in the Application/EIS (including proposed mitigation and monitoring measures), discussed consultation plan during the Application/EIS review stage, and reviewed the Application/EIS structure (see Appendix A for copy of New Gold presentation).
July 16, 2014	E-mail	Conveyed a copy of minutes summarizing discussion at the July 3, 2014 meeting to LDN for review and comment (LDN did not provide comments).
August 6, 2014 (Kluskus Village)	Community Meeting	Meeting purpose was to inform the community about the Project, identify how LDN concerns raised to date were being addressed and provide an opportunity for comment through questions and feedback forms.
September 16, 2014	Letter	Provided information on what New Gold has been doing related to EA consultation and how New Gold intends to implement the AGP in the future. Also indicated New Gold was interested in holding another community meeting.
October 15, 2014	E-mail	Conveyed an information package, which included a table summarizing LDN comments received during the June 2014 Application/EIS screening and New Gold’s responses. The package also explained how LDN’s comments on the May 2014 Application/EIS have been addressed in the October 2014 Application/EIS (Appendix C).

3.1 COMMUNITY MEETING/OPEN HOUSE

New Gold participated in a community meeting in Kluskus Village on August 6, 2014 as part of a two day community event organized by LDN to discuss matters of interest to its members. New Gold made a two hour long presentation which included a Project update describing recent, current, and planned Project activities, timelines, and employment opportunities (including the hiring process and current employment opportunities at the Blackwater Project). New Gold reviewed the key Aboriginal concerns raised by LDN members via the consultation process to date and described how New Gold is addressing these concerns. LDN are concerned about effects on water quality, traditional land use, heritage resources, and community well-being. As well as a

presentation, additional materials used to support the meeting included feedback forms, a 3D model of the proposed Project and posters on the EA process, exploration plans for 2014, and work conducted relating to moose, caribou, fisheries and alternative assessment analysis. New Gold also distributed Project newsletters, and Project office business cards.

While no new concerns were raised with respect to LDN interests, current events (i.e., Mount Polley mine tailings breach) intensified people's interests in the Project's potential risks and the design of the Project's tailings storage facility. Questions and comments focused on mine design, tailings pond design, and use of chemicals to process the ore. In response to these concerns, New Gold agreed to support LDN with a third party review of the design of the tailings storage facility.

The feedback forms collected at the community meeting identified an interest in employment opportunities for LDN members as well as an interest in additional contact with New Gold (i.e., longer community meetings, and more time to speak with New Gold representatives). In response, New Gold agreed to schedule a follow-up community meeting to address concerns that were raised. New Gold will continue to discuss with LDN methods of reducing barriers to employment (i.e., job specific training).

3.2 MEETINGS

New Gold met with LDN on July 3, 2014 to, review issues and concerns addressed in the Application/EIS, discuss proposed mitigation and monitoring measures, discuss consultation plan during the Application/EIS review stage, and reviewed the Application/EIS structure and content. The meeting was a follow up to a similar discussion in that was held in March 2014 and provided more detail on the EA including potential effects and mitigation.

Discussions covered the mine phases and associated effects and tailored mitigation, mine design discussion on seepage management and gold processing. The key interests and concerns raised by LDN to date, along with New Gold's proposals for avoiding, mitigating, or otherwise addressing potential effects on those LDN interests (see Section 4 for more information). Follow up information was provided to LDN via email on July 23, 2014 regarding mitigation for trapline holders and how/where in the application potential impacts to the Keyoh system are addressed.

3.3 SITE TOURS

On June 2, 2014, and in addition to informal invitations, New Gold invited LDN Chief, council and community members for a ground tour of the proposed Blackwater mine site. As a result of higher than normal forest fire activity running through into hunting season, no tour took place in 2014.

In response to a request from the July 3, 2014 meeting, on August 26, 2014, New Gold arranged a tour of the Mt. Milligan Mine for LDN representatives to view an operating copper/gold mine with a similar design to Blackwater. The tour included viewing the access road, operations center, the open pit, the crusher, processing plant, and construction camp. Discussions focused on explaining the layout of the open pit, illustrating how facilities are clustered, and providing insight into the role of Aboriginal employees at the operation.

Further, as part of New Gold support for LDN to attend the 2014 TRCR Mine Reclamation Symposium in Prince George, representatives from LDN visited the Pinchi Mine near Fort St. James. At the Pinchi Mine discussion focused on reclamation challenges and monitoring.

4. ISSUE IDENTIFICATION

Interests and concerns raised by LDN during consultations undertaken between May and November 2014 are summarized in Table 4-1, along with New Gold's responses. The issues raised by LDN during this timeframe are consistent with the issues previously identified. Interests and concerns raised by LDN during the reporting period occurred at the July 3, 2014 meeting and the August 6, 2014 community meeting. Questions and comments focused on mine design, the tailings pond, and use of cyanide to process the ore. In response to these concerns, New Gold agreed to support LDN with a third party review of the design of the tailings storage facility.

New Gold will continue to consult with LDN during the review of the Application/EIS and document and respond to issues, concerns and interests raised by LDN with respect to the Project.

Table 4-1. Issues Raised by LDN and New Gold's Responses

Issue	New Gold's Response
<p>Riverine habitat: LDN leadership requested examples of measures New Gold will take to avoid riverine habitat during the construction of linear components.</p>	<p>At the July 3, 2014, where this issue raised, New Gold indicated impacts on riverine habitat would be avoided by undertaking the following measures: using clear span bridges over watercourse crossing along the mine access road; avoiding in-stream works for the transmission line; and meeting federal and provincial guidelines for stream crossings (e.g., minimal riparian management).</p>
<p>Water Quality and Quantity: LDN asked a number of questions related to water quality, groundwater monitoring and water flows.</p>	<p>At the July 3, 2014, where this issue raised, New Gold explained effects on water flows, noting impacts on Davidson Creek, and described predicted water flows during operations and closure. New Gold reviewed measures to mitigate water quality effects including: sediment control and the use of flocculants; avoidance of riverine habitat for construction of linear components; zero discharge facility during operations and closure; passive treatment using wetlands during post-closure; surface and groundwater quality monitoring during all project phases.</p> <p>New Gold explained the results of the assessment of flow effects on fish habitat, which indicate 90% protection of fish habitat and an improvement in habitat suitability for juvenile fish. New Gold reviewed its proposed plan for continual involvement of LDN through life of mine, as presented in the Application/EIS, including review of environmental management plans and monitoring results.</p> <p>During the discussion LDN and New Gold discussed the benefit of providing a site tour to an open pit mine to understand how Blackwater's size and operation may look in comparison (A tour of Mt. Milligan was conducted on August 26, 2014).</p>

(continued)

Table 4-1. Issues Raised by LDN and New Gold's Responses (completed)

Issue	New Gold's Response
<p>Fisheries Mitigation and Offsetting Plan: LDN requested information about how disturbed fish habitat would be restored.</p>	<p>At the July 3, 2014, where this issue raised, New Gold confirmed there will be an unavoidable loss of fish and fish habitat on the mine site and loss of access by fish to the headwaters of Davidson Creek and Creek 661. Measures to mitigate impacts include: clustering of mine site facilities; minimizing the number of disturbed watersheds; no discharge during operations and closure; flow augmentation of Davidson Creek; diversion of Lake 01682LNRS to Lake 01538UEUT; fish habitat offsetting plan; and application of standard stream-crossing and erosion control techniques. Effects would be mitigated through in-kind replacement, addressing limitations to fish production in Davidson Creek. The majority of other offsetting projects will occur in LDN traditional territory (see Appendix A for further details on the Fish Habitat Offsetting Plan which was previously shared with LDN in April 2014 following a request at the March 26, meeting to review potential effects and mitigation).</p>
<p>Keyohs and traplines: LDN requested additional information on how the Application would address effects to keyohs and trapline holders.</p>	<p>On 23 July 2014, New Gold provided additional information to identify where effects related to the keyoh are addressed in the Application/EIS (Section 14, 15 and Section 7.2.7 and how effects were measured (i.e., using trap line boundaries). New Gold provided an example of how impacts on trap lines are compensated by the oil and gas industry.</p>

Appendix A

*Blackwater Gold Project- Effects Assessment Update
(Lhoosk'uz Dene Nation; July 3, 2014)*

BLACKWATER GOLD PROJECT

Lhoosk'uz Dene Nation Consultation Summary, May to November, 2014



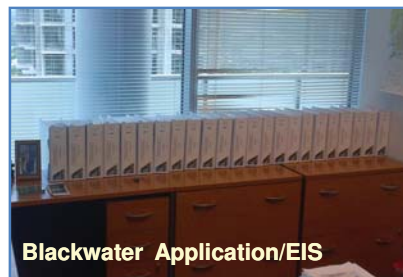
LHOOSK'UZ DENE NATION Blackwater Gold Project – Effects Assessment Update

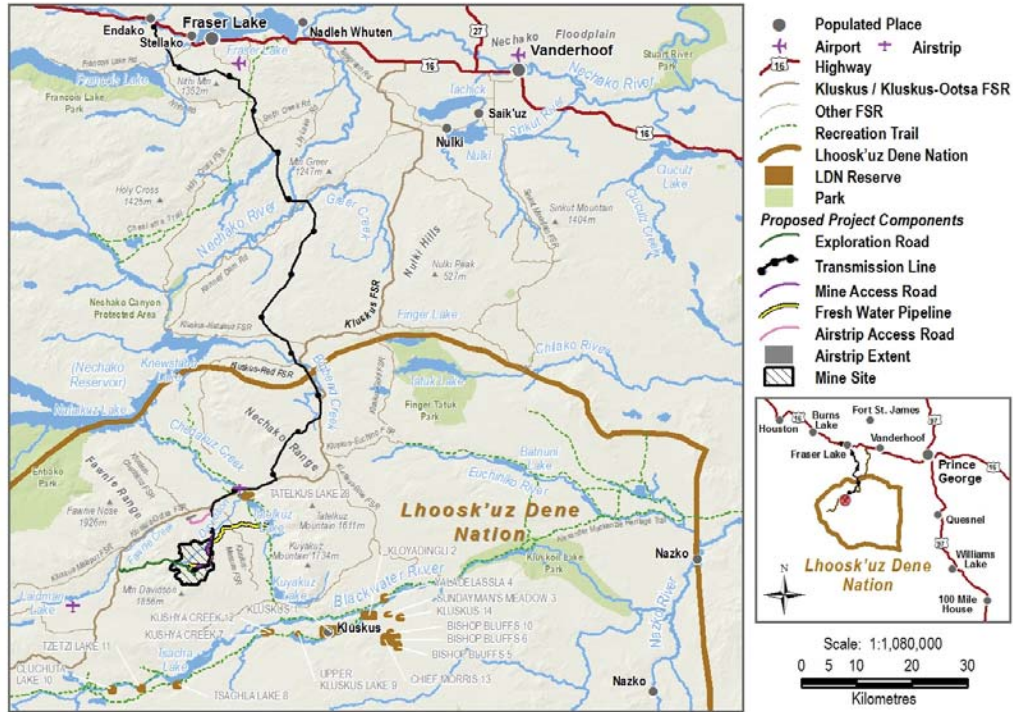
July 3, 2014

Meeting Purpose

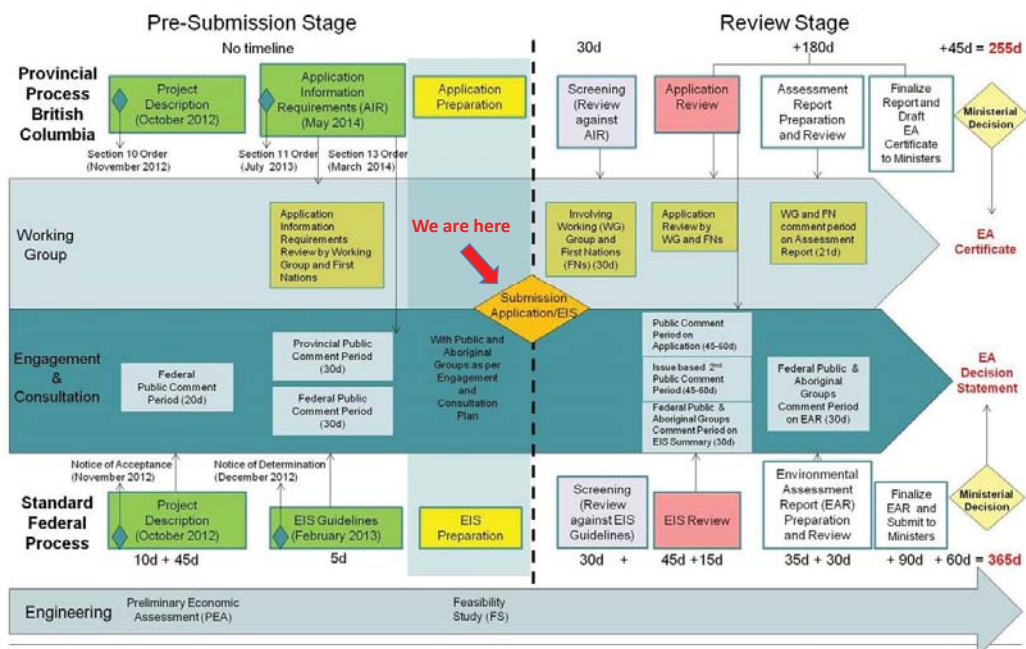


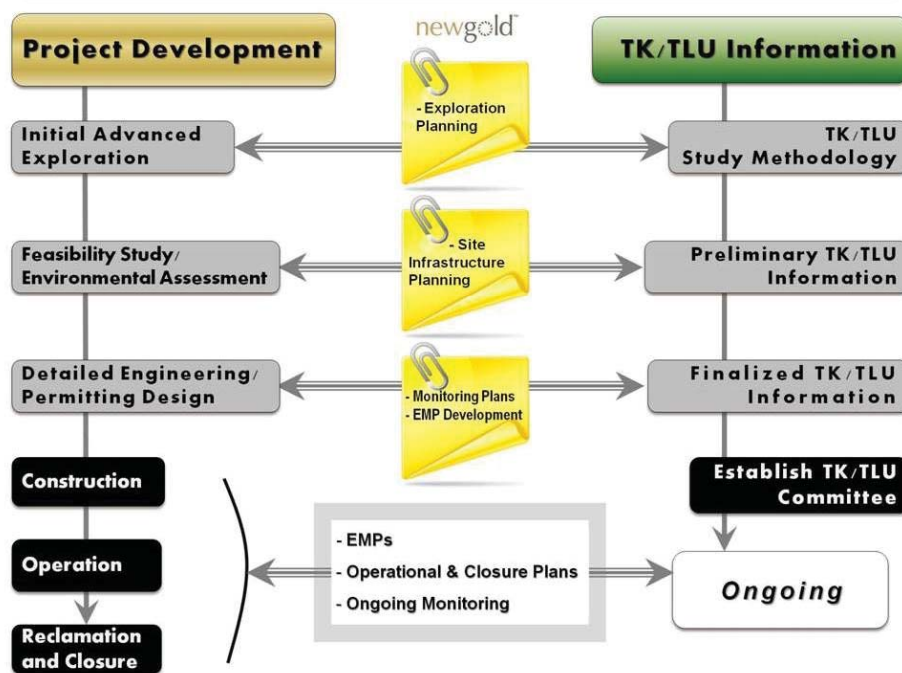
1. Discuss results of consultation conducted up to date
2. Review how LDN issues and concerns are addressed in the Application/EIS
3. Discuss proposed mitigation and monitoring measures to address issues raised by LDN
4. Discuss future consultation activities
5. Review Application/EIS report structure and content
6. Receive feedback





Coordinated Federal and Provincial Environmental Assessment Process





5

Aboriginal Groups Consultation Plan

The Aboriginal Groups Consultation Plan (AGCP) is intended to serve two purposes:

- Ensure regulatory requirements are achieved.
- Ensure open and transparent information sharing with Aboriginal groups.

The Application/EIS:

- Results of consultation between April 2011 and April 2014, which included:
 - Meetings
 - On-going communications
 - Site visits
 - Agreements
 - Traditional Land Use study
 - Effects Assessment Meetings
- Section 3.3 describes how consultation activities were executed
 - in accordance with the AGCP and section 11 Order.
- Section 17 discusses the results of the consultation with Aboriginal groups.
- A standalone report was provided for review and comment to LDN.

6

- Aquatics
 - Water quality
 - Fish & Fish Habitat
- Mine Design
 - Use of Cyanide
- Traditional Use
 - Hunting
 - Trapping
 - Plant Gathering
- Heritage Resources
- Employment
 - Training
- Social Effects
 - Community Wellbeing



Aquatics – Water Quality

Asserted Right/Issue	Potential Environmental Effect	Valued Components
Water quality	Potential effects on water quality and how that may affect fish and fish habitat in Tattelkuz Lake and on the Nechako Reservoir	5.3.3 Surface Water Quality 5.3.4 Sediment Quality

Proposed Mitigation:

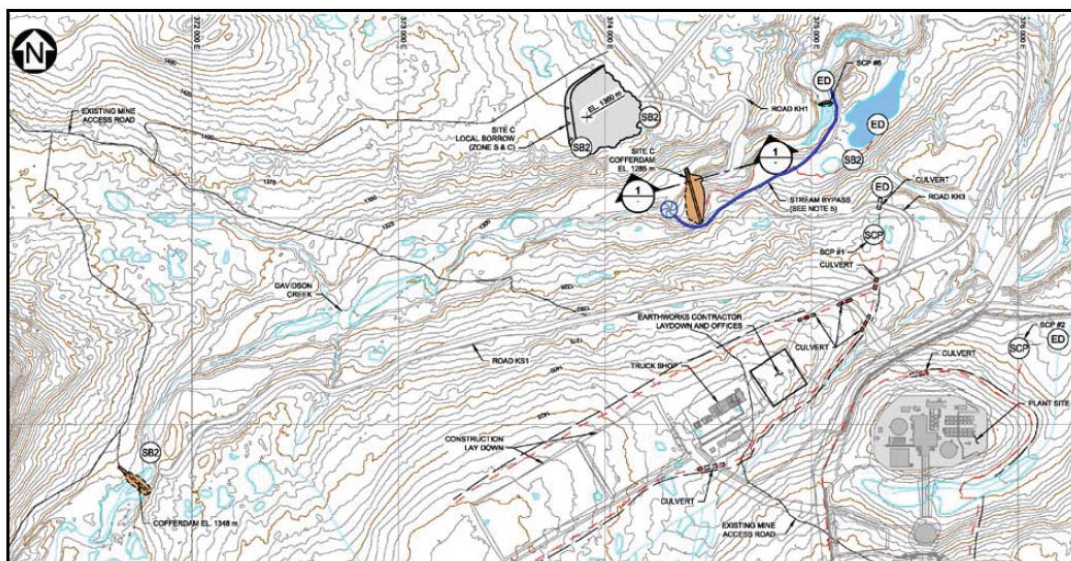
- Sediment control measures
- Avoidance of riverine habitat for construction of linear components
- Zero discharge facility during operations and closure
- Passive treatment using wetlands during post-closure
- Surface and groundwater quality monitoring during all project phases

The following measures will be applied at the project site depending upon conditions encountered:

- Vegetation management and re-vegetation
- Mulching
- Rolled erosion control products
- Surface roughening
- Re-contouring
- Silt fencing
- Temporary sediment traps and sediment basins
- Filter bags
- Flocculants
- Collection or diversion ditches
- Culverts
- Exfiltration areas

11

Figure 6.2 Site C Construction Water Management



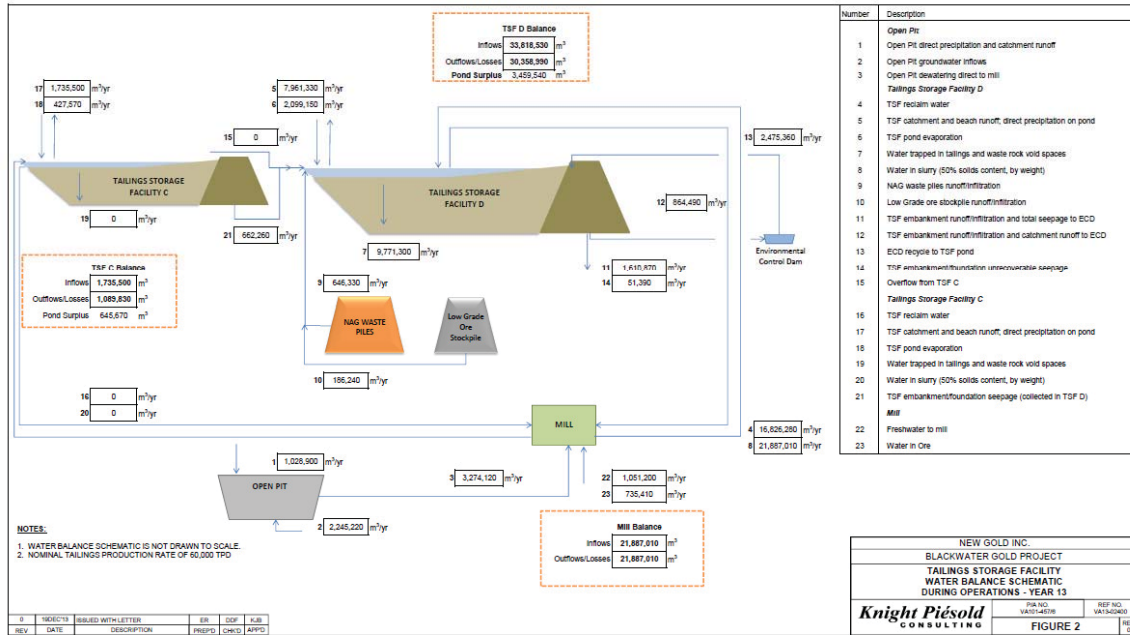
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Zero Discharge during Operations and Closure



