

## APPENDIX 4.5-A General Public and Regulatory Consultation Summary - to July 21, 2011



## Avanti – Kitsault Mine Project General Public and Regulatory Consultation Summary – to July 21, 2011

ROC #	Event Type	Event Date	Stakeholder List	Team List	Comments
362	Meeting	11/18/2008	MP	Avanti	Project introduction. [no details available]
358	Meeting	11/19/2008	City of Terrace	Conexus Research Group	Project introduction. [no further details available]
359	Meeting	11/19/2008	City of Terrace	Conexus Research Group	Project introduction. [no details available]
361	Meeting	11/19/2008	MLA	Conexus Research Group	Project introduction. [no details available]
360	Media Article	11/19/2008	Terrace Standard	Avanti	Interview about the Kitsault Mine Project.
92	Letter	01/23/2009	BC Ministry of Aboriginal Relations and Reconciliation	Indigenuity Consulting Group	1) Avanti requested a meeting on 09/01/28 or 29 with the ministers from the BC Ministries of Aboriginal Relations, MEMPR and Mining. Suggested the meeting would be attended by the ministers, NLG and Avanti, after which just the ministers and NLG would continue discussions.
225	Letter	10/20/2009	BC EAO	Avanti	Letter from BC EAO and BC MEMPR to Avanti re: permitting process [details not available].
197	Letter	10/20/2009	BC EAO	Rescan Environmental	Rescan Environmental seeks confirmation from BC EAO that the Project is not subject to an environmental assessment under the BC EA Act.
420	Meeting	10/21/2009	BC MEMPR, BC EAO	Avanti	Meeting to discuss the project [no details available].
188	Letter	10/30/2009	BC EAO	Rescan Environmental	1) Letter from BC EAO sent in response to Rescan Environmental's 09/10/20 letter (see ROC0197). It is BC EAO's view that (a) the transitional provisions under Section 51 of the Act apply to the proposed project; and (b) the proposed project is "grand parented", as a Project Class to which the Act does not apply under the Transition Regulation (BC Reg. 374/2002). It appears that Avanti may pursue an environmental assessment certificate. If so, Avanti will need to submit a written request stating why they wish the Project to be designated as a reviewable project.
63	Letter	11/01/2009	BC EAO	Rescan Environmental	1) Request from Rescan Environmental for further information on the BC EA Act triggers [no further details available; date is early November].
424	Letter	11/09/2009	BC MEMPR	Avanti	BC EAO provided clarification regarding the regulatory processes that would apply to this proposed project and, in particular, the interplay between the Mines Act, the EA Act and the Nisga'a Final Agreement.
423	E-mail	11/12/2009	BC MEMPR	Avanti	1) BC MEMPR provided the letters discussed [see ROC0424 for the letters].
216	Phone Call	01/27/2010	BC EAO	Avanti	Conversation with respect to the Nisga'a approach to federal-provincial EA harmonization. BC EAO explained what was expected in the process and where the Nisga'a stand. Made a few general comments about it being a continuing dialogue with the Nisga'a with respect to their expectations.
396	Letter	03/19/2010	BC EAO	Avanti	1) Avanti requested that the BC EAO designate the Kitsault Mine Project as a reviewable project under the BC EAA.
433	Letter	03/26/2010	BC EAO	Avanti	1) Response to 10/03/19 letter [see ROC0396]. BC EAO will be reviewing the request in the context of BC EAO's opt-in policy. BC EAO have also been in contact with CEAA to ask for their input into the opt-in request, and to ensure that any assessment activities are coordinated and harmonized to the extent possible.

