



TECHNICAL MEMO

TO: Mai-Linh Hunyh, Canadian Environmental Assessment Agency
Ann Riemer, Saskatchewan Ministry of Environment

FROM: Ethan Richardson, Shore Gold Inc.

DATE: December 12, 2013

SUBJECT: Response December 3, 2013 Federal Questions, Annex 'A'

On December 3, 2013, Shore Gold Inc. (Shore) received additional questions about information submitted as part of the comprehensive study of the Proposed Star-Orion South Diamond Project. from the Canadian Environmental Assessment Agency (CEAA) regarding James Smith Cree Nation Traditional Land. The responses below should be read in conjunction with CEAA's Annex 'A' which contains the the December 3rd questions. Annex 'A' is appended to this memo for reference.

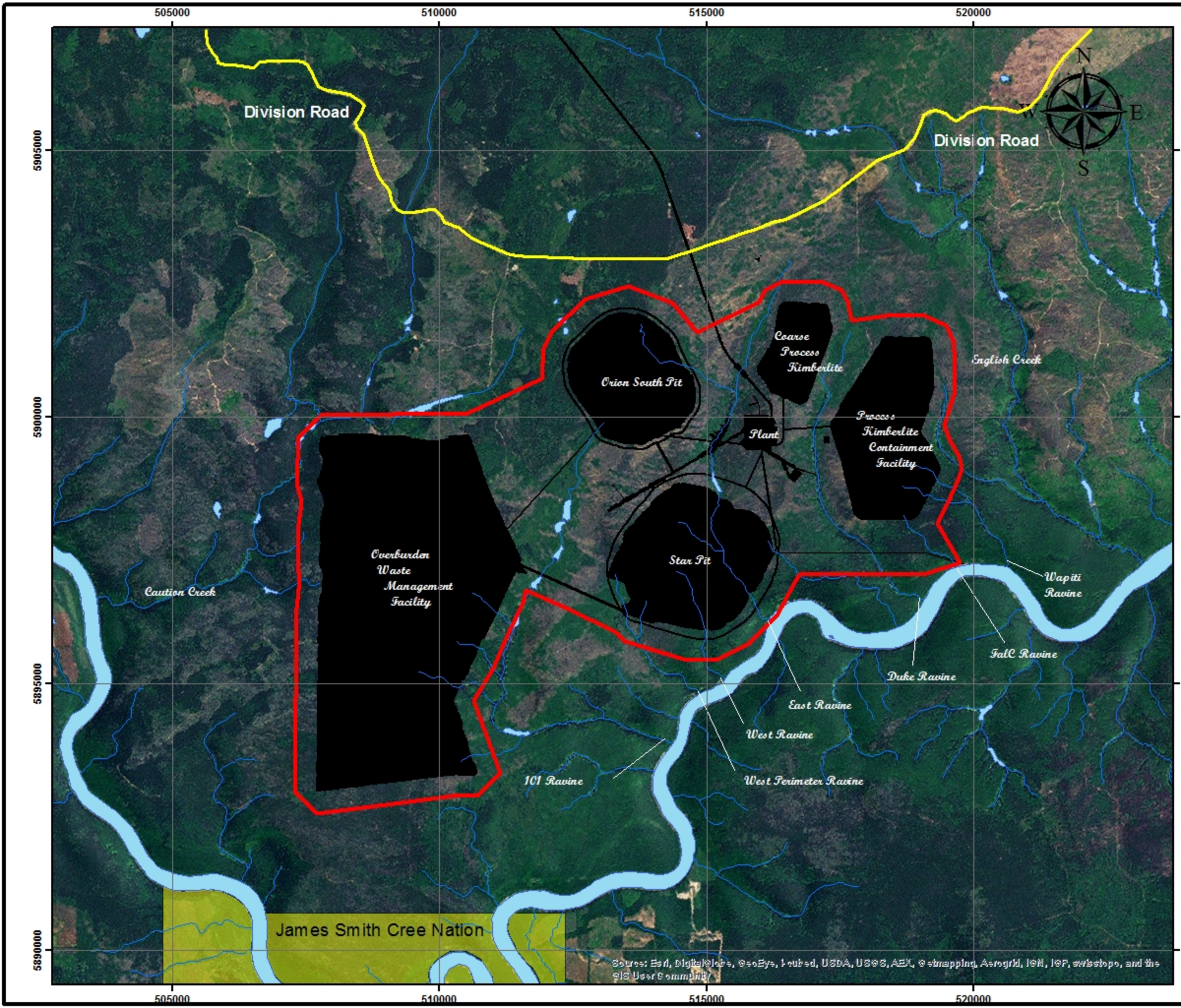
Responses

1. Section 6.4.2.2 Effects Assessment, page 78 (REIS Aug 2012)
 - a. During construction and Operation of the Project, Traditional activities including trapping, gathering, and use of spiritual sites could be accommodated by Shore upon notification in areas outside of direct project impacts where health and safety is not at risk. From Figure 6.4.2-1 of the REIS the maximum 'fence line area' is 5,381 ha. The area within the fence line, but potentially accessible for certain Traditional uses, is 1,499 ha, and is shown as the area outside the facilities, and inside the fence line in Figure 6.4.2-1 of the REIS. No hunting or firearms would be permitted on site within the fence line. Post Closure, all areas would be accessible for Traditional Use.

- b. The fence line(s) presented in Figure 6.4.2-1 accounts for areas of restriction outside of the mine footprint, including an estimate of the 500 m zone around facilities occupied by people. The 500 m zone was estimated by Project phase to account for active and occupied areas within the Project as well as areas still within the footprint, but not occupied (and therefore not subject to the 500 m zone), As such, the 'fence line' in Figure 6.4.2-1 does not correspond simply to the Project footprint plus a 500 m buffer in all cases. Also, as Traditional activities such as gathering and trapping are not subject to the 500 m zone, use of this area to assess these effects is conservative.
- c. As stated in the REIS, dust deposition may occur within 400 m of active mine facilities (Figure A1-ci). This area represents 7,425 ha, however progressive reclamation, and the progressive closure of facilities will mitigate the spatial extent and duration of any dust deposition. This also includes areas within the fence line. Note also that the application of a 400 m zone for dust is not appropriate for all disturbance types as discussed in Section 6.3.2.5, p. 6-54 of the REIS. Potential impacts from dust on vegetation communities are presented in Table 6.3.2-2 in the REIS and are considered throughout the REIS.