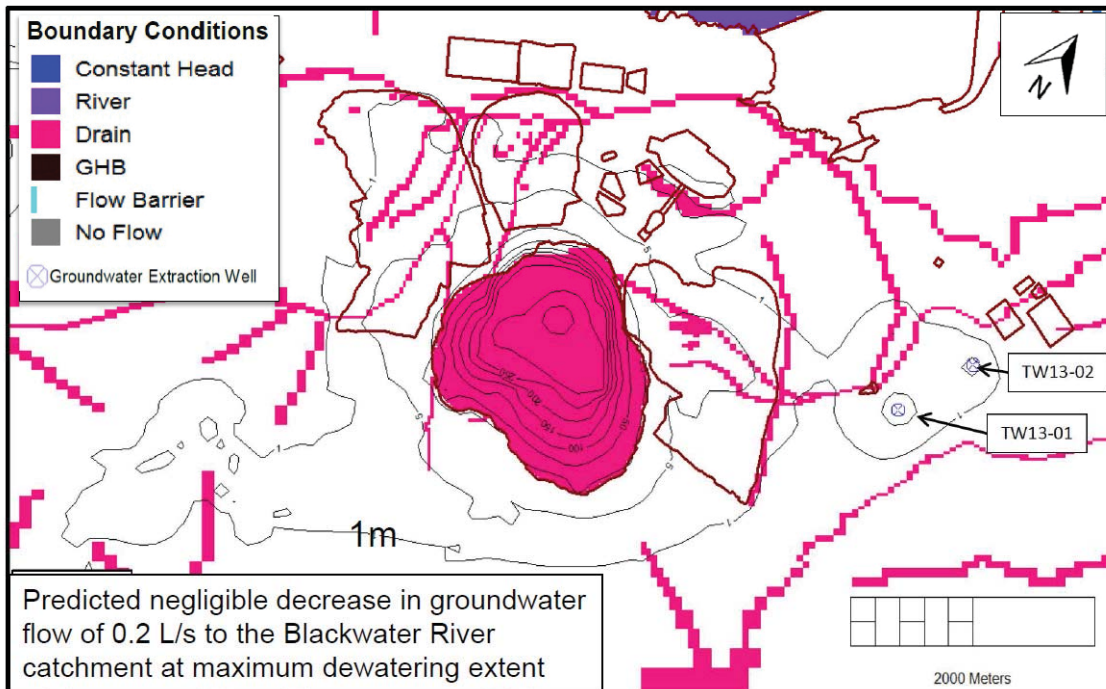
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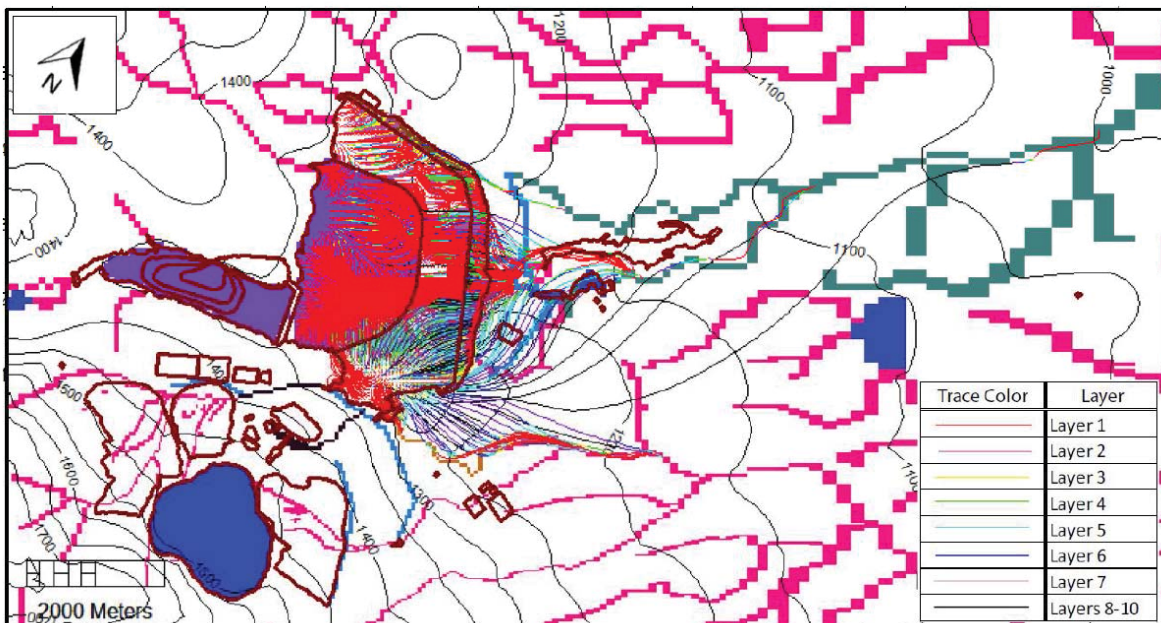
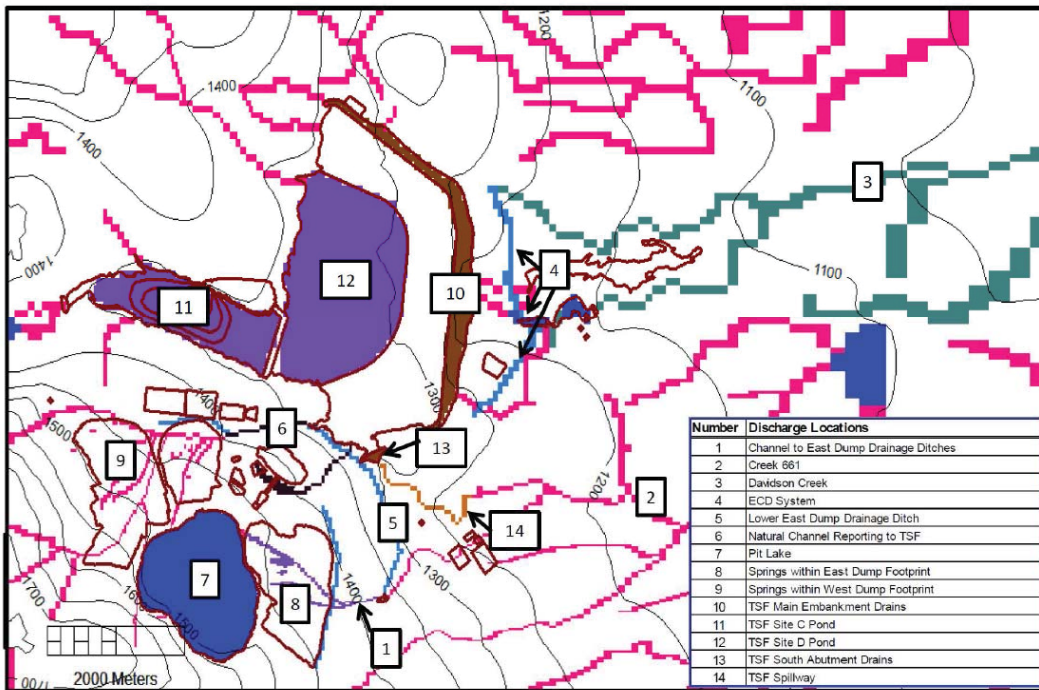


13

Predicted Open Pit Drawdown – Maximum Extent



14



Facility	MODPATH/Seepage Discharge Location	Simulated Seepage Flux Rates		Travel Time to Discharge Location (Years)			
		Discharge (L/Sec)	Discharge (% of Total)	Average	Median	Minimum	Maximum
TSF C							
	TSF Site D Pond	-	100%	-	-	-	-
TSF D							
	Davidson Creek	0.4	2%	1,807	585	127	6,979
	Creek 661	0.2	1%	365	254	97	1,037
	TSF Main Embankment Drains	15	72%	90	40	0.3	2,824
	TSF South Abutment Drains	0.4	2%	21	15	1	84
	TSF Spillway	0.1	<1%	82	70	22	217
	ECD System	5.0	24%	224	129	13	2,492
	Natural Channel Reporting to TSF	0.1	<1%	15	10	0.5	93
Total Seepage From TSF D		21.3	100%	-	-	-	-

Asserted Right/Issue	Potential Environmental Effect	Valued Components
Effects on the right of fishing from the loss of fish and fish habitat	There will be an unavoidable loss of fish and fish habitat on the mine site and loss of access by fish to the headwaters of Davidson Creek and Creek 661	5.3.8 Fish; 5.3.9 Fish Habitat; 7.2.7 Current Land Use for Traditional Purposes; Fisheries Mitigation and Offset Plan for the Project (Appendix 5.1.2.6D).

Proposed Mitigation:

- Three years of comprehensive baseline studies
- Rainbow trout and kokanee are key indicators for the fish and fish habitat VCs
- Seven major mitigation measures:
 - Clustering of mine site facilities;
 - Minimal number of disturbed watersheds;
 - No discharge during operations and closure;
 - Flow augmentation of Davidson Creek;
 - Diversion of Lake 01682LNRS to Lake 01538UEUT;
 - Habitat offsetting plan; and
 - Application of standard stream-crossing and erosion control techniques.

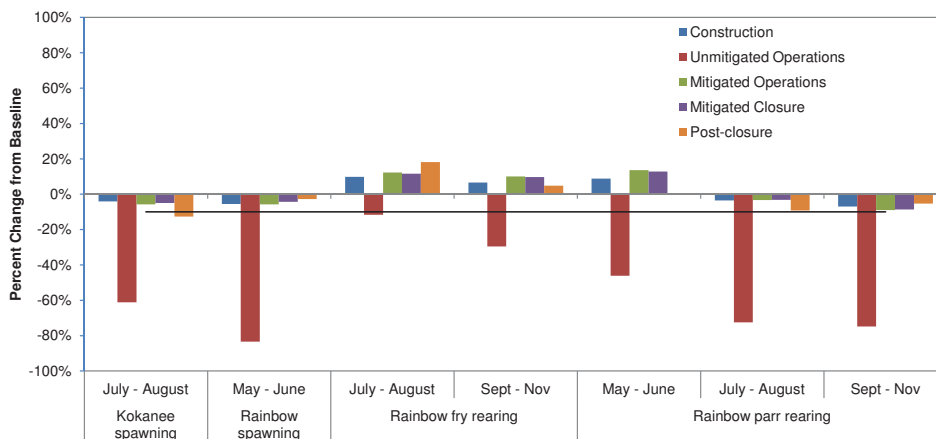
Instream Flow Study

- Seasonal instream flow needs for rainbow trout and kokanee fish in Davidson Creek, Creek 661, Creek 705 and lower Chedakuz Creek were predicted
 - using a physical habitat modelling software package; and,
 - velocity-depth data collected from 103 transects on the four streams
- Instream flow regimes were considered acceptable
 - if they produced habitat area at least 90% of baseline habitat area
- Predicted instream flow needs in Davidson Creek
 - will be met by flow augmentation of Davidson Creek by water pumped from Tatelkuz Lake



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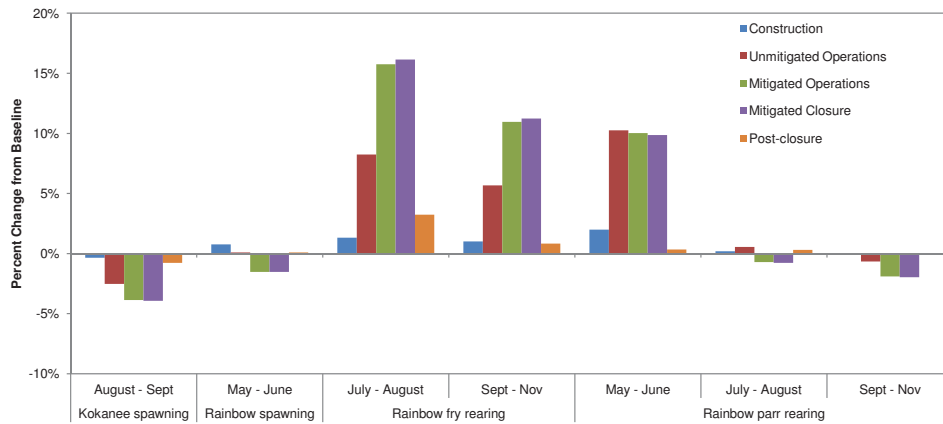
Instream Flow Study



Summary of Percent Change in Total Habitat Area for Chedakuz Creek, for 15-year Watershed Model Flow Series

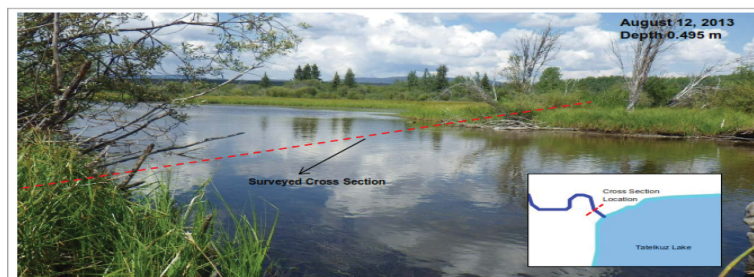
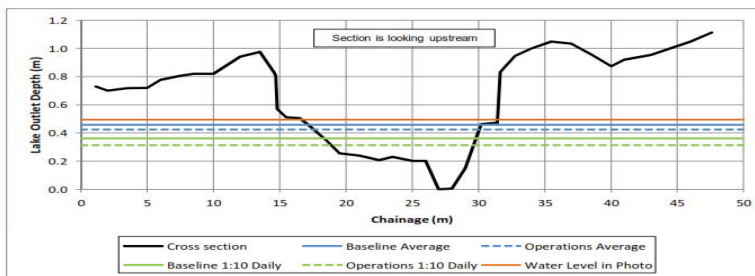
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Instream Flow Study



Summary of Percent Change in Total Habitat Area for Davidson Creek Downstream of TSF, for 15-year Watershed Model Flow Series

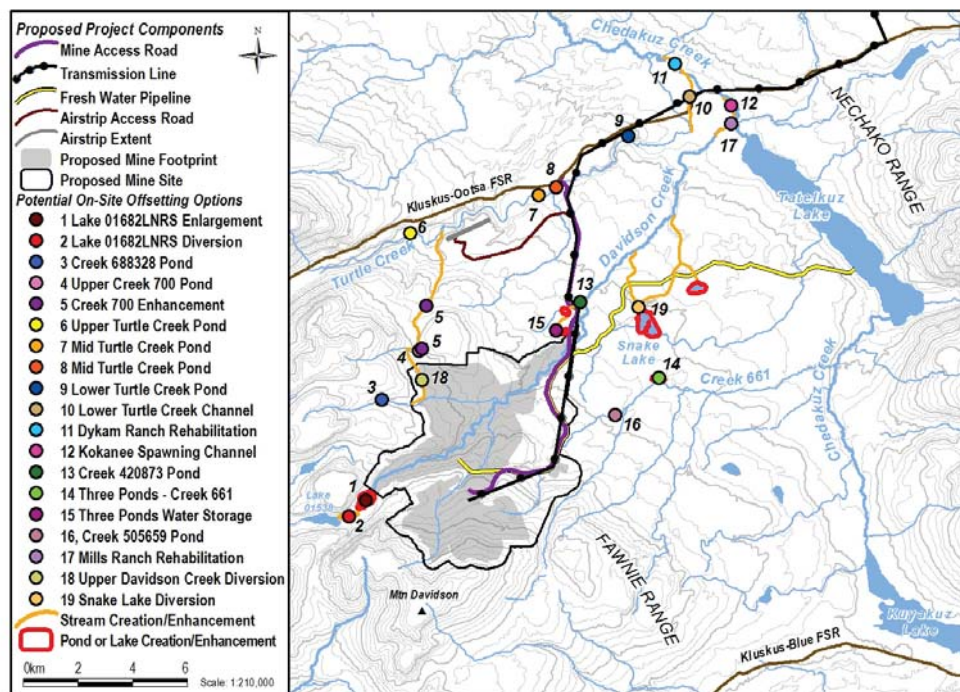
Tatelkuz Lake Outlet Impact of Project

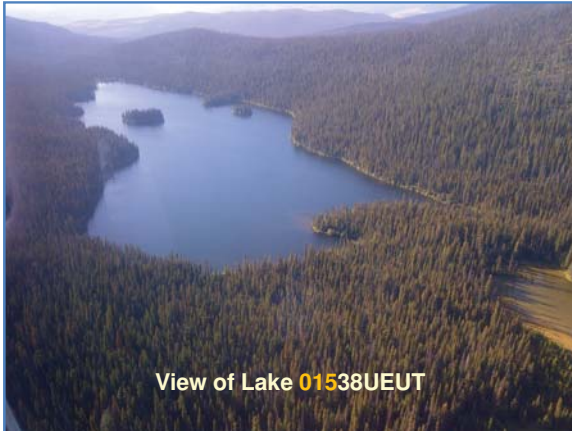


Fisheries Mitigation and Offsetting Plan (FMOP)

- The FMOP outlines a plan to mitigate potential “serious harm to fish”
 - Upstream and downstream of the Project; and,
 - Offset all residual “serious harm to fish” that cannot be mitigated.
- In total, 158,339 m² of fish habitat will be permanently altered or destroyed.
- Rainbow trout is the only fish species that will be affected.
- Three “on-site” offsetting projects:
 - Enlargement of Lake 01682LNRS;
 - Construct two overwintering and summer rearing ponds near middle reaches of Davidson Creek; and
 - Construction of an overwintering and summer rearing pond near the middle of Creek 661.
- Two “off-site” projects:
 - Restoration of fish habitat in the Mathews Creek Watershed; and
 - Restoration of fish passage at existing road crossings in the Vanderhoof Forest District).
- On-site projects will create 153,700 m² of habitat or 386,800 rainbow trout habitat units.
- Off-site projects will create 105,600 m² of habitat.

Fish and Fish Habitat





Asserted Right/Issue	Potential Environmental Effect	Valued Components
Effects on migratory birds and mammals that may access water in the tailings ponds	Changes in habitat or populations of trapped species that may reduce resources.	5.4.8 Water Birds; 7.2.7 Current Land Use for Traditional Purposes;

Proposed Mitigation:

- Mine Water Management Plan (**Section 12.2.1.18.4.18**)
 - Water within the Project area will be used to the maximum practical extent by collecting and managing site runoff from both undisturbed and disturbed areas.
 - Site runoff water will be collected and stored on site within the TSF and used to inundate the PAG and NAG3 waste rock and tailings solids to prevent ARD and minimize ML.
 - Water will be stored in the supernatant ponds within the TSF and recycled to the mill for use in the process.
- Water will be monitored on an ongoing basis through the life of the Project and after closure.

Asserted Right/Issue	Potential Environmental Effect	Sections in Application
Mine Design	Effects from Cyanide	Section 2.2.3.5 Water Management Section 10 Accidents Or Malfunctions Section 11 Potential Effects of the Environment on the Project Section 12.2 Environmental Management Plans

➤ Cyanide Management Plan (**Sec 12.2.1.18.4.19**) includes the following specific measures:

- All cyanide delivered to the Project will be delivered by Cyanide Code
 - Certified transporters in containers approved by the United Nations International Organization for Standardization (ISO) from the certified production facility via rail and road.
- Cyanide off-loading and storage facilities will be located away from surface waters, within the access-controlled boundaries of the reagent storage area.
- The cyanide off-loading and storage facility will itself be enclosed by locked security fencing, accessible only to authorized personnel.
- No acids, oxidizers, or other reagents that may be incompatible with cyanide will be stored within cyanide off-loading and storage containment system areas.