Prepared 11/08/29 Page 1 of 7

ROC #	Event Type	Event Date	Stakeholder List	Team List	Comments
354	Letter	04/04/2010	BC MEMPR	Avanti	1) Avanti wishes to apply for a five-year, multi-year, area-based permit for the Kitsault Mine for 2010 to 2015. The Notice of Work was designed to evaluate the potential for assessing additional mineral resources for extending the project life, and to ensure a complete assessment of geotechnical and hydrogeological considerations. Supporting documentation provided.
397	Letter	04/08/2010	BC EAO	Avanti	1) BC EAO response to Avanti's 10/03/19 letter [see ROC0398]. BC EAO will issue an Order to designate the proposed project as a reviewable project under Section 7 of the Act.
421	Letter	06/04/2010	BC MEMPR	Avanti	Package sent from Avanti to BC MEMPR [no details available].
338	Letter	06/11/2010	BC MEMPR	Avanti	1) Avanti provided information to BC MEMPR regarding how they propose to deal with the concerns raised by NLG in their 10/06/04 letter [see ROC0267], as well as copies of the map and spatial data requested by NLG. Requested that BC MEMPR call to discuss.
398	Report	06/18/2010	BC EAO	Avanti	1) Project description and addendum submitted to the BC EAO on 10/06/18.
399	Letter	06/24/2010	BC EAO	Avanti	1) Further to Avanti's 10/04/08 letter [see ROC0397], BC EAO requests that an EA be undertaken and an EA certificate issued before the project can proceed (Section 10 order). Avanti may not undertake or carry on any acidity respecting the proposed Project, or construct, operate. modify, dismantle or abandon all or part of the proposed Project's facilities, except in accordance with an EA certificate. The next key step is the issuance of an Order under Section 11 of the Act.
350	Meeting	10/05/2010	BC EAO Working Group (Environment Canada, DFO, Health Canada, Transport Canada, BC Ministry of Transportation and Infrastructure, Natural Resources Canada, NLG, Nisga'a Nation, BC EAO)	Avanti, Greenwood Environmental, AMEC, SRK Consultants	1) Project introduction by Avanti. 2) EA process: Presentations by BC EAO and CEAA. 3) Discussion topics included: development of other deposits, construction workforce estimates and camps, waste rock management facility, new subdivision and transmission line, use of forest service access roads, feasibility study for concentrate transport, tailings management facility, fish, water resources, human health effects, work plans and dAIR.
527	Letter	10/12/2010	BC Ministry of Environment to BC EAO		1) BC MOE provided comments on the dAIR relating to the following: (a) historical data; (b) baseline conditions for surface water hydrology and hydrogeology, water quality, and fish and aquatic resources; (c) predictive models; (d) air quality assessment; (e) ML/ARD; (f) application timing.
429	Meeting	10/13/2010	MLA	Avanti, Conexus Research Group	1) Updated the MLA on progress with the Project. [no further details available]
450	Letter	11/10/2010	BC EAO	Avanti	1) BC EAO provided a list of the NLG expectations articulated in the guidelines prepared with respect to Chapter 10, Clause 8(f) of the Nisga'a Final Agreement to be used to assist in drafting the workplan for gathering baseline information on the Nisga'a Nation, as well as potential social, cultural or economic effects from the Project.  2) BC EAO recommends a meeting between NLG, CEAA, Avanti and the BC EAO in mid-December (looking at 10/12/15) to discuss the guidelines. Requested confirmation that Avanti would be available on that date.
395	Letter	11/24/2010	BC EAO	Avanti	BC EAO issued the Section 11 Order of the EA Act regarding the proposed Kitsault Mine Project that establishes the formal scope, procedures and methods concerning the proposed Project's EA. The dAIR review process was outlined with information and suggestions about capacity related funding.
366	E-mail	12/01/2010	BC EAO	Avanti	BC EAO provided Avanti with a copy of the letter Gitxaala Nation sent to BC EAO regarding the Kitsault Mine Project [see ROC0364].