There are no privately owned locations within the FaC forest, and no known continuously occupied locations, so there are no known locations with a high sensitivity (Table 6.4.4-1 in the REIS) to visual change in the FaC forest. As noted in Section 6.4.4.7 in the REIS, "In general, the view in the FaC is constrained by the proximity of trees", and as such, any prediction of visibility in the FaC forest based on Figure 6.4.4-1 requires accounting for site specific conditions and qualitative calculations of areas is not possible. Qualitative discussion is possible by examining Figure 6.4.4-1 of the REIA, Figure 16(a) from supplemental information submitted on July 9, 2013, and the vegetation cover (Figure 5.3.2-2 in the REIS) from the vegetation baseline. Assuming that harvested, regenerating, grassland and shrub vegetation classes would be less effective at screening visibility than other vegetation classes, then areas within the FaC with a higher probability of seeing changes in viewscape (and identified in the unscreened visibility; Figure 6.4.4-1) would extend northeast from the site, corresponding to the regenerating area of the Henderson Fire (1987). This general area corresponds to several Traditional Hunting polygons (Figure 16a of the July supplemental information). At this point, the link between changes in viewshed and displacement of traditional activities is highly subjective and depends on the individual's experiencing the visual change (6.4.4).

Functional habitat loss is discussed in Section 6.3.3.4 of the REIS. A total area of 10,120 ha, or an additional 4,739 ha lies outside of the fence line (Figure A1-cii) but within 1,000 m of Project facilities. Note that Section 6.3.3.4 of the REIS discusses this potential displacement, noting that displacement would be most during construction (a 4 year period) and reduce over time. Displacement and acclimatization to mining activity varies by species and time. These indirect effects on wildlife are considered in Section 6.3.3.4, the Traditional Land Use assessment, and throughout the REIS.

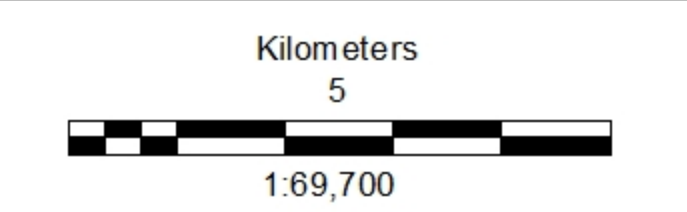


Legend

- Potential Dust Deposition (400m)
- Project Footprint
- Watercourse
- Waterbody
- First Nations Reserve

Areas Potentially Affected by Dust Specifications

Potential Dust Deposition Perimeter = 43200m
 Potential Dust Deposition Area = 7425 Ha



Company:

Shore Gold Inc.

Project:

Environmental Impact Statement

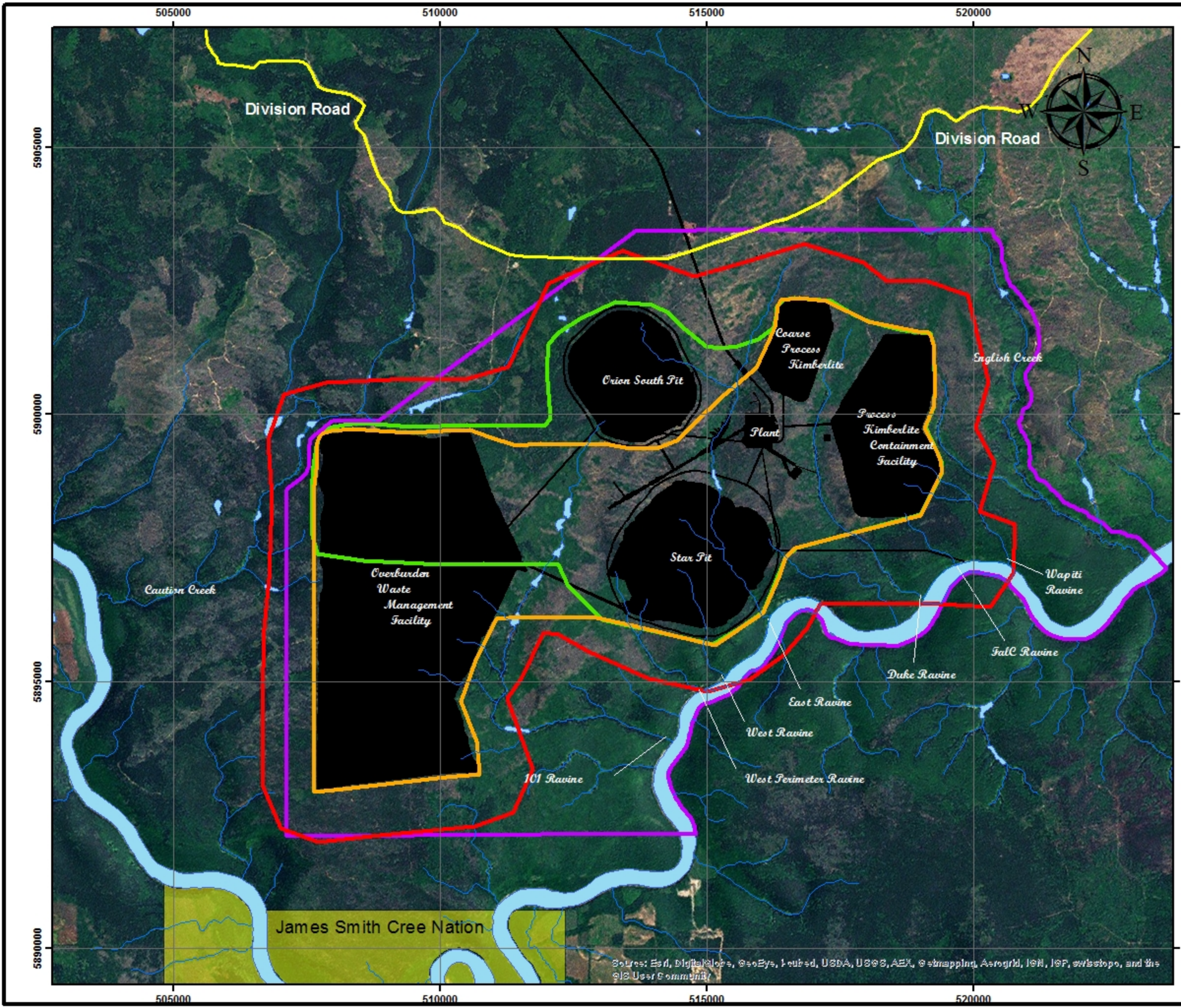
Title:

Area Potentially Affected by Dust

Date: December, 2013	Analyst: BD	Figure A1-ci
Projection: UTM Zone 13	QA/QC: ER	Datum: NAD27

References:

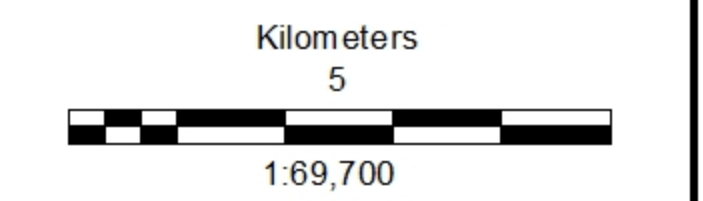
Base Data: Saskatchewan Geospatial Imagery
 Water Data: GeoBase: National Hydro Network (NHN)
 Aboriginal Land Data: GeoBase: Saskatchewan, Edition 2.42
 Project Footprint Data: Shore Gold: AutoCad Shape File



Legend

- Maximum Zone of Ungulate Displacement (1000m)
- Project Footprint
- Watercourse
- Waterbody
- First Nations Reserve
- LSA Boundary
- Star Phase Boundary
- Orion South Phase Boundary

Maximum Zone of Ungulate Displacement
 Maximum Zone of Ungulate Displacement Area = 10120 Ha
 Maximum Zone Perimeter = 46700m
 Saskatchewan River Area within Maximum Zone = 113.60 Ha



Company:
Shore Gold Inc.

Project:
Environmental Impact Statement

Title:
Maximum Zone of Ungulate Displacement

Date: December, 2013	Analyst: BD	Figure A1-cii
Projection: UTM Zone 13	QA/QC: ER	Datum: NAD27

References:
 Base Data: Saskatchewan Geospatial Imagery
 Water Data: GeoBase: National Hydro Network (NHN)
 Aboriginal Land Data: GeoBase: Saskatchewan, Edition 2.42
 Project Footprint Data: Shore Gold: AutoCad Shape File

The maximum areas of the Traditional Use Potential Rank classes potentially directly impacted by the Project and potentially indirectly impacted by effects of drawdown on are summarized in Table A1-c below. No new data is presented in Table A1-c as areas have been presented in Tables 6.3.2-3 and 6.3.2-9 in the REIS.

Direct impact areas are areas within the Project footprint. Indirect impacts show the area of wetland ELC codes (BP 18, 18a, 19, 23, 24, 25, 26, and 28) that lie within the maximum 0.5 m drawdown, which occurs shortly after operations. Note that this represents the worst case situation, as surficial groundwater levels will slowly recover over time. Indirect effects on vegetation are discussed on pages 6-55 and 6-56 of Section 6.3.2.5 of the REIS.

The areas in Table A1-c do not account for progressive reclamation or closure revegetation, and represent the worst case potential impact immediately after operations. Note that Table 6.3.2-1 of the REIS shows that High Traditional Use Potential vegetation classes are expected to increase from 2 ha to 134 ha at closure, thus potentially returning greater potential use after the Project. As such, the areas below are short term, and only describe conditions immediately after operations.

Table A1-c. Maximum potential direct and indirect disturbance to Traditional Use Potential Ranks without Consideration of Mitigation

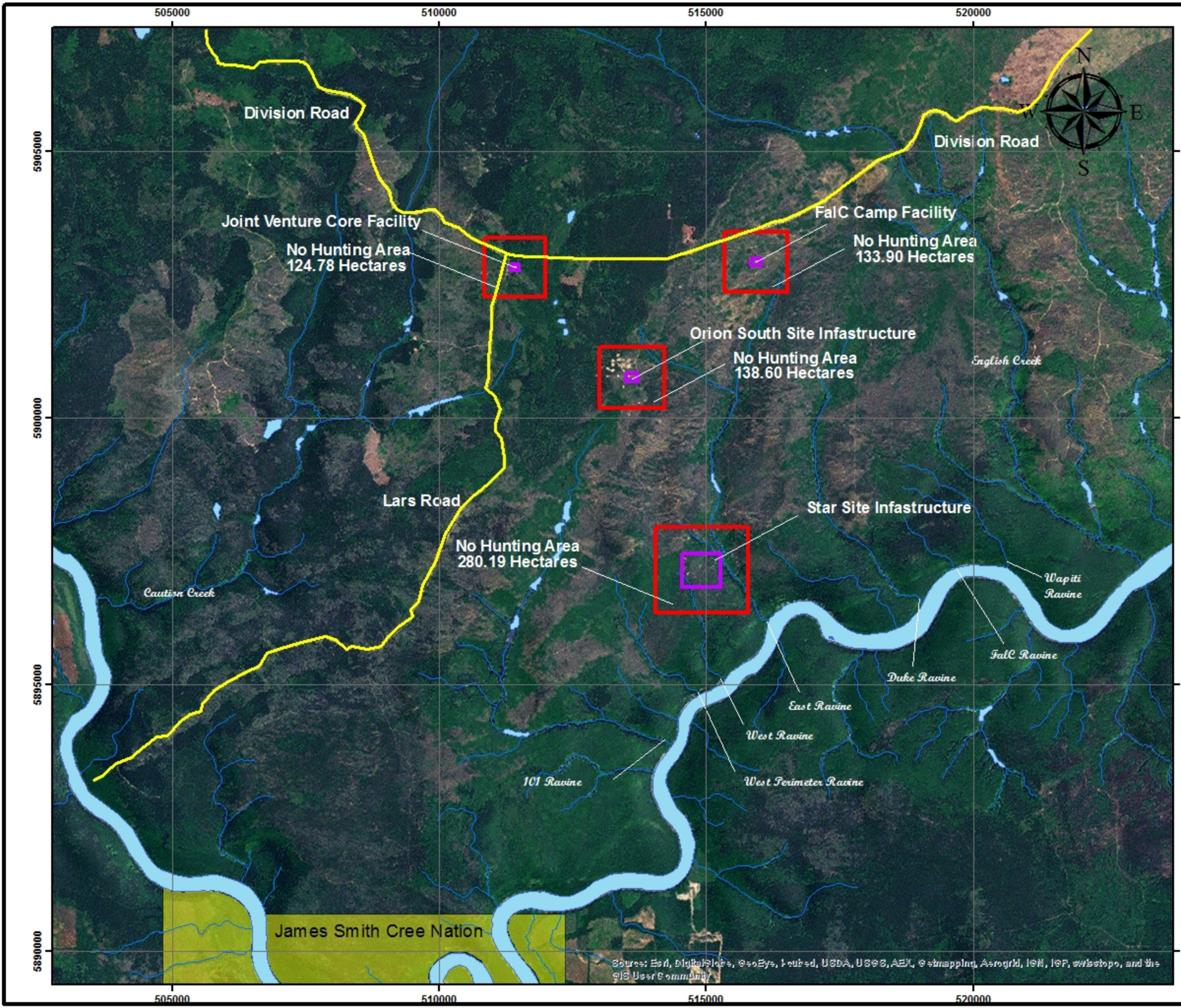
Traditional Use Potential Rank	LSA			RSA		
	Baseline Area (ha)	Direct Impact (ha)	Indirect impact (ha)	Baseline Area (ha)	Direct Impact (ha)	Indirect impact (ha)
High	2	0	2	1,242	0	175
Medium	2,003	261	4	41,014	282	153
Low	4,299	986	147	42,101	1,008	2,622
Unranked	5,913	2,635	250	48,411	2,643	967
Total	12,217	3,882	403	132,768	3,933	3,917