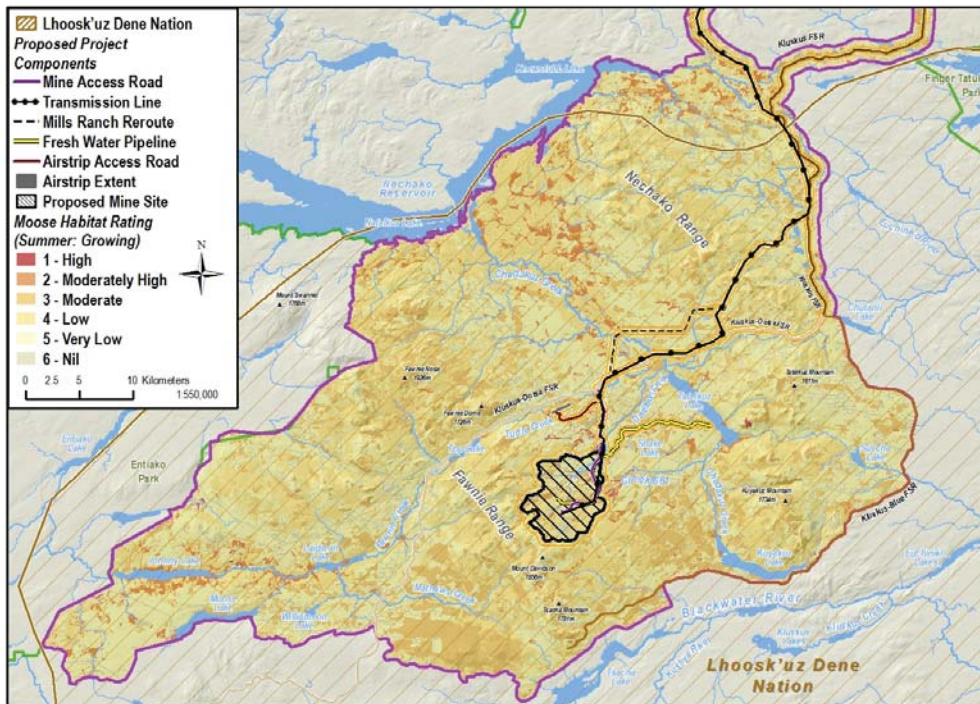


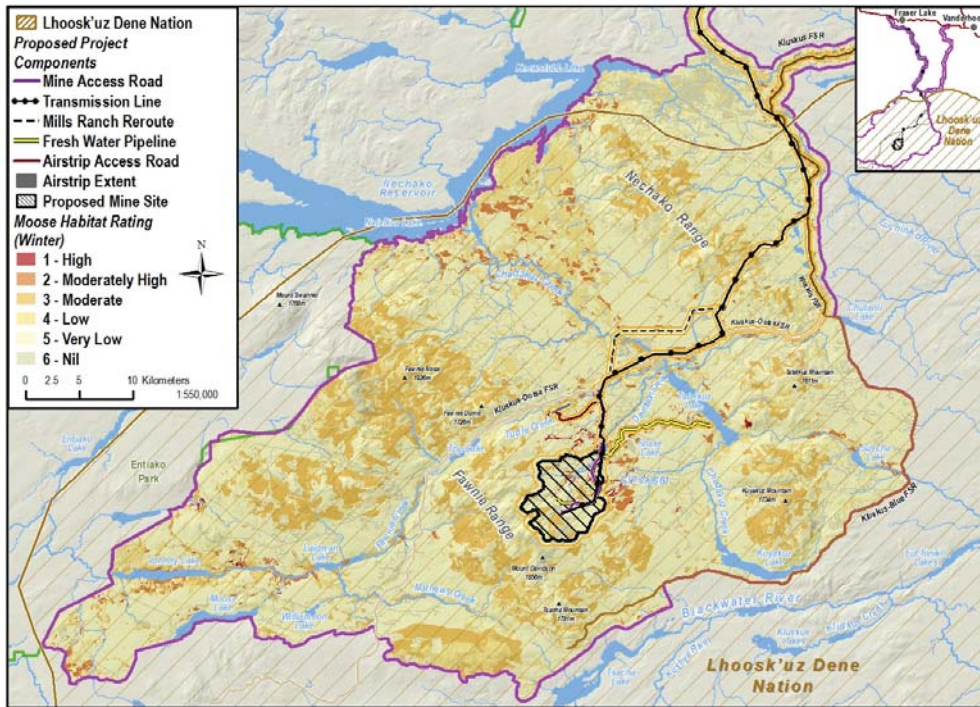
An ISOTainer Carrying Solid Sodium Cyanide Briquettes

Asserted Right/Issue	Potential Environmental Effect	Valued Components
Effect on moose that may be hunted	Changes in moose habitat that may reduce populations.	5.4.11 Moose 7.2.7 Current Land Use for Traditional Purposes 2.6 Reclamation and Closure Plan

Proposed Mitigation:

- Reclamation design of mine-related and natural landforms will target the reclamation of pre-disturbance ecosystems on natural landforms
 - The reclamation design will incorporate features designed to provide wildlife habitat that will benefit a wide variety of species,
 - Emphasis will be given to habitat for target valued components (VCs) including mammals (e.g., caribou, moose, marten, grizzly bear, bats), birds (e.g., water birds, Clark’s nutcracker), amphibians (e.g., western toad) and invertebrates
- **Wildlife Management Plan – Section 12.2.1.4.6.17 Group-Specific Management**
 - Prohibit hunting and fishing for employees and contractors while on company business or while staying in construction or operations camps.
 - Prohibit feeding of wildlife.
 - Manage waste to minimize wildlife attractants.
 - Maintain a bear awareness program to orient employees to correct waste disposal procedures and reporting guidelines.
 - Provide employee and contractor training on wildlife safety and awareness.





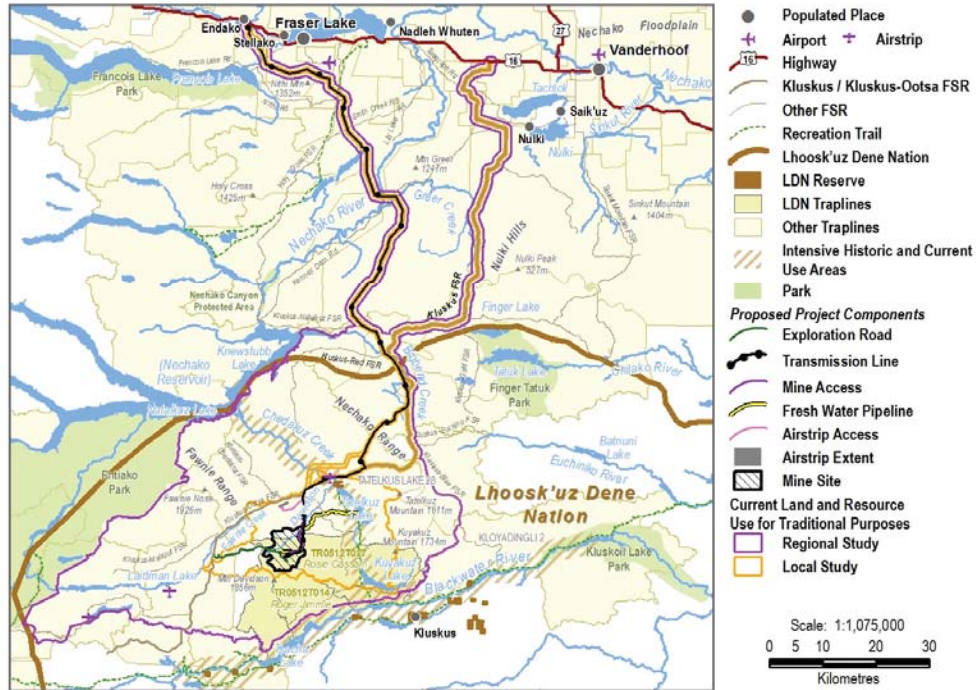
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Asserted Right/Issue	Potential Environmental Effect	Valued Components
Effects on traplines	Potential reduction in access or availability of land for trapping.	7.1.2 Non-traditional Land Use; 7.2.7 Current Land Use for Traditional Purposes

Proposed Mitigation:

- Project design minimizes the entire footprint.
- Establishing a group 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

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Project Description – Section 2.2.4.4

- The transmission line has been routed to make use of existing access; and,
 - to cross recently logged areas as much as practical along its alignment.
- Two types of access road will be employed:
 - Branch roads are those roads accessing the transmission line ROW.
 - Access roads are those roads located inside the ROW that are used to access proposed pole locations.

Transportation and Access Management Plan – Section 12.2.1.18.4.14

- Temporary access to transmission line ROW and pole locations during construction.

Wildlife Management Plan – Section 12.2.1.18.4.6

- Prohibit hunting and fishing for employees and contractors
 - While on company business or while staying in construction or operations camps.
- Prohibit feeding of wildlife.
- Manage waste to minimize wildlife attractants.
- Maintain a bear awareness program
 - To orient employees to correct waste disposal procedures and reporting guidelines.
- Provide employee and contractor training on wildlife safety and awareness.

**Landscape, Soils, and Vegetation Management and Restoration Plan –
Section 12.2.1.18.4.4**

- Landscape changes, including re-grading and alteration of baseline contours for mine site and transmission line development, will be managed by:
 - Maximizing use of previously disturbed habitat to minimize effect of the Project during construction.
 - Reducing adverse effects on landscape stability by using best practice procedures during construction.
- Vegetation disturbances will be managed by:
 - Developing Timber Salvage Plan to assist in planning, scheduling, and implementation of salvage of merchantable timber.

Trapline Tenures – Section 7.2.6

- On-going communication with trappers.
- Compensation for affected trapline holder in accordance with industry and provincial protocols with associated proof of loss revenue

35

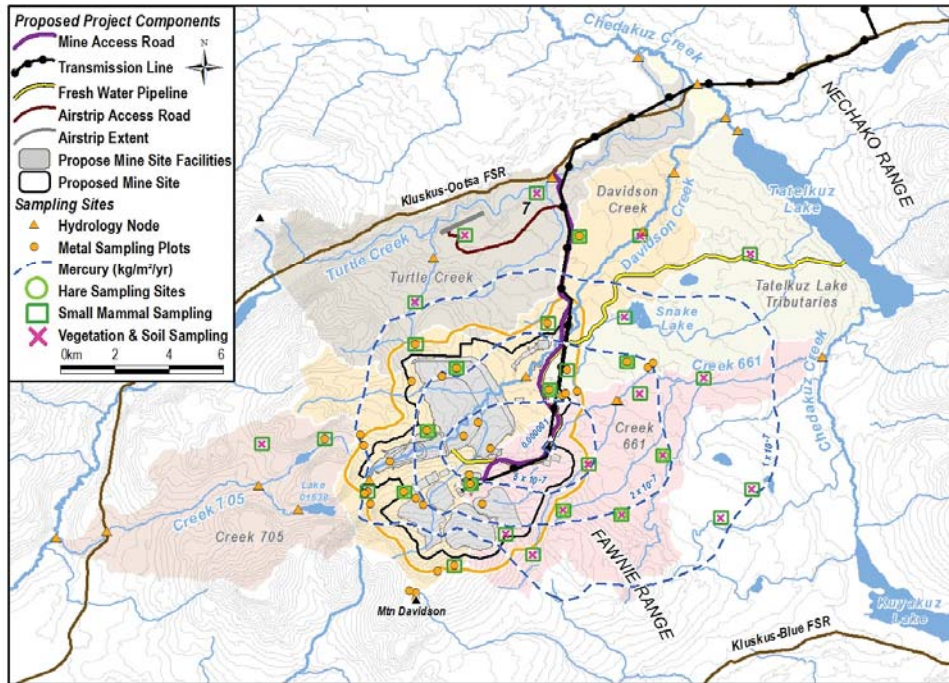
Country Food Monitoring Plan (Appendix 9.2.2B)

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.

- Provides a conceptual plan for monitoring metals
 - In areas downstream and downwind of the Project
 - Where increases in metal concentrations from mine related-activities could potentially occur.
- Adjustments to this plan as appropriate based on First Nations, community members, and regulators comments
 - prior to development of the Project; and,
 - the onset of monitoring studies.

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Country Food Monitoring Plan (Appendix 9.2.2B): Proposed Plant and Small-Mammal Tissue Sampling Sites



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Traditional Use – Plant Harvesting

Asserted Right/Issue	Potential Environmental Effect	Valued Components
Potential displacement and contamination of berry-picking sites	Potential loss or change in access to areas for plant harvesting and potential contamination from dust.	9.2.1 Environmental Exposures; 5.4.5 Ecosystem Composition; 5.4.6 Plant Species and Ecosystems at Risk; 7.2.7 Current Land Use for Traditional Purposes;

Proposed Mitigation:

Project design measures, access management, vegetation and reclamation management measures are being proposed to address potential effects on traditional use.

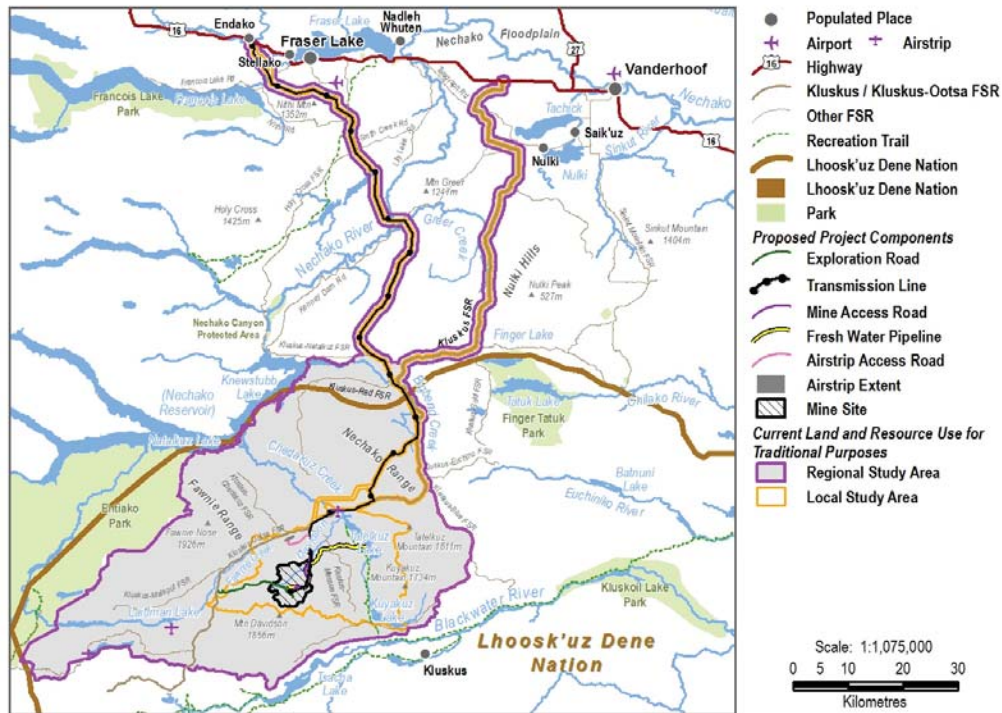
Invasive Species Management Plan – Section 12.2.1.18.4.5:

- Provides prevention, control, and monitoring of growth and spread of invasive plants in areas of disturbed or exposed soil or subsoil.
- Management of invasive species will be sustained throughout all phases of the Project.

Country Food Monitoring Plan - Appendix 9.2.2B

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Current Land and Resources Use for Traditional Purposes



Current Land and Resources Use for Traditional Purposes

Proposed Mitigation:

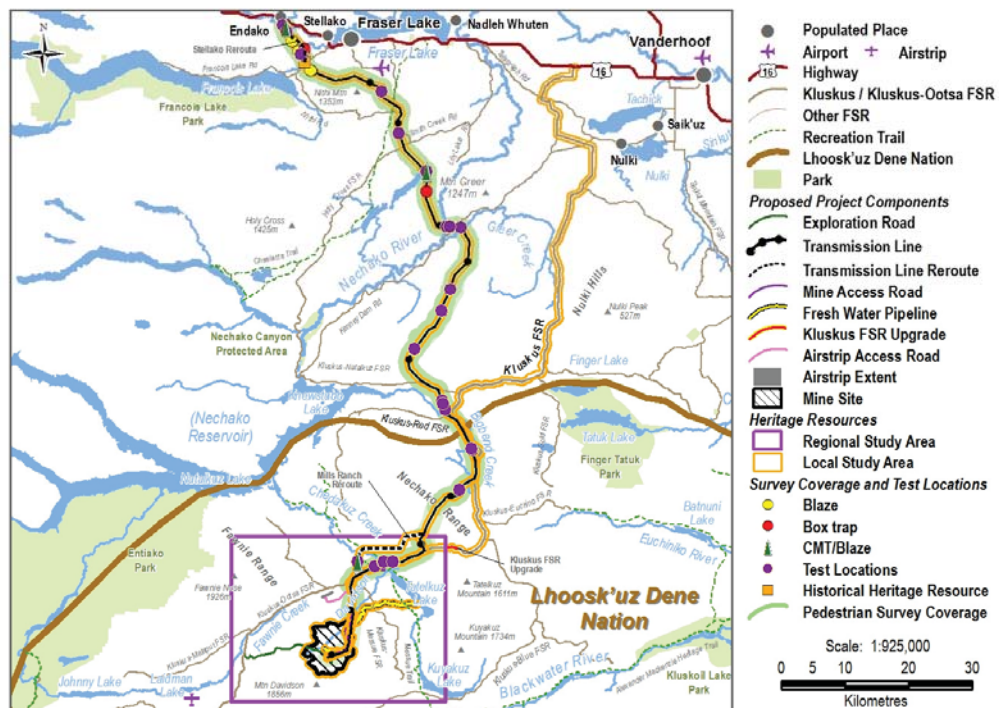
- The mine access road within the mine site will be reclaimed to resemble pre-mining conditions during post-closure, once it is no longer needed for monitoring, unless it is retained to allow public access to the site area.
 - If complete decommissioning of the road is chosen, constructed bridges and culverts will be removed, and stream banks reclaimed.
 - Small rocks, logs, and leaf matter piles could be placed adjacent to the stream bank to provide climbing areas and hibernating habitat for amphibians.
 - The road surface will be ripped and revegetated.
- Establishing a group including affected LDN representatives to discuss access management for the transmission line corridor and mine site area
- Developing alternative access plans with LDN, where access to or use of specific cultural sites needs to be altered or is impeded

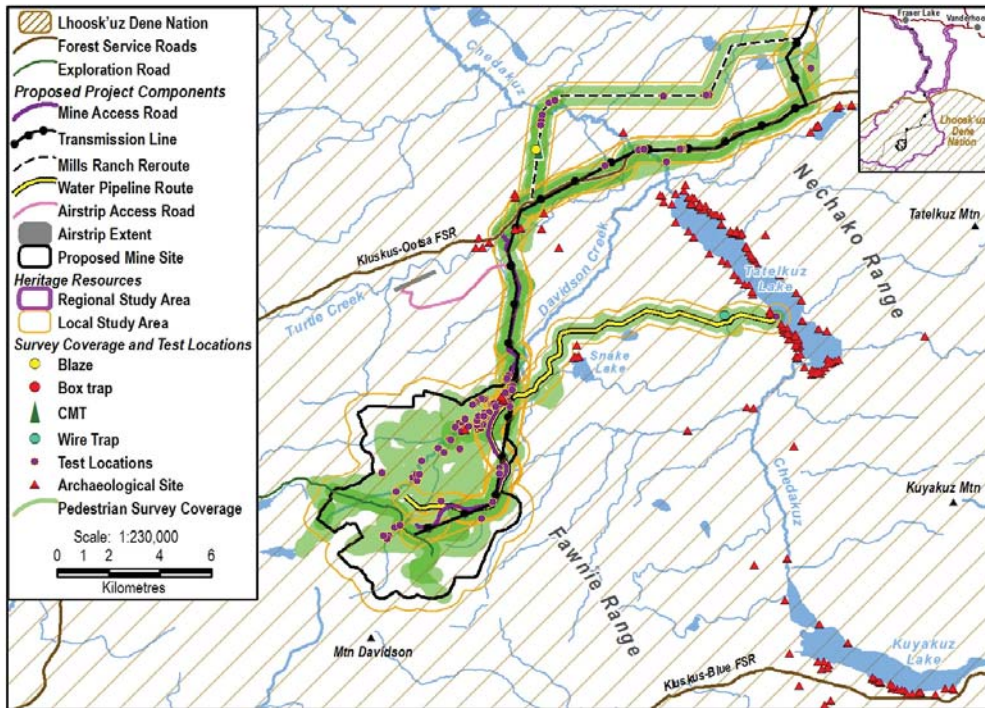
Asserted Right/Issue	Potential Environmental Effect	Valued Components
Effects on archaeological and traditional sites	Potential disturbance or changes in access to traditional and archaeological sites.	8.1 Heritage Baseline; 8.2 Heritage Effects Assessment; 8.2.2 Archaeological Sites; 7.2.7 Current Land Use for Traditional Purposes;

Proposed Mitigation:

- LDN identified a number of sacred or culturally significant sites, none of which will be affected by the Project footprint.
- An existing road will be used to cross the Messue Wagon Trail.
- Six major mitigation measures:
 - Site Avoidance by Project design changes
 - Site Protection and Chance Find Procedures
 - Systematic data recovery
 - Dendrochronological analysis (tree-ring dating)
 - Surveillance
 - Monitoring

Heritage Resources: Survey Coverage & Test Locations





Employment and Business Opportunities
Social Effects

Potential Issue	Potential Environmental Effect	Valued Component
Employment	Interest expressed for employment and training with the Project	6.2.5 Regional and Local Employment and Businesses
Social Effects	Concern expressed that in-migration of workers could bring additional social problems	7.2.5 Family and Community Well-being 7.2.7 Current Use of Land and Resources for Traditional Use

Proposed Mitigation:

- Provide access to money management training.
- Offer counseling services as well as cultural awareness training; and,
 - harassment-free workplace to its employees.
- Work with local agencies to assist monitoring community wellbeing; and'
 - take corrective actions where appropriate.
- Work with LDN to identify and remove barriers to employment and training.

Purpose:

- Continue to engage Aboriginal groups in the proposed Project.
- Involve Aboriginal groups in assessing and verifying the results of environmental studies and effects assessments.
- Verify and involve Aboriginal groups in assessing the effectiveness of proposed mitigation.
- Invite Aboriginal groups to offer input into culturally appropriate approaches to avoid, reduce, mitigate, or otherwise accommodate potential adverse effects on traditional and current use.
- Identify opportunities for longer-term participation in economic, employment, training, and other capacity-building interests.

Approach to resolve issues:

- Endeavour to resolve 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.
- In some cases, outstanding issues and concerns may be addressed in agreement negotiations.

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Volumes 1 to 6 – Application/EIS Main Body
Volumes 7 to 23 – Appendices with Supporting Documentation

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This Application is organized in four sections:

- Part A:** Introduces the Project and provides background information;
- Part B:** Elaborates the Project's potential environmental, economic, social, heritage, and health effects, including cumulative effects and the significance of residual effects, in accordance with the provincial and federal EA processes;
- Part C:** Identifies Aboriginal groups, and their rights and interests, that could potentially be affected by the Project, and how effects will be addressed and mitigated. This section summarizes all consultation activities undertaken with each FN; and
- Part D:** Provides the conclusions of the assessment and demonstrates that all potential adverse effects of the Project have been identified, assessed, and avoided or mitigated where practicable.