Prepared 11/08/29 Page 2 of 7

ROC #	Event Type	Event Date	Stakeholder List	Team List	Comments
441	Report	12/01/2010	BC EAO	Avanti	1) Comments on the dAIR Version 3 (10/06/10) provided by the BC EAO [see original document for details].
526	Memo	12/08/2010	BC MNRO to BC EAO		BC MNRO provided comments on the dAIR relating to the following: (a)     ML/ARD geochemistry and water quality; (b) reclamation; and (c)     geotechnical/mine plan.
528	Memo	12/10/2010	BC MNRO to BC EAO		1) BC MNRO provided comments on the dAIR relating to fish and wildlife.  Concerns included: (a) exclusion fencing; (b) consultation with Kitsault townsite re: worker accommodation; (c) monitoring; (d) include eagles and moose as valued components; (e) wildlife mortality; and (f) baseline studies.
329	Meeting	12/17/2010	Environment Canada, NLG, Nisga'a Nation, Natural Resources Canada, DFO, BC EAO, Health Canada, CEAA, Transport Canada	Indigenuity Consulting Group, Avanti, Greenwood Environmental, AMEC	1) Discussed the Social, Economic & Cultural Workplan on a line-by-line basis. A range of options to collect data were presented. Avanti's plan is to focus outreach to those communities not in the Nass area. NLG to share information currently being developed on jobs and lifestyles. Limited resource use data for the mine area are available. NLG would like information on the financial implications for their infrastructure.  2) Next steps: Avanti will develop a questionnaire focused on the labour force, to be reviewed by NLG before distribution.
374	Letter	12/29/2010	BC EAO	Avanti	1) Avanti requested BC EAO's understanding of the Crown's assessment of Metlakatla's rights as they relate to the Project, as Metlakatla believe the Project is within their traditional territory. Provided details on correspondence to date with Metlakatla. Metlakatla have indicated they wish a different level of consultation than what the Section 11 Order indicates. Provided two maps that show the Metlakatla traditional territory. Nisga'a claim no other First Nations are in the project area. Avanti requests that BC EAO coordinate with CEAA to ensure a consistent understanding on the matter. [sent via e-mail]
430	Meeting	01/12/2011	MLA, MP	Avanti, Conexus Research Group	Update on progress with the project, financing, EA process and upcoming initiatives. [no further details available]
459	Phone Call	01/27/2011	BC EAO	Avanti	Discussed the Nisga'a approach to federal-provincial EA harmonization. NLG expect substantial involvement by the federal government and will not accept delegation of their responsibilities to the provincial government.
431	Meeting	02/02/2011	Artist	Conexus Research Group	Discussed design of a logo for Avanti Kitsault Mine Ltd.
530	Memo	02/08/2011	BC MNRO to BC EAO		1) BC MNRO (Mining & Minerals) provided comments on the dAIR, including the following: (a) additional items (re: ML/ARD geochemistry and water quality) that should be included in the assessment; (b) noted that the earlier comment re; detailed mine plans had not been included in the tracking table.
402	Letter	02/11/2011	BC EAO, CEAA	Avanti	1) Further to the feasibility study completed on 10/12/15, Avanti has completed additional investigations in the following areas: (a) transportation of goods for project construction; (b) transportation of molybdenum concentrate; and (c) ore milling rate. Details on these investigations were provided.
401	Memo	02/15/2011	BC EAO, CEAA	AMEC	1) The memo, requested by the BC EAO, provided additional information regarding the truck transportation operations referenced in the previously submitted 11/02/11 memo from Avanti [see ROC0402] regarding changes to the Kitsault Mine Project description.

Prepared 11/08/29 Page 3 of 7

ROC #	Event Type	Event Date	Stakeholder List	Team List	Comments
386	E-mail	02/18/2011	BC EAO, CEAA	AMEC	<ol> <li>AMEC provided a brief memoranda outlining the transportation routes for the KMP project.</li> <li>CEAA comments included: (a) Define the entire proposed highway route from mine site to Vancouver. The memo only references up to Highway 16 and then it is unclear what routes are used the rest of the way (include the entire route in the map). (b) What highway routes will be used to transport equipment to the mine site? (c) Describe the frequency of truck transport during construction (i.e. equipment and aggregate) and operations. Is the trucking frequency for transporting concentrate still 2-4 trucks a day? If not, please define. (d) Information on the potential schedule for a transport truck from mine site down to Vancouver (i.e. anticipated time of departure, arrival, etc.). (e) I would ask that you include the missing details in a revised memoranda.</li> </ol>
388	E-mail	02/23/2011	BC EAO, CEAA	AMEC	AMEC modified the memoranda [see ROC0386] to address CEAA's comments, and also supplied answers to CEAA's questions.
390	E-mail	02/23/2011	BC EAO, CEAA	Avanti	1) BC EAO is revisiting the Section 11 order and drafting a Section 13 Order to amend it; based on the proposed routing, there are a limited number of First Nations that will be potentially impacted.  2) Avanti questioned why one of the First Nations was still included on the list. BC EAO will let Avanti know when they have received guidance on this subject.
394	Report	03/02/2011	BC EAO	Avanti	dAIR for the Kitsault Mine Project posted to the BC EAO website for public comments. Comment period is 11/03/09 to 11/04/08.
391	Open House	03/15/2011	Terrace	Avanti	Open house in Terrace put on by the BC EAO.  1) General: Q - Where is Avanti from/located? A - The CEO and CFO are in Denver. There are also offices in Vancouver and Terrace. Avanti would likely establish a greater presence in Vancouver and Terrace.  2) Food Sources: Q - The seafood in Gingolx made people sick back in the 1980s. The seafood is a major part of the Nisga'a diet. The potential for seafood contamination is very concerning to the Nisga'a. A - Avanti is also concerned about contamination and shares the concerns of the Nisga'a. Avanti has designed the Kitsault Project to avoid risks to seafood via contamination.  3) Wildlife: Q - What kind of impact does the tailings have on the wildlife? A - The process of how an effects assessment for an EA application was explained and some general potential effects on wildlife were put forward in advance of the EA application: loss of habitat, noise disturbance, increased hunting pressure, etc.  4) Reclamation: Q - Who would own the reclaimed land once the Project is shut down? A - The project area is Crown land, not Nisga'a land. Avanti holds mining leases with the Crown and these would revert back to the Crown should Avanti decide to relinquish them.  5) Existing Facilities: Q - Are there any existing facilities onsite from past operations and are they available for this project? A - Not from the past mining operation; the Kitsault townsite is still there but these facilities are owned by a third party and are not available.  6) Product: Q - What is the cutoff grade? What price does Moly have to be for this project to be profitable? A - Low-grade stockpiled ore is between 0.36 and 0.26% moly. All rock below 0.26% moly is considered waste. The economics of the feasibility study were done at \$12.50/lb moly. All in cost per pound moly are approximately \$5.50 per mined and roasted moly. Relative to the Endako Mine the Kitsault Project is about the same size of the Endako expansion but twice the moly