2. Supplemental Information “Effects Assessment: James Smith Cree Nation (hunting), Sections 2.1 (filed August 2013).

- a. Other than Shore Gold’s existing exploration infrastructure, there are no other current land uses that exclude traditional hunting. Information contained in the Traditional Use studies for the EIS (JSCN, MFN, WDN, Metis ER II, and Metis WRII) show extensive current and historical hunting activities throughout the FaIC forest, including areas around exploration activities and forest harvesting activities. Grazing leases at the edge of the forest do not interfere with hunting. Although active forest harvesting activities would exclude areas while operational, cut blocks and regenerating stands facilitate hunting opportunities. Forestry activity has been greatly limited recently due to market conditions. To respond to this question in a conservative fashion, the attached Figure A2-a shows a 500 m buffer around Shore facilities considered to be regularly inhabited. These areas represent 677.5 ha (or 0.5% of the FaIC forest). However it is Shore’s policy to grant access to such areas for hunting in cases where health and safety of the public or employees would not be affected, thus minimizing effects on hunting. The Saskatchewan hunting regulations state on page 15 (<http://www.environment.gov.sk.ca/Default.aspx?DN=2a5dfe9f-6442-4667-ad59-253883e8b8e2>) that it is a violation to:

“hunt or trap within 500 metres of a building, stockade or corral occupied by people or livestock without the consent of the owner or occupant in charge”

- b. The area available and accessible for Traditional Hunting, when taking into account the Project effects and current land use remains as originally presented in the supplemental information referenced. All but the area around the current core shack presented in Figure A2-a lie within the original boundary encompassing up to 5,381 ha. Shore will commit to establishing a notification procedure with cooperation with potentially affected Aboriginal groups to facilitate traditional hunting within 500 m of project facilities. As such, there will be no additional effect.
- c. Cumulative effects on Traditional Land Use, including hunting are discussed in Section 9.4.14 in the Revised EIS. Future projects such as exploration or forestry have a short term (i.e., only while equipment is operating) effect on hunting, and after operations, access is improved. Note that any extension of mining, or mining of other kimberlites would only occur within the current Project fence line, or would be offset by progressive closure and reclamation of the Project. As such, incremental effects would be negligible.



Legend

- Site Infrastructure
- No Hunting Area
- Watercourse
- Waterbody
- First Nations Reserve

No Hunting Perimeter Specifications

Star Site No Hunting Zone Perimeter = 6700m

Orion South Site No Hunting Zone Perimeter = 4710m

FalC Camp Facility No Hunting Zone Perimeter = 4630m

JV Core Facility No Hunting Zone Perimeter = 4470m

Kilometers
5

1:69,700

Company:

Project:

Environmental Impact Statement

Title:

No Hunting Areas

Date: December, 2013	Analyst: BD	Figure A2-a
Projection: UTM Zone 13	QA/QC: ER	Datum: NAD27

References:

Base Data: Saskatchewan Geospatial Imagery

Water Data: GeoBase: National Hydro Network (NHN)

Aboriginal Land Data: GeoBase: Saskatchewan, Edition 2.42

Project Footprint Data: Shore Gold: AutoCad Shape File

3. Supplemental Information “Effects Assessment: James Smith Cree Nation (hunting), Sections 2.1 (filed August 2013).

- a. Note that the maximum exclusion area for hunting (as presented in Figure 6.4.2-1 of the REIS) should be 5,381 ha (the area of 5,831 ha quoted in this question is an error).

A meeting was held between Shore and JSCN, and observed by a member of DFO, on April 20, 2012 at JSCN. At this meeting, Shore solicited input from JSCN about mitigation proposed for Traditional Land Use and other Valued Components. JSCN chose not to provide comment on mitigation until the final assessment was completed and final residual effects were determined. JSCN continues to hold this position, as confirmed verbally as recently as December 4, 2013. As mitigation and the effectiveness of the mitigation, are integral parts of determining a residual effect, withholding comment on mitigation until the residual effects are determined is problematic.

Although JSCN has chosen not to comment on mitigation to date, (Section 4, Supplemental Information “Effects Assessment: James Smith Cree Nation (hunting); August 2013) Shore states that:

“additional mitigation may be identified through future discussions and negotiations with JSCN relating to lost opportunity to harvest within the exclusion zone during operations.”

- b. Shore remains committed to the existing mitigations as listed in the REIS and supplemental information.