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View towards the proposed Mine Site on Davidson Mountain
Existing Exploration Road is also visible

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Appendix B

*Blackwater Gold Project- Exploration Notice of Work
Applications and Environmental Management Update
(Lhoosk'uz Dene Nation; March 21, 2014)*

BLACKWATER GOLD PROJECT

Lhoosk'uz Dene Nation Consultation Summary, May to November, 2014



**LHOOSK'UZ DENE NATION
Exploration NOW Applications &
Environmental Management – dAIR update**

March 21, 2014

Meeting Agenda

Exploration

Exploration permit applications

Use of ethnohistory report and confidential information

dAIR update and EA requirements

Other

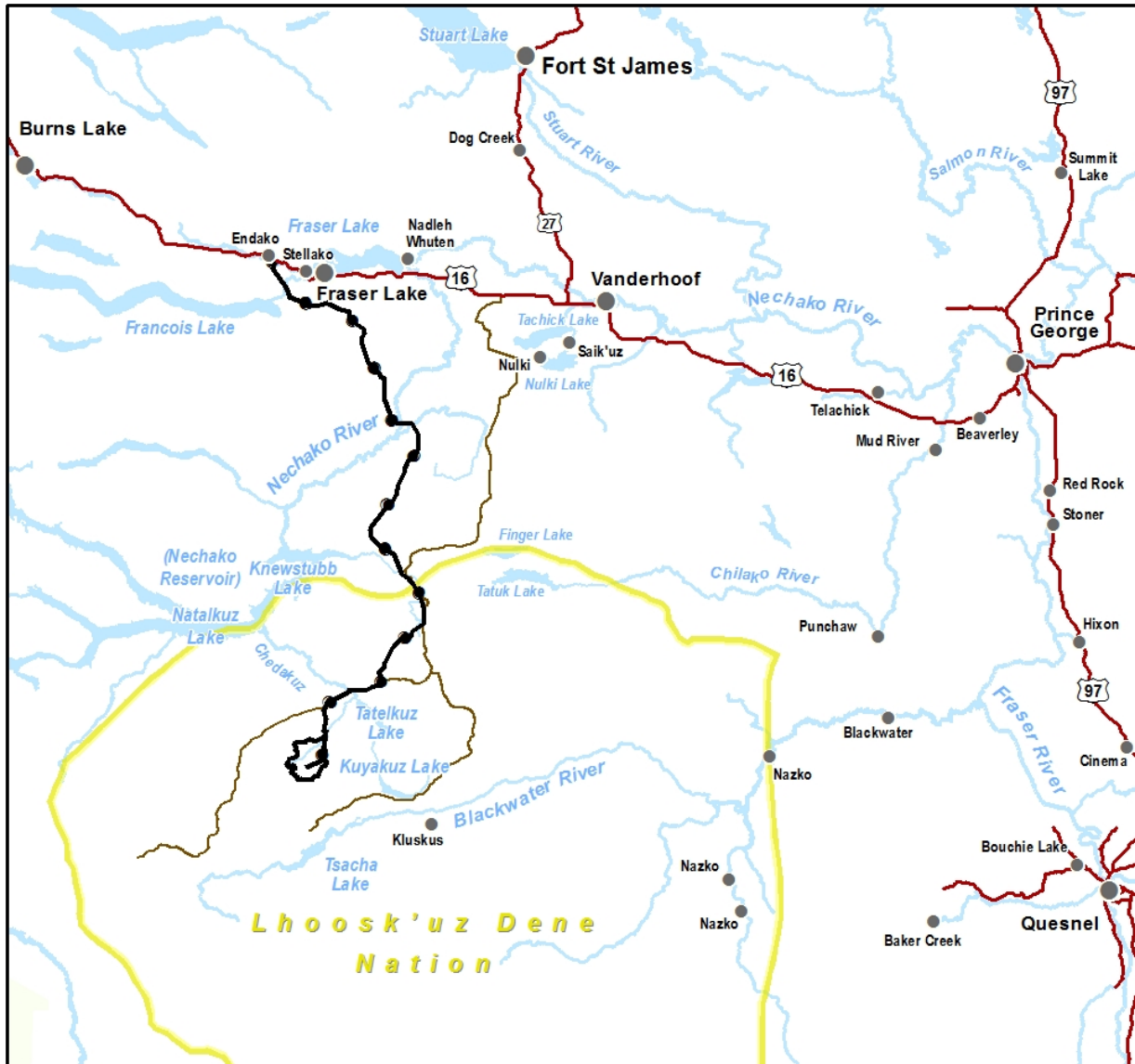


Top Lake, 2012

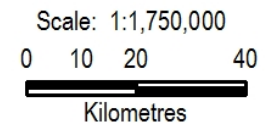
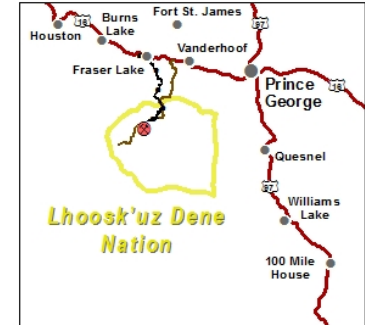
dAIR update and EA requirements

- 1) Provide an overview and update on work in progress regarding the dAIR and the EA/EIS.
- 2) Provide an overview of the issues and concerns of the Lhoosk'uz Dene Nation that have been gathered to date; and, discuss how these are being reflected in the dAIR and EA/EIS documents.
- 3) Present information regarding the effects assessment and discuss proposed mitigation.

Lhoosk'uz Dene Nation Traditional Territory



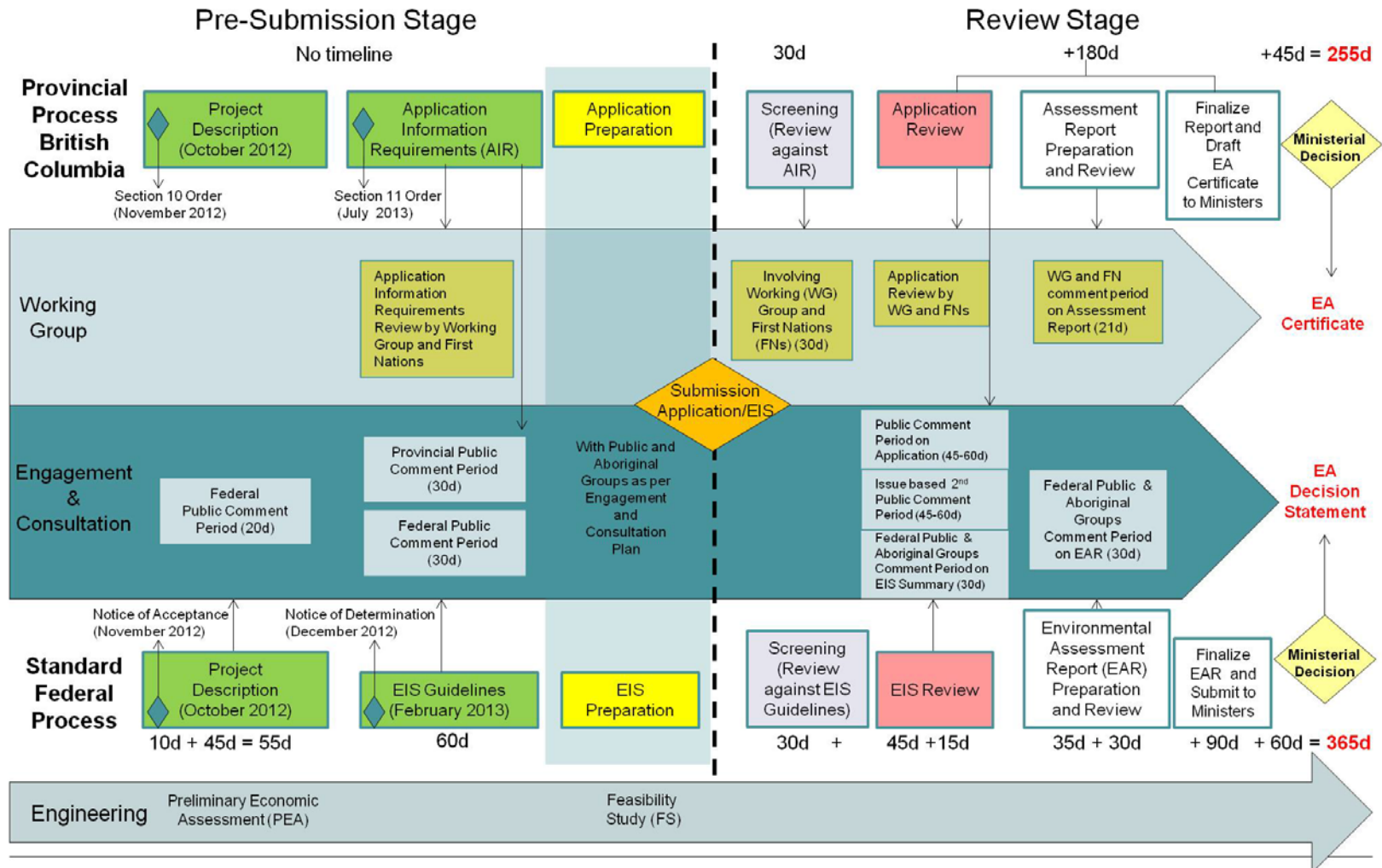
- Populated Place
- 16 Highway
- Kluskus FSR
- River
- Waterbody
- Transmission Line
- Mine Site
- First Nation Boundaries
- Lhoosk'uz Dene





Coordinated Federal and Provincial Environmental Assessment Process

Coordinated Federal and Provincial Environmental Assessment Process



- The following Handouts present information on the structure of the dAIR.
- This information sets out the five pillars:
 - Environmental;
 - Economic;
 - Social;
 - Heritage; and,
 - Health.
- The Valued Components (VCs) are also addressed in each pillar; as well as the relevant dAIR section numbers for each.

Lhoosk'uz Dene Nation – Key Asserted Rights/Issues; Potential Environmental Effects; Proposed Mitigation; and EA Section Reference



Asserted Right/Issue	Potential Environmental Effect	dAIR Section Reference
<p>Effects on fish from water quality changes; Effects from changes in water quality on furbearers and animals trapped for food</p>	<p>Changes in water quality or sediment that may affect fish populations or animals that rely on these resources.</p>	<p>5.3.2 Surface Water Flow; 5.3.3 Surface Water Quality; 5.3.8 Fish; 5.3.9 Fish Habitat; 5.4.13 Furbearers; 7.2.7 Current Land Use for Traditional Purposes; 12.2 Environmental Management Plans.</p>
<p>Effects on the right of fishing from the loss of fish and fish habitat</p>	<p>There will be an unavoidable loss of fish and fish habitat on the mine site and loss of access by fish to the headwaters of Davidson Creek and Creek 661</p>	<p>5.3.8 Fish; 5.3.9 Fish Habitat; 7.2.7 Current Land Use for Traditional Purposes; Fisheries Mitigation and Offset Plan for the Project (Appendix 5.1.2.6D).</p>
<p>Effect on caribou herds that may be hunted</p>	<p>Changes in migration patterns or habitat that may reduce caribou populations.</p>	<p>5.4.11 Caribou; 7.2.7 Current Land Use for Traditional Purposes; 12.2 Environmental Management Plans</p>

Lhoosk'uz Dene Nation – Key Asserted Rights/Issues; Potential Environmental Effects; Proposed Mitigation; and EA Section Reference



Asserted Right/Issue	Potential Environmental Effect	dAIR Section Reference
Potential displacement and contamination of berry-picking sites	Potential loss or change in access to areas for plant harvesting and potential contamination from dust.	9.2.1 Environmental Exposures; 5.4.5 Ecosystem Composition; 5.4.6 Plant Species and Ecosystems at Risk; 7.2.7 Current Land Use for Traditional Purposes; 12.2 Environmental Management Plans.
Effects on archaeological and traditional sites	Potential disturbance or changes in access to traditional and archaeological sites.	8.1 Heritage Baseline; 8.2 Heritage Effects Assessment; 8.2.2 Archaeological Sites; 7.2.7 Current Land Use for Traditional Purposes; 12.2 Environmental Management Plans
Effects on migratory birds and mammals that may access water in the tailings ponds	Changes in habitat or populations of trapped species that may reduce resources.	5.4.8 Water Birds; 7.2.7 Current Land Use for Traditional Purposes; 12.2 Environmental Management Plans
Effects on traplines	Potential reduction in access or availability of land for trapping.	7.1.2 Non-traditional Land Use; 7.2.7 Current Land Use for Traditional Purposes; 12.2 Environmental Management Plans

Questions & Comments

Appendix C

*Blackwater Gold Project- Information Request Tracking Table of
Comments and Responses during the Extended Screening Period
(Lhoosk'uz Dene Nation; October 15, 2014)*

BLACKWATER GOLD PROJECT

Lhoosk'uz Dene Nation Consultation Summary, May to November, 2014

October 15, 2014

Lhoosk'uz Dene Nation

Email Transmittal to:

1. Neil Gauthreau

RE: ENVIRONMENTAL ASSESSMENT APPLICATION/IMPACT STATEMENT

Dear Neil,

New Gold appreciates the comments and information requests you have provided to the Blackwater Gold Project Application/EIS dated May 2014. Please find attached to this letter an information package that explains how your comments have been addressed as follows:

- Table 1: Blackwater Gold Project – Information Request (IR) Tracking Table of Comments and Responses during the Extended Screening Period (Neil Gauthreau)

We trust this information explains clearly how the Application/EIS has been updated to reflect your feedback.

Regards,



Tim Bekhuys
Director, Blackwater Project

Table 1: Blackwater Gold Project – Information Request (IR) Tracking Table of Comments and Responses during the Extended Screening Period (Neil Gauthreau)

**Blackwater Gold Project – Information Request (IR) Tracking Table of Comments and Responses during the Extended Screening Period
(Lhoosk’uz Dené Nation)**

ID #	Type	Organization	Name of Commenter	Information Request (IR)	Explanation of how comments have been addressed in the September 2014 Application/EIS
1.	First Nation	Lhoosk’uz Dené Nation	Neil Gauthreau	<p>We had a meeting with Nigel Fisher, Daniel Begley (Amec), and Shauntese Constantinoff yesterday to go over our concerns about the dAIR. Unfortunately the discussion was at a higher level than we had originally thought. Not only that, but there was no mention of the potential impacts to the keyohs, the governance structure or Lhoosk’uz Dené Nation social organization in relation to the propose project. I will have to go through the application myself and see how New Gold proposes to address these in the EA.</p> <p>The meeting did allow us to identify one additional concern. New Gold has proposed a transmission line to the project site. We feel that this will create additional cumulative effects once the structure is in place. I’ve spoken to Nigel Fisher about this and he tells me they have no plans on selling the transmission line. He also tells me that they are only building it to meet their current requirements for the Blackwater project.</p> <p>However, as I understand it once the line goes through the EA it is not required to go through another EA should the line need upgrades.</p> <p>The way I see it, there are a few ways that this could play out. First New Gold keeps the line and does not upgrade it for further capacity, then decommissions it after the Blackwater Project is complete. If this is the case then there’s no problem. Second, New Gold sells the transmission line to BC Hydro and they do any potential upgrades to the line down the road if it’s needed. Once the infrastructure is there, has already passed a Provincial and Federal review, upgrades can be completed to facilitate new developments without the need to re-do an EA. Third, the line gets sold to a third party wanting to use it for themselves. As you may be aware, TTM has recently pulled their application for and environmental certificate. I’m not saying that the availability of a transmission line alone is enough to get TTM back to the table, but it is a selling feature to companies doing exploration in the area. Even more so given the fact that the line goes directly through TTM’s proposed Chu Moly Project.</p> <p>It’s also why I brought up the second and third points above. I have attached a map showing the proposed Chu Moly project as is found in their previous application for an EA. I have overlain the proposed New Gold transmission line. It runs between the proposed Chu Moly Project tailings storage facility and the pit. The Lhoosk’uz Dené Nation reserve, Tatelkuz IR 28, is in the lower left hand (southwest) corner for reference. It definitely is a concern as it has the potential to add additional cumulative effects on Lhoosk’uz Dené Nation territory.</p>	<p>During a meeting with the LDN on 3 July 2014, concerns were raised regarding potential effects to keyohs and traplines and how this would be addressed in the Application. The Proponent followed up with LDN on 23 July 2014 via email noting that the keyoh is dealt with in a number of components of the Application. Section 14 presents background information on the LDN keyohs in Section 14.3.1.5 (Traditional Land Use and Traditional knowledge-LDN) while section 15 discusses the effects on Aboriginal Rights. Section 15.2 (LDN) presents the assessment of effects LDN rights including the practice of these rights in the keyohs. Section 7.2.7 (Current Land and Resource Use for Traditional Purposes) presents how current land use may be affected by the Project, including uses in the keyoh. Specific sections related to the LDN and keyohs include Sections 7.2.7.2.5 (Valued Component Baseline), 7.2.7.3 (Potential Effects of the Proposed Project and Proposed Mitigation) and 7.2.7.4 (Residual effects and their Significance). The approach the Application takes to effects on the keyoh is that the registered trapline area has been used to define the keyoh for some Aboriginal groups. With respect to LDN, the keyoh boundaries were also used in some cases (i.e. hunting) to define effects. With respect to trapline compensation associated with mine development, the Application proposes an example process from the Oil and Gas sector as an existing industry and provincial protocol. The example was sent to LDN on 23 July 2014.</p> <p>Chu Moly Project was not considered for the cumulative effects assessment, because its Proponent withdrew it from the Environmental Assessment process and it is no longer being reviewed by the EAO. This is explained in Section 4 Assessment Methodology of the Application/EIS. However, if the project restarted the EA process a cumulative effects assessment would be required, which would consider the project cumulatively with the Blackwater Project</p>

November 12, 2014

Stellat'en First Nation
Box 760
Fraser Lake, BC
V0J 1S0

BY EMAIL

Dear Chief Patrick:

Subject: Proposed Blackwater Gold Project – Stellat'en First Nation Consultation
Summary, May and November 3, 2014

Attached please find a report summarizing New Gold's consultation efforts with the Stellat'en First Nation (StFN) between May and November 2014 regarding the proposed Blackwater Gold Project (the Project). New Gold is required to consult with Aboriginal groups regarding potential adverse effects of the Project on Aboriginal interests, and on measures to avoid, mitigate or accommodate such potential adverse effects.

The attached report builds on our letter dated September 16, 2014, which outlined consultation activities to date and proposed further consultation. New Gold will continue to consult with StFN during the review of the Application for an Environmental Assessment/Environmental Impact Statement (EA Application) and document and respond to issues, concerns and interests raised by StFN with respect to the Project.

We look forward to receiving the StFN comments during the review of New Gold's EA Application. Please contact me if you have any questions. I can be reached by phone at 604-639-2005 and by email at Tim.Bekhuys@newgold.com.

Sincerely,



Tim Bekhuys
Director, Blackwater Project

cc. Shelley Murphy, Executive Project Director, BC Environmental Assessment Office

Christal Nieman, Acting Project Manager, Canadian Environmental Assessment Agency

New Gold Inc.

BLACKWATER GOLD PROJECT
**Stellat'en First Nation Consultation Summary,
May to November, 2014**

November 2014

Citation:

New Gold. 2014. *Blackwater Gold Project: Stellat'en First Nation Consultation Summary, May to November, 2014*. Prepared by New Gold Inc.: Vancouver, British Columbia.

New Gold Inc.

Two Bentall Centre
Suite 1800 - 555 Burrard Street
Vancouver, BC
Canada V7X 1M9
T: +1 (604) 695-4100
F: +1 (604) 696-4110

BLACKWATER GOLD PROJECT

Stellat'en First Nation Consultation Summary, May to November, 2014

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GLOSSARY AND ABBREVIATIONS

Terminology used in this document is defined where it is first used.

AIR	Application Information Requirements
Application	Application for an Environmental Assessment Certificate
BC EAO	BC Environmental Assessment Office
EA	Environmental Assessment
EIS	Environmental Impact Statement
Project, the	Blackwater Gold Project, the
StFN	Stellat'en First Nation
TK/TLU	Traditional Knowledge/Traditional Land Use

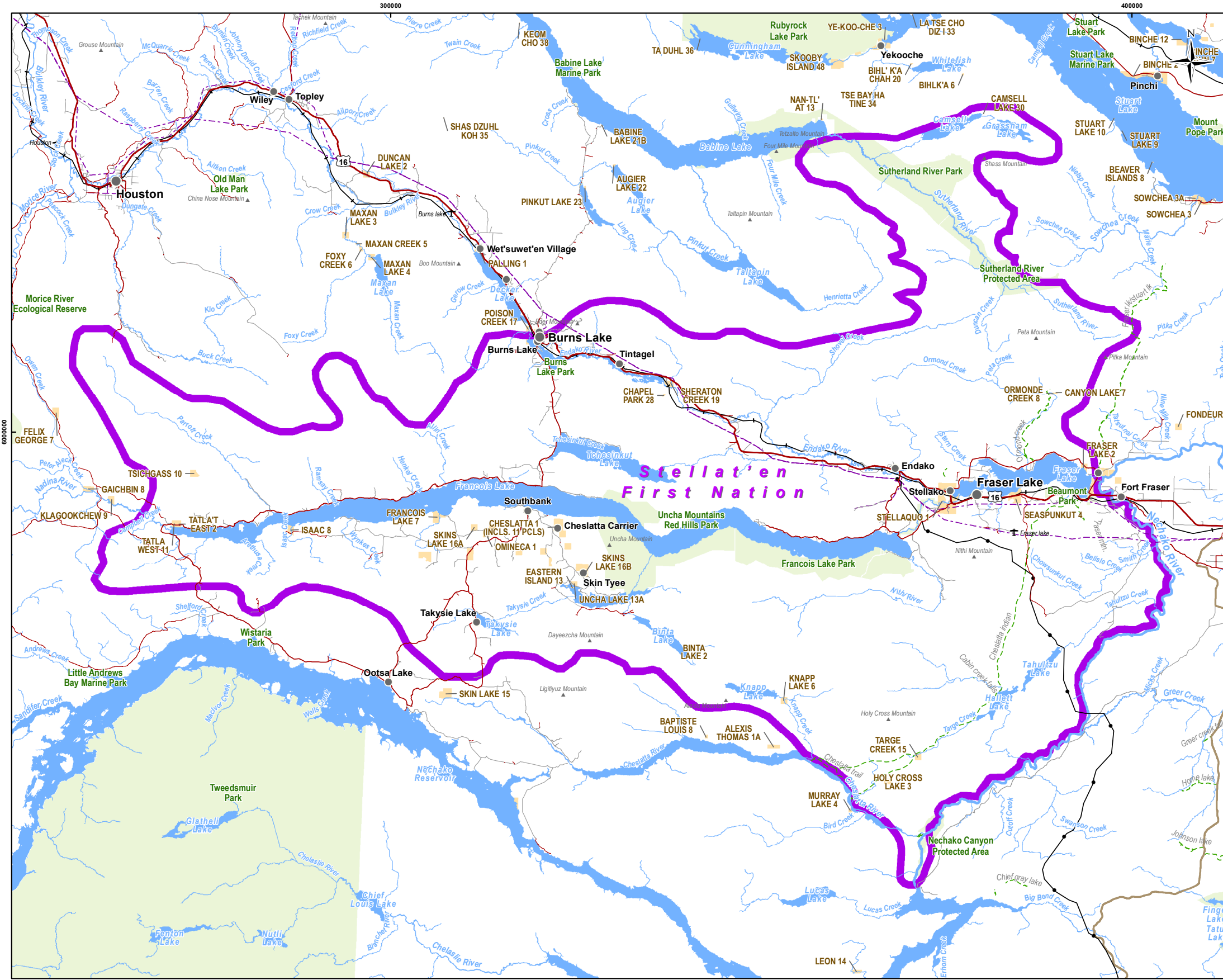
1. INTRODUCTION

New Gold Inc. (New Gold) is proposing to develop an open pit gold and silver mine approximately 160 kilometres (km) southwest of Prince George and 110 km south of Vanderhoof in north-central British Columbia (BC). Part of the transmission line runs through the southern portion of the Stellat'en First Nation (StFN) traditional territory off of Highway 16, while the mine site itself is located south of the StFN territory (Figure 1-1).