Prepared 11/08/29 Page 4 of 7

ROC #	Event Type	Event Date	Stakeholder List	Team List	Comments
					grade. It's generally comparable to the Thompson Creek Mine in Idaho. Q - What is the production rate and how much moly will be produced? A - Production rate is between 40 and 50K tonnes per day. 1% of the material is sold as moly concentrate; 99% is in the tailings.  7) Tailings: Q - Asked for assurance that there would be no submarine tailings disposal. A - Confirmed. Q - What exactly is in the tailings dam facility? If treatment is required (to tailings), what is it treated with? A - Tailings is ground-up rock, sand-sized material that is left over after milling. The sulphide minerals that could potentially generate acid will be removed from the tailings. The sulphide minerals will be deposited deep in the TMF so they cannot oxidize and generate acid.  8) Transport of Product: Q - Is it possible to truck concentrate to Terrace and then load it onto train for transport to Vancouver? A - Yes it's possible, but because the project would generate so little product the rail companies are not interested. Q - Which trucking option is Avanti's preferred option? A - Along the Cranberry Connector as it's about 130 km shorter than through Terrace.  9) Access Roads: Q - Will access roads need to be upgraded? A - Yes, the Nass FSR will need to be upgraded as well as other FSRs enroute to the mine. This includes the Cranberry Connector should Avanti elect to take this route for concentrate shipping.  10) Malfunctions: Q - What if there is an accident (with the TMF Dam) and all the silt ran into Alice Arm? Has a study been done on this? A - Management and monitoring plans will be put in place to assess current conditions and conditions during development. Contingency plans will be part of the management strategy to reduce any potential effect of an accident or a malfunction. If there are effects Avanti will be responsible, not the NLG. Avanti has developed a management plan to minimize the amount of water that would come into contact with the mine. Avanti will also consider upset conditions (accidents and malfunctions) as
404	E-mail	03/17/2011	CEAA	Avanti	1) Gitanyow Wilp Luuxhon and Gitanyow Hereditary Chiefs Office have requested to meet with Avanti regarding the Project. Contact information for these organizations provided by CEAA.
392	E-mail	03/26/2011	BC EAO, CEAA	Greenwood Environmental	Avanti provided a summary of open house comments and responses to BC EAO and CEAA.
409	E-mail	03/31/2011	BC EAO	Avanti	1) Avanti provided BC EAO with a copy of Avanti's letter to Lax Kw'alaams on 11/03/30 [see ROC0403].
556	Letter	04/01/2011	Prince Rupert and Port Edward EDC to BC EAO		Comments for the dAIR encouraged development of the mine to improve the economy of the area. The EDC provides full support behind the Project.