Details of, or amendments to, existing or additional mitigation considered in the Revised EIS are part of confidential discussions with specific Aboriginal groups toward the development of an Impact Benefit Agreement or Participation Agreement. Regardless of the successful conclusion of Agreements with any or all Aboriginal groups, Shore is committed to the following mitigations applicable to Traditional Land Use impacts:

- i. supporting Aboriginal education and training, to obtain skills and qualifications necessary for employment related to the Project;
- ii. supporting community development in the region through donations and sponsorships;
- iii. Shore’s Representative Workforce Policy will provide employment opportunities for Aboriginal community members. As described in Section 5.4.1.3, 27.2% of

- the population in the RSA self identified as Aboriginal. As such, Shore anticipates that about 27 to 30% of the Project Workforce will be Aboriginal;
- iv. Shore will develop procedures that facilitate and support Aboriginal business participation in the Project;
 - v. Shore will continue community engagement activities throughout the Project in order to share and exchange information to increase the transparency of the Project and to develop community level understanding; and
 - vi. Shore will compensate for direct trapping losses due to the Project.

Additional details of mitigation specific to Traditional Hunting, will include establishing a notification procedure with cooperation with potentially affected Aboriginal groups to facilitate traditional hunting within 500 m of project facilities. These measures are in addition to the mitigations listed in the Revised EIS and Supplemental material.

4. Section 6.4.2.2 Effects Assessment- Traditional Land Use, JSCN Gathering, page 6-84 (REIS Aug 2012)
 - a. A meeting was held between Shore and JSCN, and observed by a member of DFO, on April 20, 2012 at JSCN. At this meeting, Shore solicited input from JSCN about mitigation proposed for Traditional Land Use and other Valued Components. JSCN chose not to provide comment on mitigation until the final assessment was completed and final residual effects were determined. JSCN continues to hold this position, as confirmed verbally as recently as December 4, 2013. As mitigation and the effectiveness of the mitigation, are integral parts of determining a residual effect, withholding comment on mitigation until the residual effects are determined is problematic. As such, there is no update to provide.
 - b. Shore remains committed to the existing mitigations as listed in the REIS and supplemental information.

Details of, or amendments to, existing or additional mitigation considered in the Revised EIS are part of confidential discussions with specific Aboriginal groups toward the development of an Impact Benefit style or Participation Agreement. Regardless of the successful conclusion of Agreements with any or all Aboriginal groups, Shore is committed to the following mitigations applicable to Traditional Land Use impacts:

- i. supporting Aboriginal education and training, to obtain skills and qualifications necessary for employment related to the Project;
- ii. supporting community development in the region through donations and sponsorships;

- iii. Shore's Representative Workforce Policy will provide employment opportunities for Aboriginal community members. As described in Section 5.4.1.3, 27.2% of the population in the RSA self identified as Aboriginal. As such, Shore anticipates that about 27 to 30% of the Project Workforce will be Aboriginal;
- iv. Shore will develop procedures that facilitate and support Aboriginal business participation in the Project;
- v. Shore will continue community engagement activities throughout the Project in order to share and exchange information to increase the transparency of the Project and to develop community level understanding; and
- vi. Shore will compensate for direct trapping losses due to the Project.

Additional mitigation, specific to gathering, is a re-affirmation that Shore will include traditionally harvested plants in the revegetation and reclamation of the Project, and a commitment to seek input from Aboriginal groups to incorporate traditional knowledge into the reclamation planning. Shore will also develop a communication system to facilitate access to any traditional harvesting areas within the Project area where and when safe to do so.

5. Section 6.4.2.2 Effects Assessment- Traditional Land Use: JSCN (Fishing), page 6-87, REIS Aug 2012; Shore Gold Star-Orion South Diamond Project – Fish Habitat Compensation Plan, January 13, 2013.
 - a. A meeting was held between Shore and JSCN, and observed by a member of DFO, on April 20, 2012 at JSCN. At this meeting, Shore solicited input from JSCN about mitigation proposed for Traditional Land Use and other Valued Components. JSCN chose not to provide comment on mitigation until the final assessment was completed and final residual effects were determined. JSCN continues to hold this position, as confirmed verbally as recently as December 4, 2013. As mitigation and the effectiveness of the mitigation, are integral parts of determining a residual effect, withholding comment on mitigation until the residual effects are determined is problematic. As such, there is no update to provide.

Options for fish habitat compensation were also presented to JSCN on April 20th, 2012. JSCN did not provide feedback at that time. Since then, Shore decided to proceed with further assessment of the Pehonan Creek option. Shore coordinated with a member of JSCN, and was informed on May 22, 2012 that JSCN had given approval for associated field work. Shore has continued to attempt to discuss the FHCP with JSCN, and, in November 2012, JSCN informed Shore that they would like Shore Gold to address the

IBA negotiations prior to meeting on any work done regarding the Star-Orion EIS and compensation project. These discussions are on-going.

- b. Shore remains committed to the existing mitigations as listed in the REIS and supplemental information.

Details of, or amendments to, existing or additional mitigation considered in the Revised EIS are part of confidential discussions with specific Aboriginal groups toward the development of an Impact Benefit style or Participation Agreement. Regardless of the successful conclusion of Agreements with any or all Aboriginal groups, Shore is committed to the following mitigations applicable to Traditional Land Use impacts:

- i. supporting Aboriginal education and training, to obtain skills and qualifications necessary for employment related to the Project;
- ii. supporting community development in the region through donations and sponsorships;
- iii. Shore's Representative Workforce Policy will provide employment opportunities for Aboriginal community members. As described in Section 5.4.1.3, 27.2% of the population in the RSA self identified as Aboriginal. As such, Shore anticipates that about 27 to 30% of the Project Workforce will be Aboriginal;
- iv. Shore will develop procedures that facilitate and support Aboriginal business participation in the Project; and
- v. Shore will continue community engagement activities throughout the Project in order to share and exchange information to increase the transparency of the Project and to develop community level understanding.

As mentioned in part (a), JSCN has not provided comment on the Fish Habitat Compensation Plan. The re-routing of Lars Road was also presented to JSCN at the April 20, 2012 meeting, and JSCN declined to comment on the proposed re-alignment. Shore is committed to re-route Lars Road early in construction such that access to the north part of the JSCN Reserve is not impeded. At the meeting, concern was raised over the possibility of the overburden pile slopes failing and blocking the proposed alignment, however, side slopes of the overburden pile are engineered to be geotechnically stable, and will be re-vegetated progressively to limit erosion.