The proposed Blackwater Gold Project (the Project) is currently in the federal and provincial environmental assessment (EA) process. New Gold's Application for an Environmental Certificate/Environmental Impact Statement (Application/EIS) has been submitted to the BC Environmental Assessment Office (BC EAO) for evaluation against the Application Information Requirements (AIR), issued by the BC EAO on May 15, 2014.

This document describes information distribution and consultation activities undertaken by New Gold with StFN between May 1 and October 31, 2014. These activities include New Gold's efforts to obtain information on StFN Aboriginal interests and to seek StFN feedback on proposed measures to avoid or mitigate potential adverse effects on StFN interests. Consultations with the StFN involved in the EA have been undertaken in accordance with New Gold's Aboriginal Groups Consultation Plan (May 2014).

Figure 1-1
Stellat'en First Nation
Traditional Territory



- Legend**
- Populated Place
 - ▲ Mountain Peak
 - ✈ Airport/Airfield
 - 16 Highway
 - Arterial/Collector
 - Resource/Recreation
 - Local/Street
 - Other
 - Kluskus / Kluskus-Ootsa FSR
 - Recreation Trail
 - Railway
 - Transmission Line
 - Stream
 - Waterbody
 - Park or Protected Area
 - Indian Reserve
- Project Components**
- Proposed Transmission Line
 - Exploration Road
 - Proposed Mine Access Road
 - Proposed Fresh Water Pipeline
 - Airstrip Access Road
 - Airstrip Extent
 - Mine Site
- Traditional Territory**
- Stellat'en First Nation



Scale: 1:500,000
 0 5 10 20
 Kilometers

Reference
 Context layers:
 BC Government GeoBC Data Distribution
 Traditional Territory:
 Carrier Sekani Tribal Council - <http://www.carriersekani.ca/>

Source: AMEC (2014).

2. BACKGROUND

2.1 NEW GOLD ABORIGINAL CONSULTATION PLAN

Prior to the timeframe for this report, the draft Aboriginal Groups Consultation Plan was provided to StFN on October 25, 2013 for review and comment. New Gold followed up by phone and email in November 2013 to seek comments on the draft Plan. On November 25, 2013, StFN responded via email. In response to the StFN comments, New Gold and the StFN signed a capacity funding agreement on December 20, 2013. The BC EAO approved the Aboriginal Groups Consultation Plan in May 2014.

2.2 ABORIGINAL RIGHTS AND INTERESTS

New Gold met with the StFN Committee on June 26, 2014. The Committee is comprised of Chief and Council, Elders, knowledge holders, and community members representing family groups within the StFN. The committee's mandate is to inform the community about projects in the StFN territory, obtain feedback from StFN members about these projects, and to communicate this feedback back to the Committee.

The purpose of the June 26, 2014 meeting was for New Gold to provide an overview of the Application/EIS, describe how issues raised by StFN are addressed in the Application/EIS, obtain input on the proposed mitigation and monitoring measures to address StFN concerns, and discuss future consultation. The meeting, open to all StFN members, was attended by 13 community members as well as the Chief. New Gold's presentation identified measures for mitigating potential impacts to traditional use (Appendix A).

New Gold presented information on the Project effects and proposed mitigation measures. Copies of the presentation were distributed to meeting attendees. The StFN commented on the following:

- transmission line route alternatives and crossing of the Stellako River;
- discharge from the Project into water bodies;
- concerns about effects to fishing and hunting rights;
- importance of traditional knowledge/traditional land use (TK/TLU) and protecting resources e.g., culturally modified trees; and
- importance of traditional plants including berry picking.

New Gold's responses to the issues are provided in Section 4. At the time of the meeting, StFN was completing their TK/TLU work related to the proposed transmission route alignment as agreed with New Gold.

New Gold has updated Section 7.2.7 (Current Use of Lands and Resources for Traditional Purposes) and Section 15 (Aboriginal Rights) in the October 2014 Application/EIS to address comment received from the BC EAO Working Group. Section 7.2.7 discusses how the Project may interact

with the Aboriginal current use of lands and resources, and Section 15 assesses the potential effects of the Project on Aboriginal rights, and proposes measures to mitigate impacts on rights. Section 16 (Other Aboriginal Interests) of the Application/EIS discusses the potential effects of the Project on Aboriginal interests and proposes measures to mitigate impacts on these interests.

3. INFORMATION DISTRIBUTION AND CONSULTATION ACTIVITIES

Information distribution and consultation activities undertaken by New Gold between May 1, 2014 and November 3, 2014 are described in the sections below and summarized in Table 3-1.

Table 3-1. New Gold’s Key Consultations with StFN between May 1, 2014 and November 3, 2014

Date (Location)	Communication Method	Topic
May 15, 2014	E-mail	Conveyed the draft Wildlife Management Plan to StFN and requested feedback (no comments received to date).
June 26, 2014 (Stellat’ en Band Hall)	Meeting	Meeting with the StFN Committee to present an overview of Application/EIS; identify StFN interests identified to date and how interests are addressed in the Application/EIS; seek input on proposed mitigation and monitoring measures, and discuss plans for future consultation.
July 9, 2014	E-mail	Requested written documentation from StFN on preferred approach to consultation (no comments received).
July 10, 2014	E-mail	Conveyed a copy of the meeting minutes to StFN for review and comment (comments received from StFN on July 10, 2014 regarding meeting attendees).
July 16, 2014	E-mail	Provided StFN with a shapefile of the transmission line route to be utilized in the TK/TLU study.
July 22, 2014	E-mail	Invited StFN to tour Mt. Milligan, an operating copper/gold mine with a similar Project design to Blackwater (no response received).
August 7, August 11, September 3, 2014	E-mail/Phone	Requested update on the finalization of the TK/TLU study (StFN provided the final report on October 2, 2014).
September 16, 2014	E-mail	Letter to StFN outlining New Gold’s approach to implementing the Aboriginal Groups Consultation Plan, summarizing recent consultation activities as well as outlining proposed future activities (i.e., helicopter tour of the transmission line, review of TK/TLU study, a meeting with StFN Committee to incorporate the TK/TLU into the Project, and completion of the socio-economic study and related follow-up meetings for the socio-economic study).
September 24, 2014	Site Tour	StFN representatives participated in a site tour that involved flying over the proposed transmission line and touring the proposed mine site.
October 15, 2014 (Vancouver)	Meeting	Reviewed the TK/TLU information and the transmission line alignment. StFN committed to get back to New Gold to identify any potential conflicts with the transmission line and StFN interests (no response to date).

3.1 SITE TOURS

On September 24, 2014, New Gold hosted StFN representatives on a site tour that involved flying over the proposed transmission line and touring the proposed mine site. Site tours were originally scheduled for July but due to forest fires they were postponed. The site tour provided a visual overview of the transmission line route and watercourses within the StFN traditional territory.

On July 22, 2014, New Gold invited StFN to tour Mt. Milligan, an operating copper/gold mine with a similar Project design to Blackwater. No response from StFN has been received to date.

3.2 TRADITIONAL KNOWLEDGE/TRADITIONAL LAND USE STUDIES

Pursuant to the Capacity Agreement signed in December 2013, New Gold provided the StFN with financial support to undertake a TK/TLU study. Over the past few months, New Gold encouraged StFN to provide the study for integration into the Application/EIS, and/or for integration into the Project design and subsequent stages of the Project development, the permitting phase and Project construction, operations, closure, and post-closure phases. StFN provided the TK/TLU study to New Gold on October 2, 2014.

3.3 MEETINGS

A meeting was held with the StFN Committee and community members on June 26, 2014. As discussed in Section 2.2, New Gold provided information on how issues raised by StFN have been considered and addressed in the Application/EIS including proposed mitigations. A question and answer session provided feedback and confirmed the characterization of StFN issues. The meeting concluded that further discussion on effects and required mitigation was dependant on the results of the TK/TLU study.

After receiving the TK study on October 2, 2014, New Gold and StFN met on October 15, 2014 to review the TK and the transmission line alignment. The StFN committed to get back to New Gold to identify any potential conflicts with the transmission line and StFN interests.

4. ISSUE IDENTIFICATION

Interests and concerns raised by StFN during consultations undertaken between May and November 3, 2014, are summarized in Table 4-1, along with New Gold’s responses. These were raised primarily through the June 26, 2014 meeting with the StFN Committee, and are consistent with the issues previously identified. New Gold will continue to consult with StFN during the review of the Application/EIS and document and respond to issues, concerns and interests raised by StFN with respect to the Project.

Table 4-1. Issues Raised by StFN and New Gold’s Responses

Issue	New Gold’s Response
Transmission line alternatives.	At the June 26, 2014 meeting, where the issue was raised, New Gold indicated the transmission line has been routed to make use of existing access and to cross recently logged areas as much as practical along its alignment. The Application/EIS includes a commitment to address TK in operational plans, including environmental management plans, as it becomes available.
Effluents entering water bodies.	At the June 26, 2014 meeting, where the issue was raised, New Gold reviewed the tailings facility design and operation. No impacts are anticipated on rivers in the Stelat’en traditional territory.
Effects to the right to fish.	At the June 26, 2014 meeting, where the issue was raised, New Gold identified where the fish EA is located in the Application/EIS. Measures to mitigate impacts include: clustering of mine site facilities; minimizing the number of disturbed watersheds; no discharge during operations and closure; flow augmentation of Davidson Creek; diversion of Lake 01682LNRS to Lake 01538UEUT; fish habitat offsetting plan; and application of standard stream-crossing and erosion control techniques. Effects will be mitigated through in-kind replacement, and addressing limitations to fish production in Davidson Creek.
Importance of TK/TLU - StFN noted the importance of First Nations knowledge.	At the June 26, 2014 meeting, where the issue was raised, New Gold described how TK/TLU is incorporated into the Application/EIS.
Traditional plants - StFN inquired if traditional plants will be replanted along the transmission line.	At the June 26, 2014 meeting, where the issue was raised, New Gold agreed that traditional plants should be replanted, not grass. New Gold also described the reclamation plan and bonding requirements under the BC Mines Act. New Gold committed to follow up with StFN on this matter after the TK/TLU study is finalized. A meeting was held on October 15, 2014 to discuss the TK/TLU information and the transmission line alignment.
Effects to berry picking shrubs along the transmission line right-of-way	At the meeting on June 26, 2014, where this issue was raised, New Gold discussed the vegetation management and reclamation plans.
Effects to salmon throughout StFN traditional territory (which is noted as an important cultural and food fish).	At the meeting on June 26, 2014 New Gold presented an overview of the fish and aquatic resources management plan and noted no effects are predicted for rivers in Stelat’en territory with the implementation of mitigation.

(continued)

Table 4-1. Issues Raised by StFN and New Gold's Responses (completed)

Issue	New Gold's Response
Consideration of culturally modified trees.	At the meeting on June 26, 2014, New Gold referenced the Application/EIS where culturally modified trees are discussed and a commitment to follow the proposed management plan and chance find procedure.
Employment and business opportunities.	At the meeting on October 15, 2014, New Gold presented information about training and the types of contracting opportunities available. New Gold is open to discussing and developing a memorandum of understanding as the basis for future discussions with StFN.
Effects to water quality and fish in the Stellako River.	In response to these concerns, the transmission line was designed to the Stellako and Nechako rivers and fish habitat. Mitigation measures include erosion and sediment control measures (e.g., control matting, rip-rap, and hydro-seeding to protect erodible soils from entering water bodies such as the Nechako River).

Appendix A

*Blackwater Gold Project- Effects Assessment Update (Stellat'en
First Nation; June 26, 2014)*

BLACKWATER GOLD PROJECT

Stellat'en First Nation Consultation Summary, May to November, 2014



STELLAT'EN FIRST NATION

Blackwater Gold Project – Effects Assessment Update

06-26, 2014

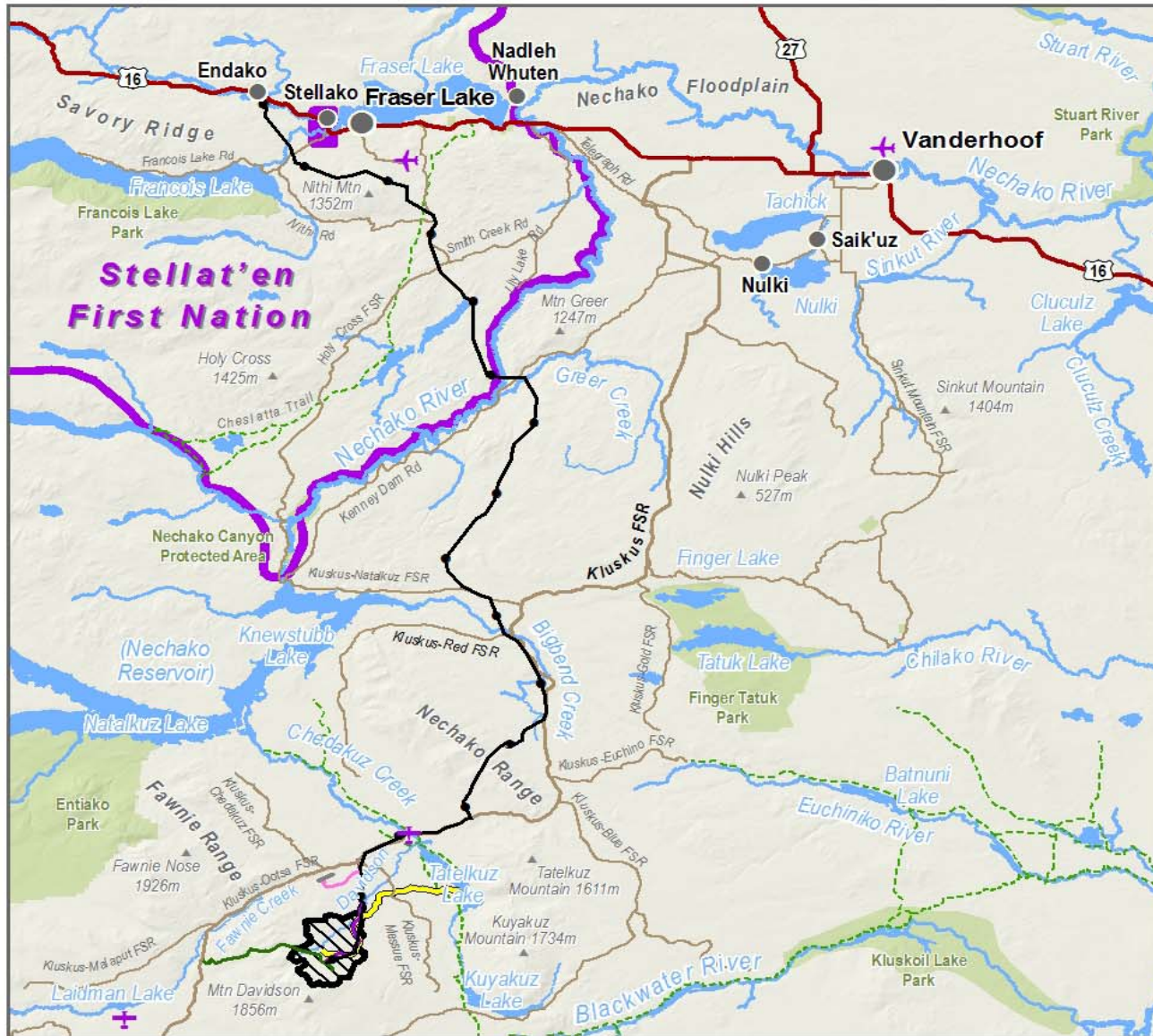
Meeting Purpose



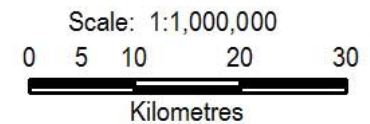
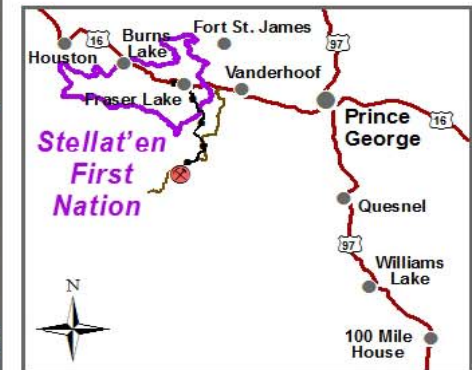
1. Discuss results of consultation conducted up to date
2. Review how StFN issues and concerns are addressed in the Application/EIS
3. Discuss proposed mitigation and monitoring measures to address issues raised by StFN
4. Discuss future consultation activities
5. Review Application/EIS report structure and content
6. Receive feedback



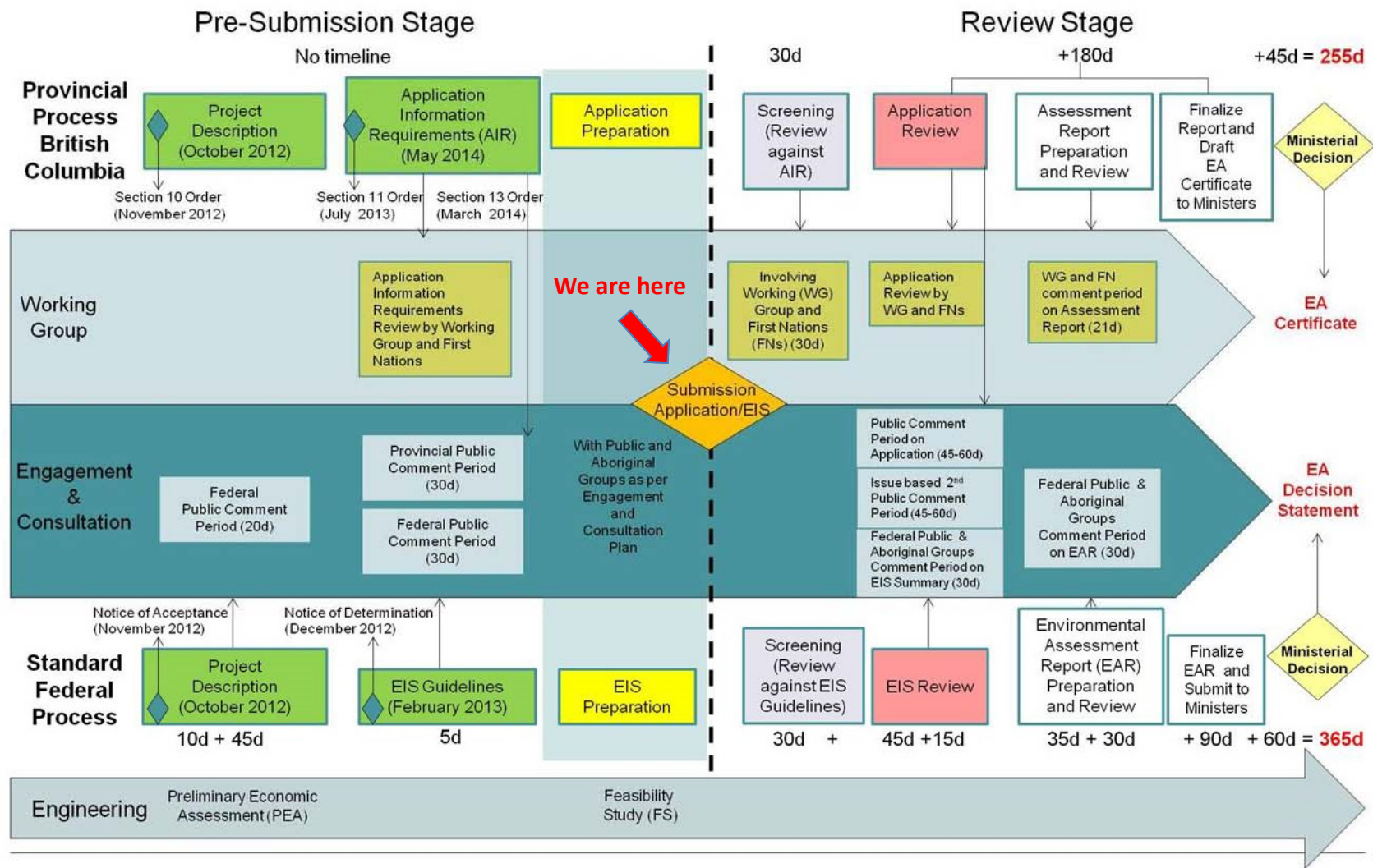
Stellat'en First Nation Traditional Territory