Prepared 11/08/29 Page 5 of 7

ROC #	Event Type	Event Date	Stakeholder List	Team List	Comments
414	E-mail	04/04/2011	BC EAO	Avanti, Greenwood Environmental, AMEC	<ol> <li>BC EAO requested that Avanti provide responses to the concerns raised by Gitanyow Hereditary Chiefs Office in their 11/04/04 e-mail [see ROC0413]. BC EAO will respond back to Gitanyow.</li> <li>Response for Cranberry Connector: No new access roads will be created, so no new areas will be opened to hunting and fishing pressure. Only dealing with impact of traffic on existing roads.</li> <li>Response for Section 13 Order: Currently being reviewed. May require clarification on which First Nations are on the list, and what consultation is expected from Avanti.</li> <li>Response to Transport Route: Will likely use both the Cranberry-Highway 37 and Nisga'a Highways, the first for concentrate transport and the second for shipment of people, supplies and probably fuel to the project.</li> </ol>
393	E-mail	04/04/2011	Prince Rupert and Port Edward EDC	Avanti	<ol> <li>Avanti reminded the PREDC that they could provide comments on the project on the BC EAO website.</li> <li>PREDC expressed their support for the Project; their input was mailed in.</li> </ol>
446	Meeting	04/06/2011	DFO, Environment Canada, Seabridge Gold, Natural Resources Canada, BC EAO, NLG, Indian and Northern Affairs Canada, CEAA	Avanti, Avanti, Greenwood Environmental, AMEC	Agenda: (a) Revise KSM/Kitsault surveys (and subsequent workplans) to be ready for implementation. (b) Obtain NLG commitment for resources/participation in the surveys. [no further details available]
532	Memo	04/06/2011	General Public to BC EAO		Two public comments from individuals were received on the dAIR.     Wetlands should be included as a valued component; Environment Canada's wetland environmental assessment guideline should be followed.     Fear of tailings affecting seafood. Believes the tailings management facility will help reduce this fear.
533	News Release	04/11/2011		Avanti	News Release: Avanti Mining issues shares in lieu of cash for interest payable under terms of bridge Loan.
534	Phone Call	04/12/2011	BC EAO	Avanti	Status and Effect of Section 13 Order/Alignment with Federal Government:     Section 13 will be formally issued on 11/04/13 or 14. Changes will not impact the dAIR for consultation; don't need to consult with "new" First Nations on it.     New First Nations: Discussed specifics for consultation with Metlakatla and the Gitanyow Wilps.
535	Meeting	04/14/2011	DFO, NLG, Nisga'a Nation, BC MNRO	Greenwood Environmental, AMEC, Avanti	1) Agenda items included: (a) welcome and agenda review; (b) fish habitat compensation planning; (c) joint discussion on options; (d) summary and next steps. [no details available]
538	News Release	04/27/2011		Avanti	1) News Release: Avanti extends LOI dates with both Asian strategic partners
545	News Release	05/27/2011		Avanti	1) News Release: Avanti extends letter of intent with SeAH Holdings Corp. until 11/06/17.

Prepared 11/08/29 Page 6 of 7

ROC	Event Type	Event Date	Stakeholder List	Team List	Comments
#					
548	Letter	06/08/2011	BC EAO	Avanti	1) BC EAO provided the approved Section 13 Order. Additions include: (a) addition of Gitxsan Chiefs' Office; Gitanyow Hereditary Chiefs Office Office; and Gitanyow Wilp Luuxhon, Wilp Watakhayetsxw, Wilp Gamlaxyeltxw, Wilp Gwaas Hlaam and Wilp Gwinuu to the First Nations consultation list. (b) Ore will be transported to Vancouver by truck and not barged. Because of this change, consultation is no longer required with Lax Kw'alaams First Nation or Gitxaala Nation. (c) Avanti must undertake a road use impact assessment between the project site and junctions with Highway 16. (d) A technical working group will be formed to engage the Gitxsan Chiefs' Office, Gitanyow Hereditary Chiefs Office' Office, four Wilps, Kitselas First Nation and Kitsumkalum First Nation on the draft workplan as well as results of the study.
550	News	06/15/2011		Avanti	1) News Release: Avanti adds Kores to SeAH letter of intent, forming a new
	Release				consortium that will assist with Kitsault Molybdenum Mine debt financing.
524	Report	07/05/2011	BC EAO	Avanti	1) Comments on the dAIR Version 3 (10/06/10) provided through the BC EAO.

Prepared 11/08/29 Page 7 of 7