- 6. Section 6.4.2.2 Effects Assessment- Traditional Land Use: JSCN (cultural sites), page 6-90, REIS Aug 2012 and "Examination of Traditional Use of Bingo (Spy) Hill and Potential Mitigation", section 5.5 and 6.0 (filed July 30).

- a. A meeting was held between Shore and JSCN, and observed by a member of DFO, on April 20, 2012 at JSCN. At this meeting, Shore solicited input from JSCN about mitigation proposed for Traditional Land Use and other Valued Components, including the potential removal of Bingo (Spy) Hill. JSCN chose not to provide comment on mitigation until the final assessment was completed and final residual effects were determined. JSCN continues to hold this position, as confirmed verbally as recently as December 4, 2013. As mitigation, and the effectiveness of the mitigation, are integral parts of determining a residual effect, withholding comment on mitigation until the residual effects are determined is problematic. As such, there is no update to provide.
- b. Shore remains committed to the existing mitigations as listed in the REIS and supplemental information.

Details of socio-economic mitigation considered in the Revised EIS are part of confidential discussions with specific Aboriginal groups toward the development of an Impact Benefit style or Participation Agreement. Regardless of the successful conclusion of Agreements with any or all Aboriginal groups, Shore is committed to the following mitigations applicable to Traditional Land Use impacts, which include the proposed removal of Bingo (Spy) Hill:

- vi. supporting Aboriginal education and training, to obtain skills and qualifications necessary for employment related to the Project;
- vii. supporting community development in the region through donations and sponsorships;
- viii. Shore's Representative Workforce Policy will provide employment opportunities for Aboriginal community members. As described in Section 5.4.1.3, 27.2% of the population in the RSA self identified as Aboriginal. As such, Shore anticipates that about 27 to 30% of the Project Workforce will be Aboriginal;
- ix. Shore will develop procedures that facilitate and support Aboriginal business participation in the Project;
- x. Shore will continue community engagement activities throughout the Project in order to share and exchange information to increase the transparency of the Project and to develop community level understanding; and
- xi. Shore will compensate for direct trapping losses due to the Project.

7. Section 6.4.2.2 Effects Assessment- Traditional Land Use: JSCN (conditions for use), page 6-94, REIS, Aug 2012.

- a. A meeting was held between Shore and JSCN, and observed by a member of DFO, on April 20, 2012 at JSCN. At this meeting, Shore solicited input from JSCN about mitigation proposed for Traditional Land Use and other Valued Components. JSCN chose not to

provide comment on mitigation until the final assessment was completed and final residual effects were determined. JSCN continues to hold this position, as confirmed verbally as recently as December 4, 2013. As mitigation, and the effectiveness of the mitigation, are integral parts of determining a residual effect, withholding comment on mitigation until the residual effects are determined is problematic. As such, there is no update to provide.

- b. Shore remains committed to the existing mitigations as listed in the REIS and supplemental information.

Details of socio-economic mitigation considered in the Revised EIS are part of confidential discussions with specific Aboriginal groups toward the development of an Impact Benefit style or Participation Agreement. Regardless of the successful conclusion of Agreements with any or all Aboriginal groups, Shore is committed to the following mitigations applicable to Traditional Land Use impacts, which include Conditions for Use:

- i. supporting Aboriginal education and training, to obtain skills and qualifications necessary for employment related to the Project;
 - ii. supporting community development in the region through donations and sponsorships;
 - iii. Shore's Representative Workforce Policy will provide employment opportunities for Aboriginal community members. As described in Section 5.4.1.3, 27.2% of the population in the RSA self identified as Aboriginal. As such, Shore anticipates that about 27 to 30% of the Project Workforce will be Aboriginal;
 - iv. Shore will develop procedures that facilitate and support Aboriginal business participation in the Project;
 - v. Shore will continue community engagement activities throughout the Project in order to share and exchange information to increase the transparency of the Project and to develop community level understanding; and
 - vi. Shore will compensate for direct trapping losses due to the Project.
- c. An alternate route for Lars Road will be constructed early in construction so that access to the north part of the JSCN Reserve is not impeded or interrupted as a result of the Project. The re-routing of Lars Road was presented at the April 20, 2012 meeting, and JSCN declined to comment on the proposed re-alignment at that time. At the meeting, concern was raised over the possibility of the overburden pile slopes failing and blocking the proposed alignment, however, side slopes of the overburden pile are engineered to be geotechnically stable, and will be re-vegetated progressively to limit erosion.

There will be no trail closures or gates installed on any trails that lie outside of the Project footprint.

8. Proponent responses to JSCN Information Request, Comment 122 , page 25, REIS Aug 2012

- a. Shore agrees that active filling of the pits would expedite restoration of these areas to a functional state that can be used for traditional purposes. The conceptual plan would involve using existing infrastructure post- closure to actively fill the Star Pit with Saskatchewan River water. The proposed water intake and supply line would be re-routed to deliver water to the Star Pit instead of the process plant. Discharge would be at the water surface from a floating raft to minimize mixing and sediment mobilization. The intake is designed to supply up to 80,000 m³/day of water. From Section 2.6.2.2 of the REIS, the Star pit has 279.6 million m³ of excess capacity to act as contingency storage for overburden from Orion South or for additional fine PK and process water. At the intake design capacity and the anticipated maximum volume of the Star pit, it would take a maximum of 3,495 days (or 9.6 years) to fill the Star Pit, neglecting inputs from runoff, precipitation and groundwater inflow. Once the Star pit was filled, then Shore would anticipate that a similar method would be used to fill the Orion South pit, however the final decision and methods would be determined based on experience with closure of the Star Pit.

Pit infilling at the designed rate would increase the duration of potential effects of water removal from the Saskatchewan River, but would not increase the magnitude or other parameters. The potential effects of changes to flow in the Saskatchewan River would therefore remain negligible. In the event of extreme low flows, pumping would be discontinued until flows increased. Pit infilling would mitigate, or improve the following potential effects:

- reduce maximum local drawdown in the surficial sands and till units post closure;
- improve water quality in the pits, particularly at Orion South;
- At Orion South, pit lake water quality would support development of fresh water riparian and fish communities (the REIS predicted riparian communities and fish habitat similar to those in nearby prairie terminal sloughs or lakes);
- At Star, pit lake water quality would be similar to that modeled in the REIS, and would support riparian communities as described in the REIS.
- accelerate return of groundwater levels in the LSA to steady state conditions;

- accelerate the development of potential Traditional Uses of the pit lakes;
- accelerate the development of potential non-traditional uses of the pit lakes.