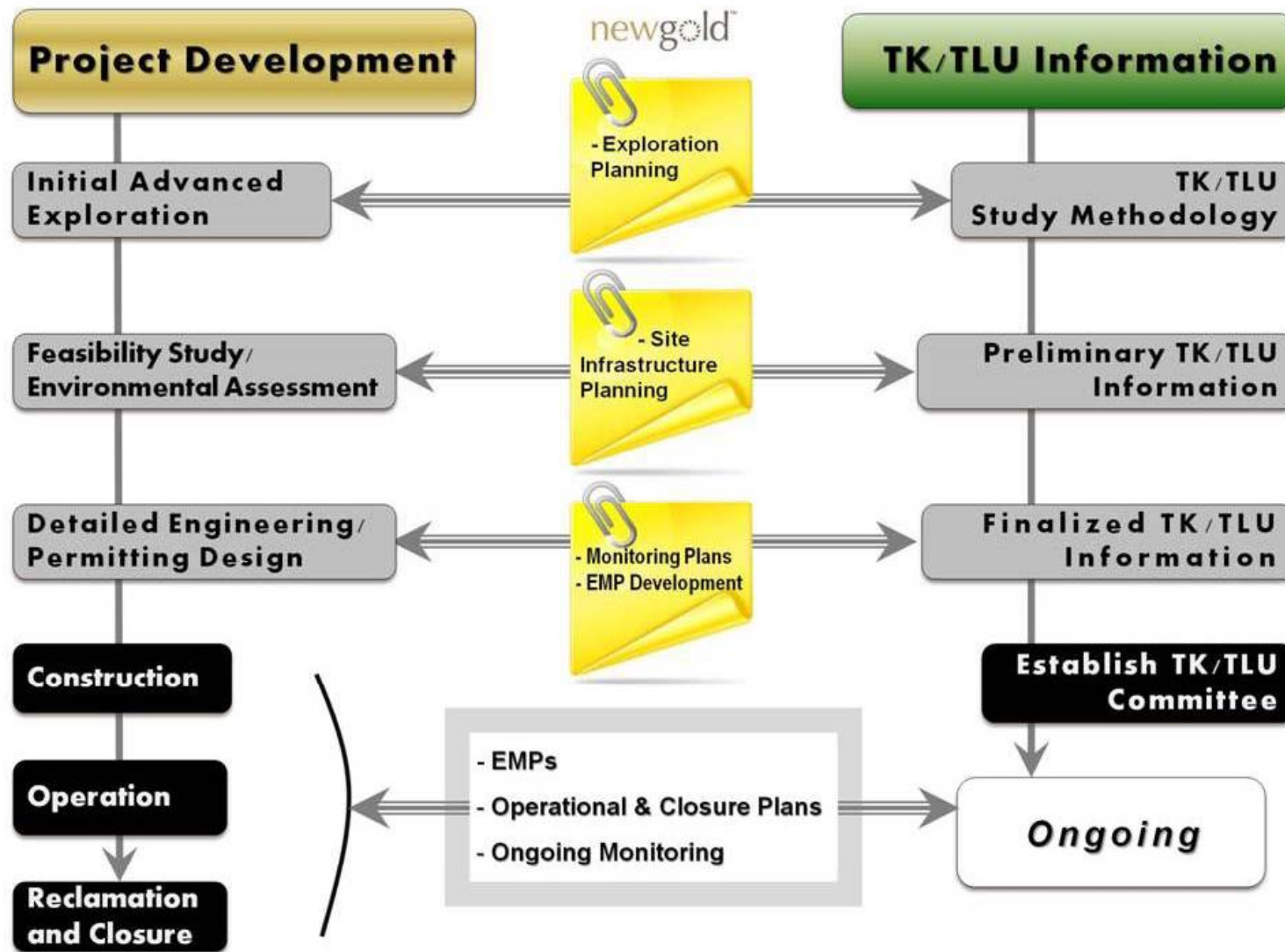
- Populated Place
- ✈ Airport ✈ Airstrip
- 16 Highway
- Kluskus / Kluskus-Ootsa FSR
- Other FSR
- - - Recreation Trail
- Stellat'en First Nation
- StFN Reserve
- Park
- Proposed Project Components**
- Exploration Road
- Transmission Line
- Mine Access Road
- Fresh Water Pipeline
- Airstrip Access Road
- Airstrip Extent
- Mine Site



Coordinated Federal and Provincial Environmental Assessment Process



Integration of Traditional Knowledge & Land Use (TK/TLU) Information into the Blackwater Gold Project Development



The Aboriginal Groups Consultation Plan (AGCP) is intended to serve two purposes:

- Ensure regulatory requirements are achieved.
- Ensure open and transparent information sharing with Aboriginal groups.

The Application/EIS:

- Results of consultation between April 2011 and April 2014, which included:
 - Presentations to leadership.
 - Community meetings.
 - Effects assessment meetings.
 - Socio-economic baseline.
 - Working Group participation.
 - On-going project updates.
- Section 3.3 describes how the consultation activities were executed in accordance with the AGCP and section 11 Order.
- Section 17 discusses the results of the consultation with Aboriginal groups.

- Traditional Use
 - Trapping
 - Hunting
 - Traditional Plant Harvesting

- Aquatics
 - Water quality

- Employment
 - Training



Traditional Use – Trapping and Hunting

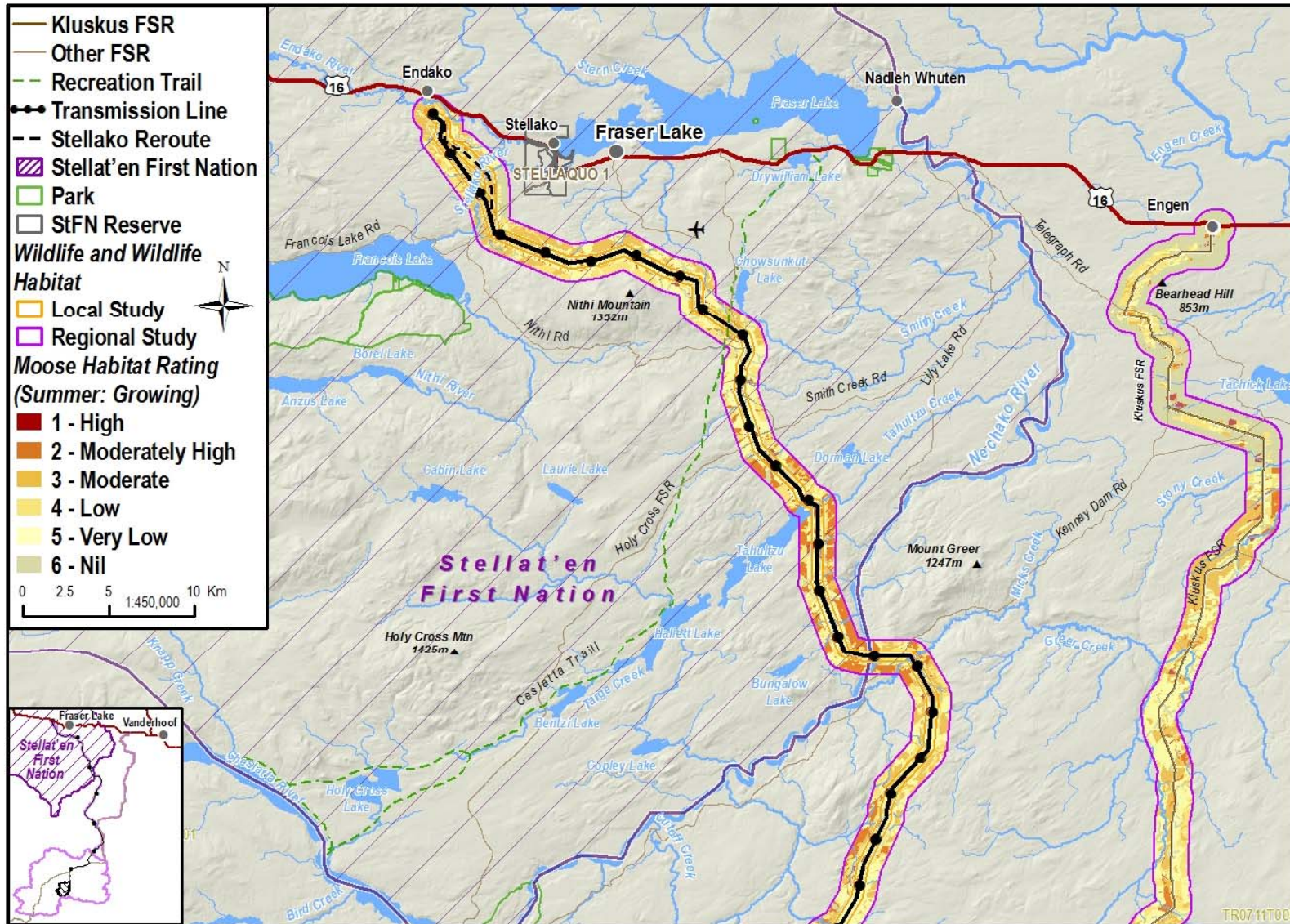


Potential Issue	Potential Environmental Effect	Valued Component
Hunting	Potential effects on wildlife habitat around the Stellako River transmission line crossing.	7.2.7 Current Land Use for Traditional Purposes
	Changes in migration patterns or habitat that may reduce caribou populations.	7.2.7 Current Land Use for Traditional Purposes
Trapping	Potential reduction in access or availability of land for trapping.	7.2.6 Non-traditional Land Use 7.2.7 Current Land and Resource Use for Traditional Purposes
Concern that trapline holders should be compensated in some manner	Loss of trapping associated with the mine footprint, transmission line, water supply pipeline, access roads, and airstrip.	7.2.6 Non-Traditional Land and Resource Use 7.2.7 Current Land and Resource Use for Traditional Purposes

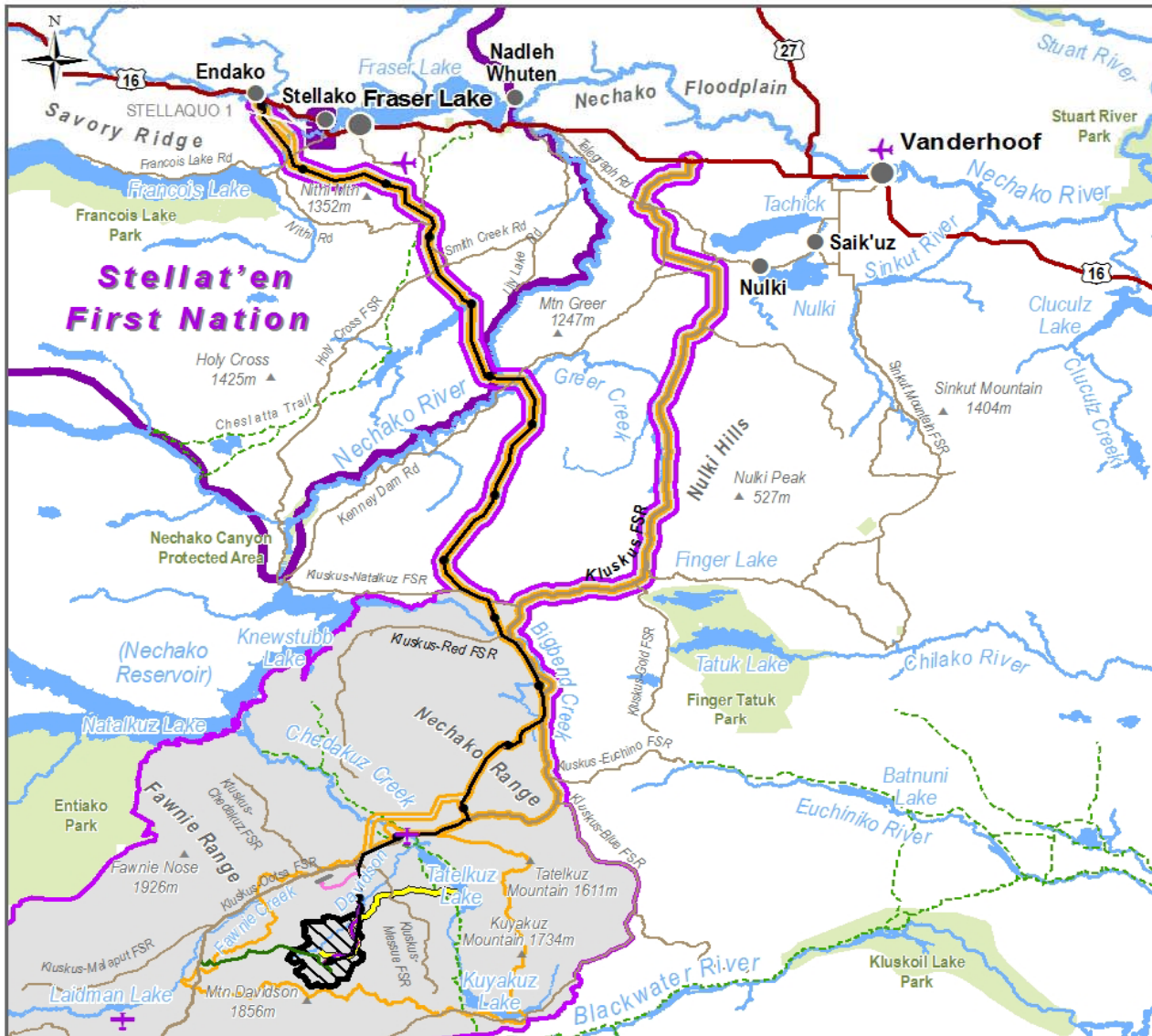
Proposed Mitigation

The Transmission Line is the only project component that is located within Stellat'en traditional territory. Project design measures, access management, vegetation and wildlife management measures and communication with trapline holders are being proposed to address potential effects on traditional use.

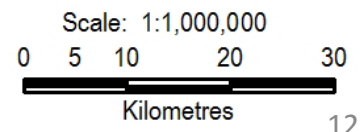
Moose (Summer)



Current Land and Resources Use for Traditional Purposes



- Populated Place
 - ✚ Airport ✚ Airstrip
 - 16 Highway
 - Kluskus / Kluskus-Ootsa FSR
 - Other FSR
 - - - Recreation Trail
 - Stellat'en First Nation
 - StFN Reserve
 - Park
- Proposed Project Components**
- Exploration Road
 - Transmission Line
 - Mine Access
 - Fresh Water Pipeline
 - Airstrip Access Road
 - Airstrip Extent
 - Mine Site
- Current Land and Resource Use for Traditional Purposes**
- Regional Study
 - Local Study



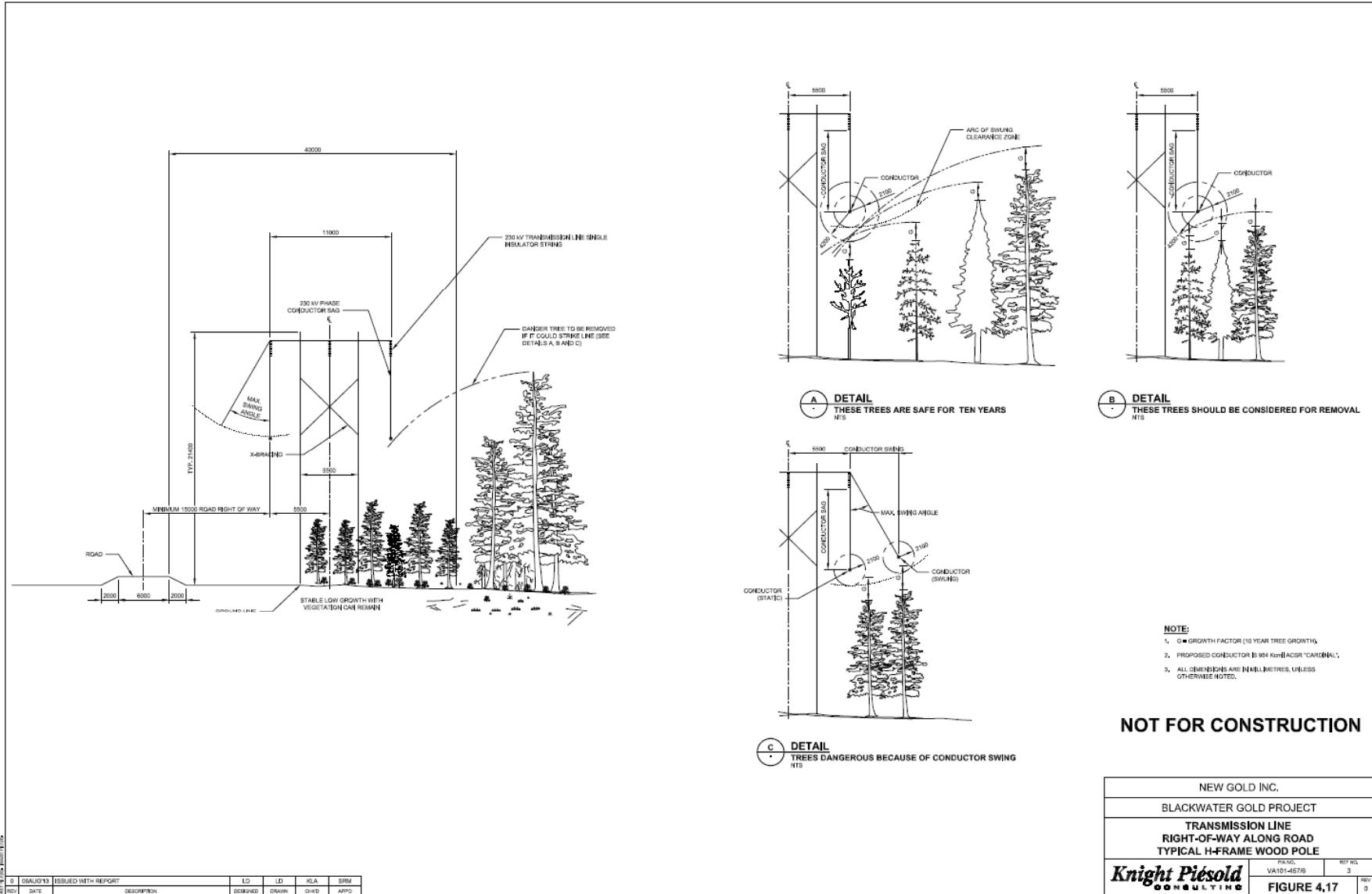
Transmission Line Appearance



Transmission Line Appearance



Transmission Line – Typical Cross-Section



Project Description – Section 2.2.4.4

- The transmission line has been routed to make use of existing access and to cross recently logged areas as much as practical along its alignment.
- Two types of access road will be employed:
 - Branch roads are those roads accessing the transmission line ROW.
 - Access roads are those roads located inside the ROW that are used to access proposed pole locations.

Transportation and Access Management Plan – Section 12.2.1.18.4.14

- Temporary access to transmission line ROW and pole locations during construction.

Wildlife Management Plan – Section 12.2.1.18.4.6

- Prohibit hunting and fishing for employees and contractors while on company business or while staying in construction or operations camps.
- Prohibit feeding of wildlife.
- Manage waste to minimize wildlife attractants.
- Maintain a bear awareness program to orient employees to correct waste disposal procedures and reporting guidelines.
- Provide employee and contractor training on wildlife safety and awareness.

Landscape, Soils, and Vegetation Management and Restoration Plan – Section 12.2.1.18.4.4

- Landscape changes, including re-grading and alteration of baseline contours for mine site and transmission line development, will be managed by:
 - Maximizing use of previously disturbed habitat to minimize effect of the Project during construction.
 - Reducing adverse effects on landscape stability by using best practice procedures during construction.
- Vegetation disturbances will be managed by:
 - Developing Timber Salvage Plan to assist in planning, scheduling, and implementation of salvage of merchantable timber.

Trapline Tenures – Section 7.2.6

- On-going communication with trappers.
- Compensation for affected trapline holder in accordance with industry and provincial protocols with associated proof of loss revenue

Potential Issue	Potential Environmental Effect	Valued Components
Traditional Plant Harvesting	Potential effects on berry patches.	9.2.1 Environmental Exposures 5.4.5 Ecosystem Composition 5.4.6 Plant Species and Ecosystems at Risk 7.2.7 Current Land Use for Traditional Purposes

Proposed Mitigation:

The Transmission Line is the only project component that is located within Stelat'en traditional territory. Project design measures, access management, vegetation and reclamation management measures are being proposed to address potential effects on traditional use.

