

From: [Shane Uren](#)
To: [Fenwick, Leigh-Ann ENV:EX](#); [Carmody-Fallows, Jeanien ENV:EX](#); [Przeczek, Kara ENV:EX](#); [Jackson, Scott ENV:EX](#); [Demchuk, Tania MEM:EX](#)
Cc: [Jonathan Olsen](#); [Brandie Harding](#)
Subject: NLG Agreement
Date: Tuesday, June 3, 2014 9:10:15 AM

Mr. Gordon Bogden reports

AVANTI MINING AND THE NISGA'A NATION CONCLUDE KITSALT MINE BENEFITS AGREEMENT

Avanti Mining Inc.'s wholly owned subsidiary Avanti Kitsalt Mine Ltd. and the Nisga'a nation have concluded a comprehensive agreement in connection with Avanti's proposed Kitsalt molybdenum mine project in northwestern British Columbia. The agreement will address a number of outstanding Nisga'a concerns in respect of environmental protection, provide economic benefits to the Nisga'a nation (including a net smelter royalty of up to 2 per cent based on prevailing molybdenum prices) and resolve all outstanding litigation.

The project is located within the Nass area, in which the Nisga'a nation has certain treaty rights under the Nisga'a final agreement. Avanti and the Nisga'a nation previously had a number of outstanding differences regarding the project and related permitting, but have recently been in direct discussions to resolve those issues and that has proven successful.

"We are pleased to have finally reached an agreement with Avanti that will enable the project to proceed while ensuring that our treaty rights are respected, and our nation's environment is protected," said Mitchell Stevens, president of the Nisga'a nation. "We wish to congratulate Avanti's new executive team who approached us with a sincere interest in addressing our concerns with the project, which we were then able to work through without delay. This demonstrates that when proponents take the Nisga'a nation's interests and concerns seriously, practical agreements can be reached in a timely manner. We are now counting on the provincial and federal governments to fulfill their responsibilities under our treaty in respect of this and other projects in our area."

"This agreement marks the start of a new and promising chapter in our relations with the Nisga'a nation," said Avanti president and chief executive officer, Gordon Bogden. "We are confident it will provide meaningful benefits to all parties, including Nisga'a individuals and businesses, and we look forward to growing this partnership."

The Kitsalt mine operated previously from 1968 to 1972 and from 1980 to 1982. Construction to reopen the project under a modern-day mine plan is expected to start in 2014, subject to receipt of final permits. Total investment in the project will be approximately \$1-billion and, when in production, the mine will provide up to 300 full-time jobs during its anticipated 14-year life. The project will be subject to extensive environmental and permitting conditions, and monitoring programs. The Kitsalt mine project received an environmental assessment certificate from the province of British Columbia in March, 2013. A federal environmental assessment decision is expected in the near future.

We seek Safe Harbor.

Shane Uren, R.P. Bio. M.A.Sc.
Project Manager

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From: [Carmody-Fallows, Jeanien ENV:EX](#)
To: [Mansell Griffin](#)
Cc: [Howe, Diane J MEM:EX](#); [Bunce, Hubert ENV:EX](#)
Subject: Minutes - NLG SDM meeting June 5 2014 - Draft
Date: Friday, June 13, 2014 9:18:00 AM
Attachments: [Minutes - NLG SDM meeting June 5 2014 TD Edits.docx](#)

Please find attached the minutes of our meeting last week for your review.

Once I have your edits, I can send to the company, hopefully some time early next week.

Also, if you are able, can you please send the environment agreement with Avanti. It is my understanding that the agreement will be helpful for us to complete edits on the next draft EMA permit, which I also hope to have out early next week for review by Avanti and NLG.

Please let me know if you have any questions or concerns.

Thanks,

Jeanien Carmody-Fallows P.Eng.

A/Section Head - Mining Authorizations

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Withheld pursuant to/removed as

s.16

From: Carmody-Fallows, Jeanien ENV:EX
To: Bunce, Hubert ENV:EX
Subject: RE: NLG Avanti Env Agreement
Date: Monday, June 16, 2014 11:53:00 AM

Thanks for this – with a revised draft (which I hope to work on with Kara today/tomorrow), we will ask for a quick review and schedule a conference call with both parties to discuss the final points of the proposed permit, and I was planning on doing this anyways. The one thing to add would be to send an email to NLG prior to issuance, but I think otherwise, we have covered Jim's concerns.

I can send it to you once it is finished for a quick review prior to sending to NLG/Avanti.

Cheers,

Jeanien Carmody-Fallows P.Eng.
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From: Bunce, Hubert ENV:EX
Sent: Monday, June 16, 2014 11:46 AM
To: Carmody-Fallows, Jeanien ENV:EX
Subject: NLG Avanti Env Agreement

Just had a call from Jim Standen

He asked if the Env. agreement created any significant problems from a permit decision POV. I told him I had not been thorough the agreement line by line but I did not believe so and that you were currently revising the Min assessment and draft permit to reflect the agreement

He noted we should complete the following prior to issuing the permit to ensure EAO, NLG and Avanti are all fully informed before the decision is rendered

s.13;s.16

Hubert Bunce

A/Mining Director, Environmental Protection

Regional Operations

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