The pit lakes and associated riparian communities would be expected to support the following activities:

- Traditional water fowl hunting;
- Gathering of Traditional riparian plants;
- Traditional Fishing;
- Trapping;
- recreation;
- non-traditional water fowl hunting; and
- sport fishing.

- b. Based on feedback from Federal and Provincial regulators, and on Shore's understanding of JSCN's position on pit filling based on this question, Shore will commit to filling the remaining volume of the Star pit with Saskatchewan River water at closure using existing infrastructure. Shore anticipates filling the Orion South pit in a similar fashion, however the final decision will be based on the success of the Star pit filling, and with communication with Aboriginal and non-Aboriginal stakeholders.
- c. As stated in part (b), Shore intends to actively fill the remaining volume of the pits with Saskatchewan River water.
9. Section 6.2.6 Effects Assessment- Regional Geology and Hydrogeology, page 6-129, REIS Aug 2012.
- a. The potential for effects on JSCN wells was identified in the REIS, however hydrogeological modeling does not predict an effect on JSCN wells 8 km south of the Project. The predicted 0.5 m drawdown isopleth in the formation that supplies JSCN water (i.e., the surficial sand) extends south of the Saskatchewan River (Figure 25, Appendix 5.2.7), but does not extend to the area of JSCN wells. As such, no impact is predicted. In light of the REIS, possible measures, including above ground storage, alternate pumps/settings and provision of alternate water supplies should be considered as contingencies rather than mitigation of predicted effects at JSCN.

With respect to discussions with JSCN, a meeting was held between Shore and JSCN, and observed by a member of DFO, on April 20, 2012 at JSCN. At this meeting, Shore presented the results of the JSCN well survey, and presented possible general

mitigations for potential groundwater effects. JSCN chose not to provide comment on this until the final assessment was completed and final residual effects were determined. JSCN continues to hold this position, as confirmed verbally as recently as December 4, 2013.

- b. As stated in the response to part (a), groundwater related contingencies remain as stated in the REIS, as no impact on JSCN wells is predicted.

Closure

Please do not hesitate to contact me with any questions or comments about the attached information.

Sincerely,

<original signed by>

Ethan Richardson, M.Sc., P.Eng.
Environment Manager, Shore Gold Inc.

Annex 'A' from CEAA's December 3, 2013 Letter to Shore Gold

Star-Orion South Diamond Project – Federal Environmental Assessment
Additional Information Request – Traditional Land Use by the James Smith Cree Nation

1. *Section 6.4.2.2 Effects Assessments, Page 6-78 (REIS Aug 2012)*

The environmental impact statement (EIS) states that the area of exclusion from traditional use is *“based on health, safety or security limitations, and in some cases, a physical brush barrier to be constructed around project facilities, and for hunting, will also include a 500 m buffer from all occupied areas”*.

- a. Would any traditional practices be allowed within the project fence line?
 - If yes, calculate the spatial extent of this area and describe the type of traditional practices that would be allowed within the project fence line. Provide a map representing the spatial extent of this area.
 - If no, provide the total area within the project fence line that will be excluded from traditional land use.
- b. What is the spatial extent outside the project fence line where hunting and other traditional practices would be restricted (e.g. 500 meter hunting restriction zone around mine facilities)? Calculate this area and provide a map representing the spatial extent of this area.
- c. Calculate the area outside the project fence line that would experience changes in environmental conditions caused by the Project that could lead to the displacement of traditional users in the vicinity of the mine, such as:
 - Areas where there could be dust deposition on soil and vegetation from the Project. Section 6.2.2 of the EIS states that dust deposition could occur 400 m from the mine site.
 - Areas where there could be changes in viewscape within the Fort á la Corne (FaC) forest that are rated high in sensitivity.
 - Areas where there could be a loss of functional wildlife habitat caused by project noise disturbance and human presence. For example, Table 6.3.3-3 of the EIS (page 6-76) states that within 1000 meters of the project footprint, ungulate populations would decrease by 9.1 to 12.4% assuming 100% functional habitat loss.
 - Areas where wetland habitats that support traditional practices could be affected by drawdown during operations and post-closure. Section 6.3.2.5 of the EIS (page 6-56) states that the area of vegetation within the 0.5 meter-drawdown area includes 10% of the wetlands in the local study area and 7% of wetlands in the regional study area remaining after full project layout.

2. *Supplemental information “Effects Assessment: James Smith Cree Nation (Hunting)”, section 2.1 (filed August 2013)*

The EIS states that *“the Project is removing an area (up to 5 831 ha) used for hunting from future use until reclamation is complete; however a large area of the FaIC forest and identified areas of traditional hunting will still be available for use”*.

- a. Describe the spatial extent of current land uses within the FaIC forest that would exclude traditional hunting (a land tenure map would provide a good basis for this assessment). Provide a spatial representation of the remaining area that is available for traditional hunting.
- b. Re-calculate the area that would be available and accessible for traditional hunting taking into account the effects of the Project and current land uses on traditional hunting within the FaIC forest. Provide a spatial representation of the remaining area that is available for traditional hunting.
- c. Discuss the cumulative effects on traditional hunting taking into account the project effects, current land use and future foreseeable projects within the FaIC that would exclude traditional hunting. Provide a spatial representation of the remaining area that is available for traditional hunting.

3. *Supplemental information “Effects Assessment: James Smith Cree Nation (Hunting)”, section 2.1 (filed July 2013)*

The EIS states that *“although not considered in the assessment, additional mitigation may be identified through future discussions and negotiations with JSCN relating to lost opportunity to harvest within the exclusion zone during operations”*.

- a. Provide an update on any discussions or negotiations between JSCN with respect to mitigations for the project effects on “hunting”.
- b. Provide an update on whether additional mitigations or amendments to existing mitigations on “hunting” are proposed given your response to 3(a). For example, the mitigations listed below are those that involve JSCN or require JSCN input:
 - Shore will implement mitigations outlined in the wildlife section (section 6.3.3) including suggesting changes to the hunting season draw quotas, season timing and bag limits within the ungulate management units and regional planning; and encouraging JSCN participation in regional planning processes.
 - Project employment and increase in wages will offset negative effects on hunting.