Invasive Species Management Plan – Section 12.2.1.18.4.5:

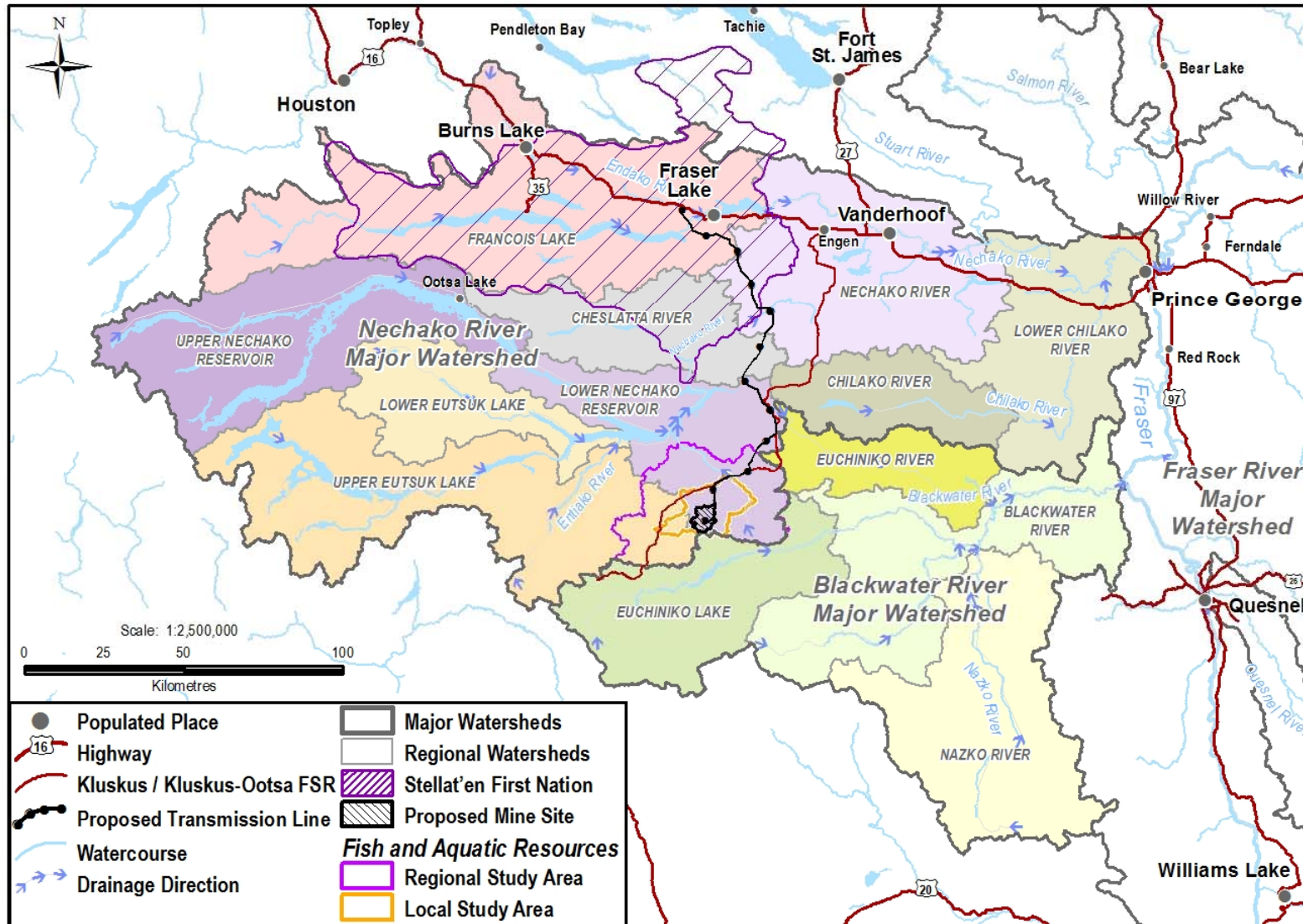
- Provides prevention, control, and monitoring of growth and spread of invasive plants in areas of disturbed or exposed soil or subsoil.
- Management of invasive species will be sustained throughout all phases of the Project.

Potential Issue	Potential Environmental Effect	Valued Components
Concern raised about the transmission line crossing of the Stellako River and effects on the water	Potential negative effects on Stellako River water and sediment quality from erosion near the transmission line crossing the Stellako River.	5.3.3 Surface Water Quality 5.3.4 Sediment Quality
Exacerbation of arsenic in the water	Potential changes in arsenic levels in water in Stellat'en territory.	5.3.3 Surface Water Quality 5.3.4 Sediment Quality

Proposed Mitigation

There are no anticipated effects on water quality in the rivers located in Stellat'en Traditional Territory. The mine site will not discharge during the operation and closure phases and mitigation measures are proposed during the construction and post-closure phases that confine the residual project effects on aquatic resources to catchments immediately adjacent to the mine site.

Nechako River & Blackwater River Watersheds



StFN is currently conducting a socio-economic study, and the results will be used by the Project as soon as they become available.

The presentation of results of the socio-economic study to the community is currently planned for July 18



Employment and Business Opportunities



Potential Issue	Potential Environmental Effect	Valued Component
Loss of lifestyle and cultural values	Potential changes to lifestyle and cultural values.	7.2.5 Family and Community Well-being 7.2.7 Current Use of Land and Resources for Traditional Use
Interest in educational and training opportunities	Positive contribution to skills and training.	6.2.5 Regional and Local Employment and Businesses
Interest in employment, including employment related to transmission line development	Potential increase in employment and improvement in economic conditions.	

Proposed Mitigation

- Provide access to money management training.
- Offer counseling services as well as cultural awareness training and harassment-free workplace to its employees.
- Work with local agencies to assist monitoring community wellbeing and to take corrective actions where appropriate.
- Work with Aboriginal groups to identify and remove barriers to employment and training.

Aboriginal Groups Consultation Plan

Consultation Activities for the Application Review Phase



Purpose:

- Continue to engage Aboriginal groups in the proposed Project.
- Involve Aboriginal groups in assessing and verifying the results of environmental studies and effects assessments.
- Verify and involve Aboriginal groups in assessing the effectiveness of proposed mitigation.
- Invite Aboriginal groups to offer input into culturally appropriate approaches to avoid, reduce, mitigate, or otherwise accommodate potential adverse effects on traditional and current use.
- Identify opportunities for longer-term participation in economic, employment, training, and other capacity-building interests.

Approach to resolve issues:

- Endeavour to resolve 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.
- In some cases, outstanding issues and concerns may be addressed in agreement negotiations.



Volumes 1 to 6 – Application/EIS Main Body
Volumes 7 to 23 – Appendices with Supporting Documentation

This Application is organized in four sections:

- Part A Introduces the Project and provides background information;
- Part B Elaborates the Project's potential environmental, economic, social, heritage, and health effects, including cumulative effects and the significance of residual effects, in accordance with the provincial and federal EA processes;
- Part C Identifies Aboriginal groups, and their rights and interests, that could potentially be affected by the Project, and how effects will be addressed and mitigated; and
- Part D Provides the conclusions of the assessment and demonstrates that all potential adverse effects of the Project have been identified, assessed, and avoided or mitigated where practicable.



**Proposed Stellako River Crossing for Transmission Line
September 12, 2013**

November 12, 2014

Ulkatcho First Nation
PO Box 3430
Anahim Lake, BC
V0L 1C0

BY EMAIL

Dear Chief Parker:

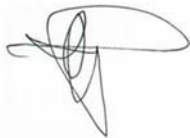
Subject: Proposed Blackwater Gold Project – Ulkatcho First Nation Consultation
Summary May to November 3, 2014

Attached please find a report summarizing New Gold's consultation efforts with the Ulkatcho First Nation (UFN) between May and November 3, 2014 regarding the proposed Blackwater Gold Project (the Project). New Gold is required to consult with Aboriginal groups regarding potential adverse effects of the Project on Aboriginal interests, and on measures to avoid, mitigate or accommodate such potential adverse effects.

This report builds on our letter dated September 16, 2014, which outlined consultation activities to date and proposed further consultation. New Gold will continue to consult with UFN during the review of the Application/EIS and document and respond to issues, concerns and interests raised by UFN with respect to the Project.

We look forward to receiving the UFN comments during the review of New Gold's Application for an Environmental Assessment/Environmental Impact Statement. Please contact me if you have any questions. I can be reached by phone at 604-639-2005 and by email at Tim.Bekhuys@newgold.com.

Sincerely,



Tim Bekhuys
Director, Blackwater Project

cc. Shelley Murphy, Executive Project Director, BC Environmental Assessment Office
Christal Nieman, Acting Project Manager, Canadian Environmental Assessment Agency

Attachment

New Gold Inc.

BLACKWATER GOLD PROJECT
**Ulkatcho First Nation Consultation Summary,
May to November, 2014**

November 2014

Citation:

New Gold. 2014. *Blackwater Gold Project: Ulkatcho First Nation Consultation Summary, May to November, 2014*. Prepared by New Gold Inc.: Vancouver, British Columbia.

New Gold Inc.
Two Bentall Centre
Suite 1800 - 555 Burrard Street
Vancouver, BC
Canada V7X 1M9
T: +1 (604) 695-4100
F: +1 (604) 696-4110

BLACKWATER GOLD PROJECT

Ulkatcho First Nation Consultation Summary, May to November, 2014

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GLOSSARY AND ABBREVIATIONS

Terminology used in this document is defined where it is first used.

AIR	Application Information Requirements
Application	Application for an Environmental Assessment Certificate
BC EAO	BC Environmental Assessment Office
EA	Environmental Assessment
EIS	Environmental Impact Statement
Project, the	Blackwater Gold Project, the
UFN	Ulkatcho First Nation

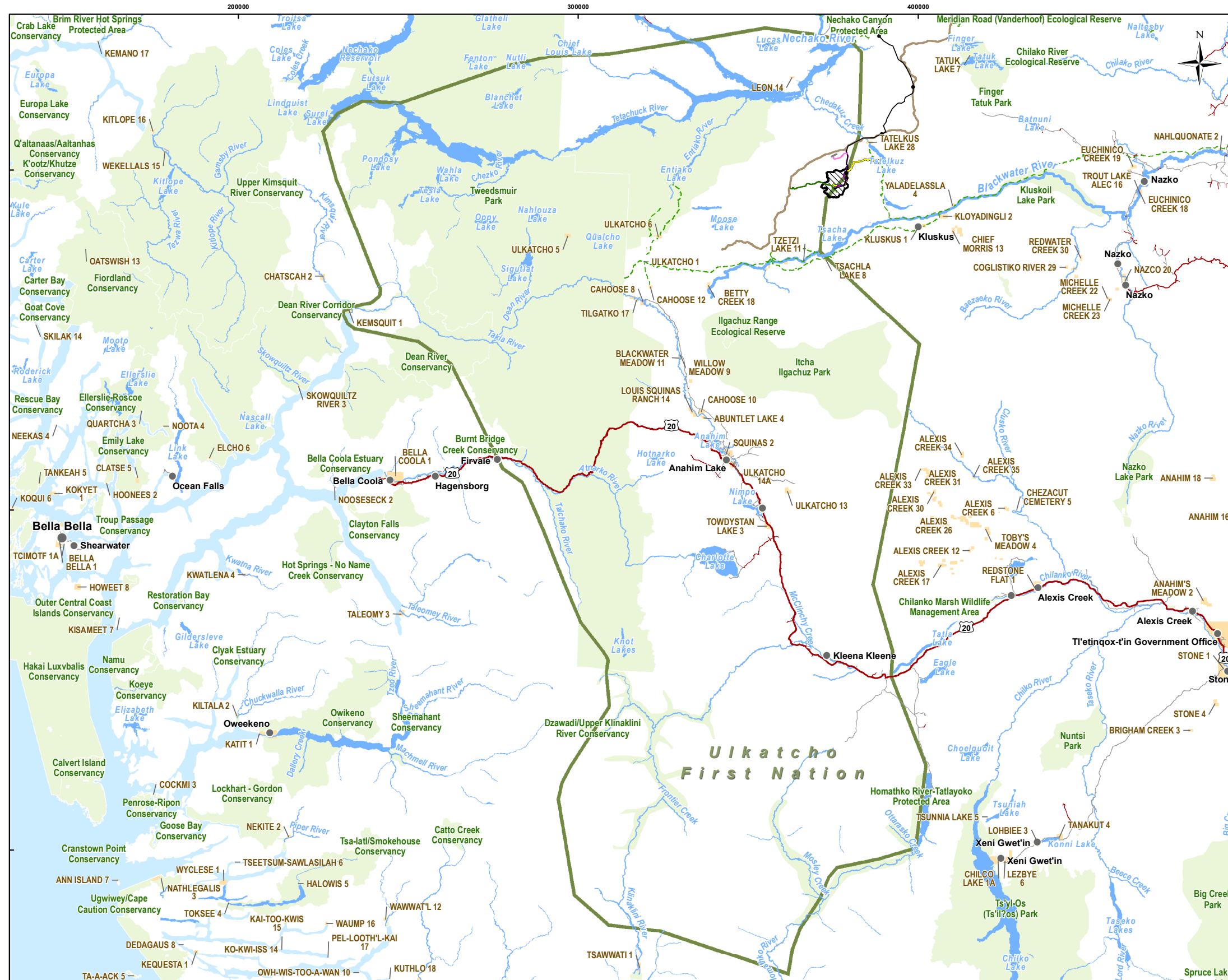
1. INTRODUCTION

New Gold Inc. (New Gold) is proposing to develop an open pit gold and silver mine approximately 160 kilometres (km) southwest of Prince George and 110 km south of Vanderhoof in north-central British Columbia (BC). Approximately half of the mine site and a small segment of the transmission line are located within the northeast boundary of the Ulkatcho First Nation (UFN) territory (Figure 1-1).

The proposed Blackwater Gold Project (the Project) is currently in the federal and provincial environmental assessment (EA) processes. New Gold's Application for an Environmental Certificate/Environmental Impact Statement (Application/EIS) has been submitted to the BC Environmental Assessment Office (BC EAO) for evaluation against the Application Information Requirements (AIR), issued by the BC EAO on May 15, 2014.

This document describes the consultation activities that have been undertaken by New Gold with the UFN between May 1 and November 3, 2014. Consultation activities include New Gold's efforts to obtain information on UFN Aboriginal rights and interests, and to seek UFN feedback on proposed measures to avoid or mitigate potential adverse effects on UFN interests. Consultations with the UFN involved in the EA have been undertaken in accordance with New Gold's Aboriginal Groups Consultation Plan (May 2014).

Figure 1-1
Ulkatcho First Nation
Traditional Territory



Legend

- Populated Place
- ▲ Mountain Peak
- ✈ Airport/Airfield
- ▬ Highway
- ▬ Arterial/Collector
- ▬ Resource/Recreation
- ▬ Local/Street
- ▬ Other
- ▬ Klusko / Klusko-Ootsa FSR
- ▬ Recreation Trail
- ▬ Railway
- ▬ Transmission Line
- ▬ Stream
- ▬ Waterbody
- ▬ Park or Protected Area
- ▬ Indian Reserve

Project Components

- Proposed Transmission Line
- ▬ Exploration Road
- ▬ Proposed Mine Access Road
- ▬ Proposed Fresh Water Pipeline
- ▬ Airstrip Access Road
- ▬ Airstrip Extent
- ▬ Mine Site

Traditional Territory

- ▬ Ulkatcho First Nation



Scale: 1:1,100,000
 0 5 10 20
 Kilometers
 Reference: BC Government GeoBC Data Distribution
 Traditional Territory: Carrier Chilcotin Tribal Council - <http://www.carrierchilcotin.org/>
 Source: AMEC (2014).

2. BACKGROUND

2.1 NEW GOLD ABORIGINAL GROUPS CONSULTATION PLAN

Prior to the timeframe for this report, the draft Aboriginal Groups Consultation Plan was sent to UFN on October 25, 2013 for review and comment. New Gold followed up by phone and email in November 2013 to seek comments on the draft Plan. On November 27, 2013 New Gold hosted a teleconference with UFN who provided comments and input into the plan. New Gold subsequently incorporated UFN's comments into the Plan. The BC EAO approved the Aboriginal Groups Consultation Plan in May 2014.

2.2 ABORIGINAL RIGHTS AND INTERESTS

A community meeting was held in late May 2014 to seek wider feedback on the potential effects of the Project and proposed measures to mitigate effects (see Section 3.1). To further the review of the Project by UFN, New Gold requested meetings with the UFN (August 13, 2014; September 2; 2014; September 22, 2014; and November 3, 2014) to discuss the Application/EIS, proposed mitigations, and to obtain additional feedback on potential effects to UFN rights and interests for incorporation into the Application. UFN was unable to accommodate New Gold's request to meet during this timeframe other than to discuss the development and completion of a habitat supply analysis for caribou, prepared by a consultant representing UFN. Throughout September 2014 New Gold has worked with UFN to develop a habitat supply analysis for caribou and to support regional planning for caribou.

The community meeting built upon an earlier Joint Implementation Committee meeting (March 27, 2014) with UFN Chief and Council in Anahim Lake. At that meeting New Gold provided an overview and update on work in progress regarding the draft AIR and the Application/EIS, as well as an overview of the issues and concerns of the UFN identified to date and discussed how these are, or will be, reflected in the draft AIR and in the Application/EIS (Appendix A).

A meeting with UFN councillors, elders and representatives was held on November 3, 2014 to review the exploration program and discuss EA review, timelines and ongoing involvement of UFN in the Project (Section 3.2).

New Gold has updated Section 7.2.7 (Current Use of Lands and Resources for Traditional Purposes) and Section 15 (Aboriginal Rights) in the October 2014 Application/EIS to address comment received from the BC EAO Working Group. Section 7.2.7 discusses how the Project may interact with the Aboriginal current use of lands and resources, and Section 15 assesses the potential effects of the Project on Aboriginal rights, and proposes measures to mitigate impacts on rights. Section 16 (Other Aboriginal Interests) of the Application/EIS discusses the potential effects of the Project on Aboriginal interests and proposes measures to mitigate impacts on these interests.

3. INFORMATION DISTRIBUTION AND CONSULTATION

Information distribution and consultation activities undertaken by New Gold between May 1, 2014 and November 3, 2014 are described below and summarized in Table 3-1.

Table 3-1. New Gold’s Key Consultations with UFN between May 1, 2014 and November 3, 2014

Date (Location)	Communication Method	Topic
May 15, 2014	E-mail	Conveyed the draft Wildlife Management Plan for review and comment, including proposed mitigation measures (no input received to date).
May 21-23, 2014 (Vanderhoof)	Conference	Provided support for UFN representatives to attend Minerals North, Vanderhoof (May 21-23, 2014).
May 27, 2014 (Anahim Lake)	Community Meeting	New Gold made a presentation to the community. The presentation include the following topics: <ul style="list-style-type: none"> • Project update; • Status of EA review, permit requirements and timelines; • Potential employment opportunities; • Potential effects on UFN’s Aboriginal rights and interests; and • Measures to mitigate impacts on UFN rights and interests.
June 2, 2014 (Project Site)	Project Site Tour	Invited UFN to participate in a Project site tour (tour did not occur due to forest fire activity).
July 8, 2014	E-mail	Conveyed a copy of a report on the May 27, 2014 community meeting report to UFN for review and comment (no comments received).
September 16, 2014	E-mail	Conveyed letter to UFN outlining New Gold’s approach to implementing the Aboriginal Groups Consultation Plan, summarizing recent consultation activities, and identifying proposed future consultation activities (i.e., meetings to discuss the Application/EIS review and scheduling a Joint Implementation Committee meeting).
November 3, 2014 (New Gold Office, Vancouver)	Meeting	Joint Implementation Committee Meeting with UFN to provide update on the status of the EA and UFN participation in the EA review.

3.1 COMMUNITY MEETING/OPEN HOUSE

New Gold hosted a community meeting for UFN members in Anahim Lake on May 27, 2014. The objectives of the meeting were to provide an update on the Project, discuss employment opportunities and provide an update on the status of the EA review and related timelines. New Gold also presentation also described the UFN’s identified asserted rights and issues, potential effects of the Project on UFN’s Aboriginal rights and interests, and explained the proposed approach for mitigating these effects (including where in the Application/EIS the information is included).

New Gold displayed posters that included maps of the area, Project design principles, which included the alternatives analysis and results of baseline studies related to UFN rights and interests.

New Gold distributed Project newsletters, an outline of the hiring process, copies of job descriptions and Project fact sheets to meeting participants.

During and after the presentation, New Gold hosted a question and answer period for community members. New Gold had feedback forms available for meeting participants to fill out with additional comments for New Gold's consideration.

The main interests and concerns from the meeting were related to employment and communications, and how the Ulkatcho community will benefit from the Blackwater Project (see Section 4 for New Gold's responses to these issues). Ulkatcho members expressed interest in learning more about the Project and being informed about Project updates through various forms of contact (e.g. newsletters, flyers and community meetings).

3.2 MEETINGS

On November 3, 2014 New Gold met with UFN to hold a Joint Implementation Committee Meeting. At the meeting, New Gold reviewed the proposed 2014 exploration program, provided an update on the EA review and discussed plans to support UFN participation in the Project, including country foods monitoring, and training opportunities.

3.3 SITE TOURS

On June 2, 2014 New Gold invited UFN to participate in a site tour. However, due to forest fire activity and associated access management restrictions the tour was not completed. New Gold will work with UFN to organize another site tour in 2015.

4. ISSUE IDENTIFICATION

Interests and concerns raised by UFN during consultations undertaken between May and November 2014 are summarized in Table 4-1, along with New Gold’s responses. The issues raised by UFN during this timeframe are consistent with the issues previously identified. New Gold will continue to consult with UFN during the review of the Application/EIS and document and respond to issues, concerns and interests raised by UFN with respect to the Project.

Table 4-1. Issues Raised by UFN and New Gold’s Responses

Issue	New Gold’s Response
Implementation of EA agreement.	New Gold and UFN discussed the activities covered under the EA capacity agreement signed in March 2014.
Increased communication with the Proponent.	New Gold offered to host regular community meetings to share information on the Project.
Protection of Ulkatcho lands and resources.	<p>At the community meeting where this issue was raised UFN Chief and New Gold noted there had been discussion related to the potential effects of the Project on UFN Aboriginal rights and interests. At the meeting, New Gold reviewed measures to mitigate effects on UFN Aboriginal rights and interests including:</p> <ul style="list-style-type: none"> • Implementation of a no hunting, plant harvesting and fishing policy for workers while resident at the mine site; • Inclusion of plant species harvested by UFN in reclamation prescriptions; • Working with UFN to avoid and minimize effects on traditional hunting locations; • Development and implementation of a Country Foods Monitoring Program; • Minimization of Project footprint and use of existing rights of way wherever possible; and • Implementation of a closure and reclamation plan to allow cultural practices to resume.
Effects to ungulates, including related effects on predator-prey relationships.	<p>At the community meeting where this issue was raised New Gold presented the following mitigation measures and described how, and where, UFN’s feedback on caribou is incorporated into the Application/EIS:</p> <ul style="list-style-type: none"> • Tailings Storage Facility and access road to the Project site has been redesigned to avoid Ungulate Winter Range; • Prohibition of hunting at the mine site for employees; • Participation in regional wildlife and resource management initiatives (specifically for ungulates); • Setting reclamation goals to re-establish caribou winter habitat; and • Implementing Environmental Management Plans. <p>New Gold also noted the BC EAO Caribou Sub-working Group (which includes UFN representatives) has reviewed and commented on baseline studies, the EA, and mitigation measures. This group will meet during the Application/EIS review.</p>
Employment, training and contracting opportunities	At the community meeting where this issue was raised New Gold presented information on the Project hiring process as well as upcoming employment opportunities.