4. *Section 6.4.2.2 Effects Assessment- Traditional Land Use: JSCN (Gathering), page 6-84, REIS Aug 2012*

- a. Provide an update on any discussions or negotiations between JSCN with respect to mitigations for the project effects on “gathering”.
 - b. Provide an update on whether additional mitigations or amendments to existing mitigations on “gathering” are proposed given your response to 4(a). For example, the mitigations listed below are those that involve JSCN or require JSCN input:
 - Shore will progressively reclaim and re-vegetate areas that have been disturbed by the project footprint, including working with JSCN to ensure traditional production of plants and berries is a consideration in reclamation and closure planning as appropriate.
5. *Section 6.4.2.2 Effects Assessment- Traditional Land Use: JSCN (Fishing), page 6-87, REIS Aug 2012; Shore Gold Star-Orion South Diamond Project – Fish Habitat Compensation Plan, January 13, 2013*
- a. Provide an update on any discussions or negotiations between JSCN with respect to mitigations for the project effects on “fishing”.
 - b. Provide an update on whether additional mitigations or amendments to existing mitigations on “fishing” are proposed given your response to 5(a). For example, the mitigations listed below are those that involve JSCN or require JSCN input:
 - Loss of fish habitat will be offset as proposed in the Fish Habitat Compensation Plan. The EIS proposes habitat improvements in areas of Peonan Creek as the desirable option. The downstream portion of Peonan Creek flows through the JSCN reserve and thus the Plan would require the support of the JSCN.
 - Shore will engage with JSCN to ensure that access disruptions from the re-routing of Lars Road will not unnecessarily affect JSCN fishing.
 - Project employment and increase in wages will offset negative effects on fishing.
6. *Section 6.4.2.2 Effects Assessment- Traditional Land Use: JSCN (cultural sites), page 6-90, REIS Aug 2012 and “Examination of Traditional Use of Bingo (Spy) Hill and Potential Mitigation”, section 5.5 and 6.0 (filed July 30)*
- a. Provide an update on any discussions or negotiations between JSCN with respect to mitigations for the project effects on cultural sites.
 - b. Provide an update on whether additional mitigations or amendments to existing mitigations on cultural sites are proposed given your response to 6(a). For example, the mitigations listed below are those that involve JSCN or require JSCN input:
 - Socio-cultural benefits to mitigate the impact to traditional use of Bingo Hill, which may include facilitating appropriate activities, supporting programs that would preserve and transfer traditional knowledge of the FaIC, sponsoring

potential replacement initiatives, or any other suggestions that may arise through future discussions with JSCN.

- Project employment and increase in wages will offset negative effects on cultural sites.
- The pipeline area will be surveyed by an archaeologist per-construction. The archaeologist will liaise with JSCN to identify any burials in this planned route. Should any burial sites be identified, the pipeline will be redesigned to completely avoid direct impacts to the sites.
- Shore will work with JSCN to ensure the ceremonial sites located 165 m from the proposed right-of-way of the improved access road will not be directly impacted, including access to the site during construction.
- Shore will work with the JSCN to ensure the re-alignment of Lars Road does not impede access to the cabin, which is located in the JSCN reserve north of the River, unnecessarily.

7. *Section 6.4.2.2 Effects Assessment- Traditional Land Use: JSCN (conditions for use), page 6-94, REIS Aug 2012*

- a. Provide an update on any discussions or negotiations between JSCN with respect to mitigations for the project effects on “conditions for use”.
- b. Provide an update on whether additional mitigations or amendments to existing mitigations on “conditions for use” are proposed given your response to 7(a). For example, the mitigations listed below are those that involve JSCN or require JSCN input:
 - Shore will work with JSCN and other stakeholders to develop suitable access management strategies and participate in regional awareness of education initiatives that are intended to encourage the appropriate use of the FaIC forest.
 - If requested, Shore will work with the JSCN to ensure opportunities exist to teach and learn traditional skills in an appropriate setting.
- c. Describe how Shore will ensure JSCN members are given access to the north portion of the reserve and other traditional use areas from Lars Road and other trails surrounding the project area (e.g. will there be access gates on Lars Road? Will there be road and trail closures in the vicinity of the Project due to project construction or operations?).

8. *Proponent responses to JSCN Information Request, Comment 122 , page 25, REIS Aug 2012*

Reclaiming the pits to wetlands and a functional aquatic ecosystem would require more than 1000 years for the Orion South pit and approximately 300 years for the Star pit to passively fill with water. JSCN is of the view that this time period represents a significant interruption in use, and requires assessment of and consultation on the implications of this extended, generational interruption. Actively filling the pits with water would expedite restoration to a functional state

that can be used for traditional purposes. The EIS states that actively filling the Star and Orion South pits at closure with Saskatchewan River water may be considered.

- a. Confirm whether Shore intends to actively fill the Star and Orion South pits at closure with Saskatchewan River water. Provide a conceptual plan on how this would be achieved, including feasibility, time frame on filling the pits, potential environmental effects (both adverse and positive) of actively filling the pits, and the types of traditional uses that the pit lakes could support.
- b. If the decision to actively fill the pits is made at a later date, provide the basis on which the decision to proceed with this measure will be made.
- c. If the intent is to not actively fill the pits, describe the environmental effects (including effects on traditional land use) that would be related to not implementing this measure.

9. *Section 6.2.6 Effects Assessment- Regional Geology and Hydrogeology, page 6-129, REIS Aug 2012*

The EIS states that the closest water wells to the Project are located approximately 8 km south of the project site on the JSCN reserve and that they could be potentially affected by the Project. Shore further states that a program of water level monitoring in some private wells would be commissioned to determine the need for possible mitigation measures. Possible mitigations proposed in the EIS include: providing additional above ground storage for water, lowering the pump setting in the well, replacing existing pumps with more efficient high-lift pumps, or providing alternative water supplies in the event that the wells are severely impacted.

- a. Provide an update on any discussions or negotiations between JSCN with respect to the project effects on the community's wells should they occur (e.g. if JSCN proposed any further mitigation measures or conveyed concerns with the proposed measures).
- b. Provide an update on whether additional mitigations or amendments to the existing mitigations are proposed given your response to 9(a).