Appendix A

*Joint Implementation Committee and Draft Application
Information Requirements Meeting Presentation
(Ulkatcho First Nation; March 27, 2014)*

BLACKWATER GOLD PROJECT

Ulkatcho First Nation Consultation Summary, May to November, 2014



Ulkatcho First Nation JIC and dAIR follow up meeting

Anahim Lake

March 27, 2014

Meeting Agenda

Exploration

Exploration permit applications

Indicative timeline

dAIR update and EA requirements

Other

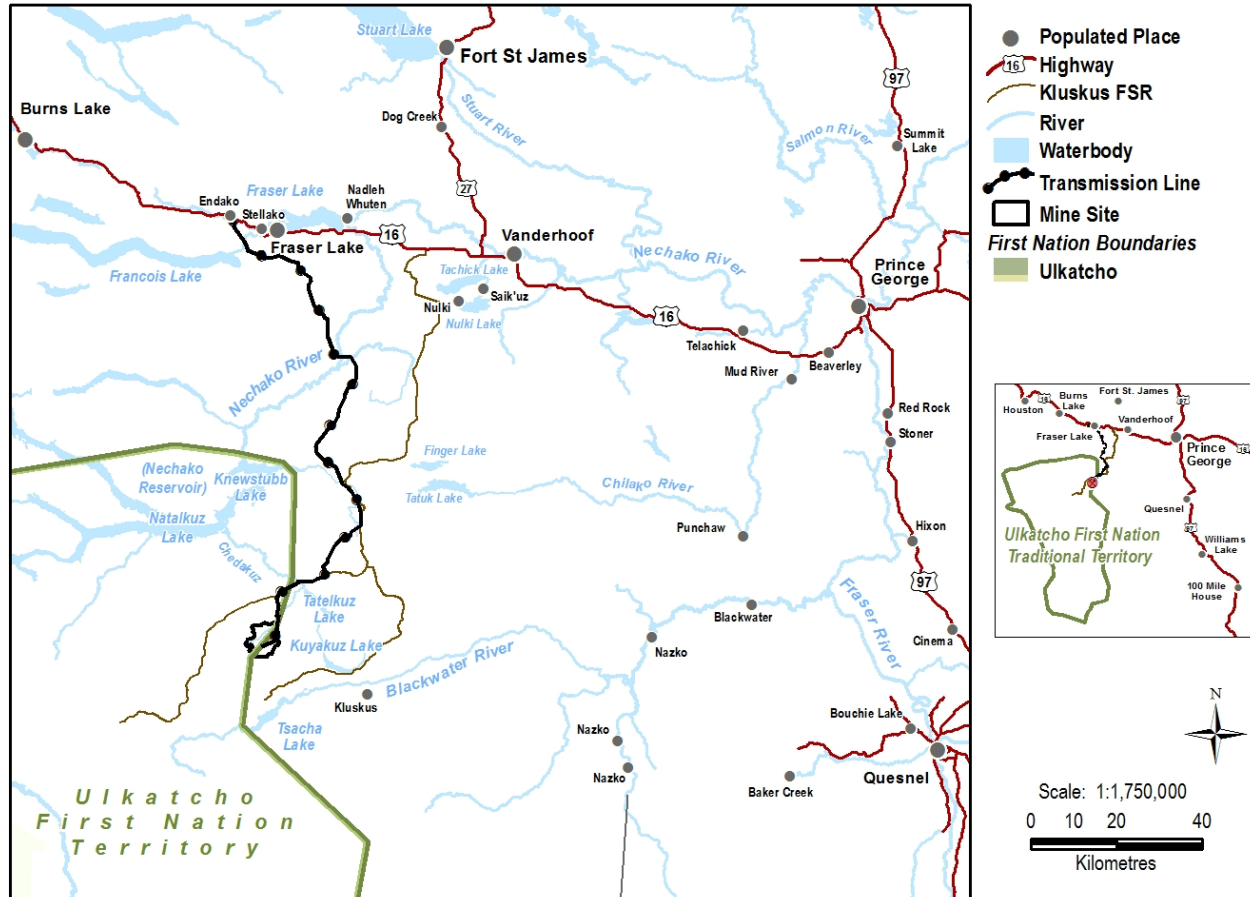


Top Lake, 2012

dAIR and EA update

- 1) Provide an overview and update on work in progress regarding the dAIR and the EA/EIS.
- 2) Provide an overview of the issues and concerns of the Ulkatcho First Nation that have been gathered to date and discuss how these are being reflected in the dAIR and EA/EIS documents.

Ulkatcho First Nation Traditional Territory



Process Flow Chart



Four Parts

Part A : Introduction and Background

Part B : Assessment of Potential Effects

Part C : Aboriginal Information Requirements

Part D : Conclusions

Introduction and Background

1. Purpose of the Application
2. Proposed Project Overview
3. Assessment Process

Assessment of Potential Effects Including Cumulative Effects, Mitigation, and Significance of Residual Effects

4. Assessment Methodology

- General Approach
- Identification and Selection of Valued Components
- Assessment of Potential Effects on Selected Valued Components

5. Assessment of Potential Environmental Effects

Atmospheric and Acoustic Environment Effects Assessment

- Noise and Vibration
- Climate Change
- Air Quality

Aquatic Environment Effects Assessment

- Surface Water Flow
- Surface Water Quality
- Sediment Quality
- Groundwater Flow
- Groundwater Quality
- Wetlands
- Fish
- Fish Habitat

Terrestrial Environment Effects Assessment

- Physiography and Topography
- Surficial Geology and Soil Cover
- Soil Quality
- Ecosystem Composition
- Plant Species and Ecosystems at Risk
- Amphibians
- Water Birds
- Forest and Grassland Birds
- Moose
- Caribou
- Grizzly Bear
- Furbearers
- Bats
- Invertebrates

6. Assessment of Potential Economic Effects

- Provincial Economy
- Regional and Local Employment and Business
- Regional and Local Government Finance

7. Assessment of Potential Social Effects

- Demographics
- Regional and Community Infrastructure
- Regional and Local Services
- Family and Community Well-being
- Non-Traditional Land and Resource Use
- Current Land and Resource Use for Traditional Purposes
- Visual Resources

8. Assessment of Potential Heritage Effects

- Archaeological Sites
- Historic Sites
- Paleontological Resources

9. Assessment of Potential Health Effects

- Environmental Exposures
- Worker Safety and Health

- 10. Accidents or Malfunctions
- 11. Potential Effects of the Environment on the Project
- 12. Summary of Proposed Environmental and Operational Management Plans
 - 12.1 Environmental Management System
 - 12.2 Environmental Management Plans
- 13. Follow-up Monitoring and Compliance Reporting

Aboriginal Groups Information Requirements

14. Aboriginal Groups Background Information

15. Aboriginal Rights

16. Other Aboriginal Interests

17. Aboriginal Groups Consultation

17.1 Pre-Application Engagement

17.2 Planned Engagement and Consultation
during the Application Review

18. Summary of Aboriginal Groups Information

Conclusions

19. Summary of Residual Effects

20. Summary of Mitigation Measures

21. Conclusion

Ulkatcho First Nation – Asserted Rights/Issues; Potential Environmental Effects; Proposed Mitigation; and EA Section Reference



Asserted Right/Issue	Potential Environmental Effect	Proposed Mitigation	EA Section Full Response
Caribou hunting	Effects on caribou herds and the UWR and impacts on caribou habitat and forage (e.g., loss of UWR from direct and indirect impacts, as well as effects related to wildlife mortality and caribou health).	<p>Ongoing – TSF and access road to mine redesigned to avoid UWR. The Caribou Sub-working Group met to review baseline and assessment methods.</p> <p>Developing mitigation and avoidance strategies through ongoing discussions with the Caribou Sub-working Group.</p> <p>Participating in regional wildlife and resource management initiatives (specifically for ungulates).</p> <p>Setting reclamation goals to re-establish later winter habitat.</p> <p>Implement Environmental Management Plans.</p>	<p>5.4.11 Caribou;</p> <p>7.2.7 Current Land Use for Traditional Purposes;</p> <p>12.2 Environmental Management Plans (Wildlife Management; Transportation and Access Management; and Landscape, Soils, and Vegetation Management and Restoration)</p>

Ulkatcho First Nation – Asserted Rights/Issues; Potential Environmental Effects; Proposed Mitigation; and EA Section Reference



Asserted Right/Issue	Potential Environmental Effect	Mitigation	EA Section Full Response
Mushroom collection	Potential loss or change in access to areas for morel mushroom and plant harvesting.	<p>Ongoing – The Proponent will work with UFN to avoid and/or mitigate potential effects on traditional activities.</p> <p>Implement Environmental Management Plans to reduce dust deposition, nitrogen deposition, and invasive species proliferation.</p> <p>Include traditional use plant species habitat in reclamation prescriptions.</p> <p>Implement a no plant harvesting policy for all workers while resident at the work site.</p>	<p>4.5 Ecosystem Composition;</p> <p>5.4.6 Plant Species and Species at Risk;</p> <p>7.2.7 Current Land Use for Traditional Purposes;</p> <p>12.2 Environmental Management Plans</p>

Ulkatcho First Nation – Asserted Rights/Issues; Potential Environmental Effects; Proposed Mitigation; and EA Section Reference



Asserted Right/Issue	Potential Environmental Effect	Mitigation	EA Section Full Response
Ungulates hunting (other than caribou)	Reduction in habitat or changes in herds and ranges and increased access for non-Aboriginal hunters.	<p>Ongoing – The Proponent will work with UFN to avoid/minimize effects on traditional hunting locations.</p> <p>Prohibiting mine employees from hunting on mine site property.</p> <p>Redesigning the TSF and mine access road to avoid UWR.</p> <p>Setting reclamation goals to re-establish later winter habitat.</p> <p>Participating in regional wildlife and resource management initiatives (specifically for ungulates).</p> <p>Disposing of wastes generated on site to limit the attraction of wildlife to the mine site.</p> <p>Implement Environmental Management Plans.</p>	5.4.10 Moose; 5.4.13 Furbearers; 7.2.7 Current Land Use for Traditional Purposes; 12.2 Environmental Management Plans

Ulkatcho First Nation – Asserted Rights/Issues; Potential Environmental Effects; Proposed Mitigation; and EA Section Reference



Asserted Right/Issue	Potential Environmental Effect	Mitigation	EA Section Full Response
Burial sites potentially impacted by Project	Burial sites disturbed or destroyed by ground disturbance.	Known burial sites were identified by the community member on a map. The burial sites are located outside the Project footprint.	8.1 Heritage Baseline; 8.2.2 Archaeological Sites; 8.2.3 Historic Sites; 12.2 Environmental Management Plans (Archaeology and Heritage Resources Management)
Effects on traplines	Potential reduction in access or availability of land for trapping.	<p>The Proponent will work with trappers to reduce potential disruption to traplines if impacts are identified.</p> <p>Project site design that minimizes total footprint area.</p> <p>Informing holders of affected trapline areas of Project activities, schedules, and locations.</p> <p>Locating and maintaining breaks in the rollback to facilitate access to trapping trails during clearing.</p> <p>Disposing of wastes generated on site to limit the attraction of wildlife to the mine site (Industrial and Domestic Waste Management Plan).</p> <p>Implement Environmental Management Plans.</p>	7.1.2 Non-traditional Land Use; 7.2.7 Current Land Use for Traditional Purposes; 12.2 Environmental Management Plans (Air Quality and Emissions Management Plan; Transportation and Access Management Plan; Landscape, Soils, and Vegetation Management and Restoration Plan; Wildlife Management Plan).

Ulkatcho First Nation – Asserted Rights/Issues; Potential Environmental Effects; Proposed Mitigation; and EA Section Reference



Asserted Right/Issue	Potential Environmental Effect	Mitigation	EA Section Full Response
Fishing	Damage to fish and fish habitat.	<p>Ongoing surface and groundwater monitoring for the life of the Project.</p> <p>Results of all water quality sampling will continue to be posted for working group and Aboriginal groups review.</p> <p>Surface water and sediment quality will meet applicable provincial and federal standards downstream of the proposed mine site to avoid effects on fish, furbearers, or animals that use those waters.</p> <p>The proposed mine site will aim to operate as a zero discharge facility.</p> <p>Implement erosion and sediment control measures, including erosion control matting, rip rap, and hydro seeding, to protect erodible soils from entering waterbodies.</p> <p>Implement Environmental Management Plans.</p>	<p>5.3.8 Fish;</p> <p>5.3.9 Fish Habitat;</p> <p>7.2.7 Current Land Use for Traditional Purposes;</p> <p>12.2 Environmental Management Plans (Mine Water Management Plan; Water Quality and Liquid Discharges Management Plan; Transportation and Access Management Plan; Emergency and Spill Preparedness and Response Plan; Landscape, Soils, and Vegetation Management and Restoration Plan; Erosion and Sediment Control Plan; Aquatic Resources Management Plan; Fish Habitat Compensation Plan; and Wetlands Management Plan)</p>

Ulkatcho First Nation – Asserted Rights/Issues; Potential Environmental Effects; Proposed Mitigation; and EA Section Reference



Issue	Potential Environmental Effect	Mitigation	EA Section Full Response
<p>Concerns regarding loss of UFN peoples' ability to practice seasonal rounds during exploration and development and of older generations to transfer traditional culture and knowledge to younger generations due to disruption of traditional rounds.</p>	<p>Disruption of ability to practice seasonal rounds and transfer traditional cultural knowledge to younger generations.</p>	<p>Implementation of mitigation, including: Facilitate and maintain communication between the construction workers and their families by providing cell phone and Internet services on-site; Offer short shift rotations (7 days on and 7 days off for most positions and 4 days on and 3 days off for staff positions) and allow flexibility to accommodate hard-to-fill positions; Minimize site footprint and use existing rights of way where possible; Implement closure plan to reclaim site to allow cultural practices to resume.</p>	<p>12.2 Environmental Management Plan 7.2 Social Effects Assessment 7.2.5 Family and Community Well-being 2.1 Project Description</p>

Ulkatcho First Nation – Asserted Rights/Issues; Potential Environmental Effects; Proposed Mitigation; and EA Section Reference



Issue	Potential Environmental Effect	Mitigation	EA Section Full Response
Benefit to Elders living on homesteads near the Project site	Potential benefits to Elders living on homesteads near the Project site are anticipated.	Social benefits to Elders living on homesteads near the Project site, and UFN community members are anticipated. Implementation of mitigation including: Implementation of mitigation described in EA sections.	7.2 Social Effects Assessment 7.2.5 Family and Community Well-being
Increased substance abuse and family dynamics (dysfunction) from increased access to disposable income	Potential for negative well-being effects such as increases in crime, alcohol/drug abuse, or family dysfunction.	Implementation of mitigation, including: Zero tolerance for verbal and physical abuse; Provide a respectful workplace with no harassment and with safety and security, multi-cultural workforce considerations, and cultural awareness training; Employee Assistance Program; Financial management and life skills training; Work with local service providers to increase awareness about violence against women for mine employees and the community;	7.2 Social Effects Assessment 7.2.5 Family and Community Well-being

Ulkatcho First Nation – Asserted Rights/Issues; Potential Environmental Effects; Proposed Mitigation; and EA Section Reference



Issue	Potential Environmental Effect	Mitigation	EA Section Full Response
Increased need for social support and frontline workers as a result of in-migration of workers	Potential for negative well-being effects such as increases in crime, alcohol/drug abuse, or family dysfunction.	Implementation of mitigation, including: Zero tolerance for verbal and physical abuse; Provide a respectful workplace with no harassment and with safety and security, multi-cultural workforce considerations, and cultural awareness training; Employee Assistance Program; Financial management and life skills training; Work with local service providers to increase awareness about violence against women for mine employees and the community.	7.2 Social Effects Assessment; 7.2.5 Family and Community Well-being
Interest in opportunities for employment	Employment may improve the quality of life for community members.	No mitigation needed, as effects will be positive.	12.2 Environmental Management Plans (Recruitment, Training and Employment) 6.2 Economic Effects Assessment 6.2.5 Regional and Local Employment and Businesses

Ulkatcho First Nation – Asserted Rights/Issues; Potential Environmental Effects; Proposed Mitigation; and EA Section Reference



Issue	Potential Environmental Effect	Mitigation	EA Section Full Response
Interest in opportunities for businesses and contracting	Business opportunities could increase income.	No mitigation needed, as effects will be positive.	12.2 Environmental Management Plans (Recruitment, Training and Employment) 6.2 Economic Effects Assessment 6.2.5 Regional And Local Employment And Businesses
Increased opportunities for training	Opportunities for education may improve.	No mitigation needed, as effects will be positive.	12.2 Environmental Management Plans (Recruitment, Training and Employment) 6.2 Economic Effects Assessment 6.2.5 Regional And Local Employment And Businesses

Ulkatcho First Nation – Asserted Rights/Issues; Potential Environmental Effects; Proposed Mitigation; and EA Section Reference



Issue	Potential Environmental Effect	Mitigation	EA Section Full Response
Concerns were raised regarding increased soil erosion and soil stability, as well as contamination of soils.	Soil erosion and contamination.	Implementation of Environmental Management Plans and mitigation, including: Footprint minimization; Slope gradient maintenance; Erosion control measures; Site reclamation following mine closure.	12.2 Environmental Management Plans (Construction Management, Erosion and Sediment Control, Operations Management, Hazardous Materials Management, Emergency and Spill Preparedness and Response, Landscape, Soils and Vegetation Management and Restoration, and Closure Plans) 5.4.2 Physiography and Topography; 5.4.3 Surficial Geography and Soil Cover; 5.4.4 Soil Quality

Ulkatcho First Nation – Asserted Rights/Issues; Potential Environmental Effects; Proposed Mitigation; and EA Section Reference



Issue	Potential Environmental Effect	Mitigation	EA Section Full Response
<p>Interest in protecting historic areas, such as CMTs and unmarked graves, interest in protecting Tzelbeguz Lake (a sacred fish gathering site)</p>	<p>Potential disturbance to historic and sacred sites.</p>	<p>Effects on Tzelbeguz Lake are not expected as Tzelbeguz Lake is distant from the Project.</p> <p>Implementation of Environmental Management Plans and mitigation including:</p> <p>Design changes to avoid or minimize effects where possible;</p> <p>CMTs have been fully documented regardless of the age of the modification scar (including CMTs not protected under the <i>Heritage Conservation Act</i>);</p> <p>Sites were documented, recorded, photographed, and where possible dated by dendrochronological dating (increment core).</p>	<p>N/A</p>

Ulkatcho First Nation – Asserted Rights/Issues; Potential Environmental Effects; Proposed Mitigation; and EA Section Reference



Issue	Potential Environmental Effect	Mitigation	EA Section Full Response
<p>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).</p>	<p>Potential change in water and sediment quality; Potential change in surface water flow</p>	<p>Implementation of Environmental Management Plans and mitigation, including: Surface water and sediment quality will meet applicable provincial and federal standards downstream; No discharge from the tailings impoundment during operations; Seepage from the main dam captured by an environmental control dam downstream of Davidson Creek; Water storage reservoir planned for downstream of the environmental control dam to further intercept any seepage; Monitoring of surface quality and quantity; All water leaving the mine site meets applicable regulatory requirements; On-site Project facilities exist entirely in the Davidson Creek and Creek 661 watersheds; Runoff and toe discharge from the east waste rock dump will contribute to surface flows in the upper extents of the Creek 661 Watershed after being directed through a sediment control pond; At closure the TSF will discharge via a spillway, discharge channel, and plunge pool to Davidson Creek; Adaptive management.</p>	<p>12.2 Environmental Management Plans (Mine Water Management Plan, Aquatic Resources Management Plan, Mine Waste Management Plan, Water Quality and Liquid Discharges Management Plan, Hazardous Materials Management Plan, Emergency and Spill Preparedness Plan, Cyanide Management Plan, and Closure Management Plan) 5.3.3 Surface Water Quality 5.3.4 Sediment Quality 5.3.1 Surface Water Flow</p>

Ulkatcho First Nation – Asserted Rights/Issues; Potential Environmental Effects; Proposed Mitigation; and EA Section Reference



Issue	Potential Environmental Effect	Mitigation	EA Section Full Response
Concerns were raised regarding environmental damage from chemical spills or leaching.	Potential change in water and sediment quality.	Implementation of Environmental Management Plans and mitigation, including: Surface water and sediment quality will meet applicable provincial and federal standards downstream; No discharge from the tailings impoundment during operations; Seepage from the main dam captured by an environmental control dam downstream of Davidson Creek; Water storage reservoir planned for downstream of the environmental control dam to further intercept any seepage; Monitoring of surface quality and quantity; All water leaving the mine site meets applicable regulatory requirements; Limit sediment export during all phases of construction, operations and closure; Adaptive Management.	12.2 Environmental Management Plans (Mine Water Management Plan, Aquatic Resources Management Plan, Mine Waste Management Plan, Water Quality and Liquid Discharges Management Plan, Hazardous Materials Management Plan, Emergency and Spill Preparedness Plan, Cyanide Management, and Closure Management Plan) 5.3.3 Surface Water Quality 5.3.4 Sediment Quality 10 Accidents or Malfunctions

Questions & Comments

