



MR. TOM BEAULIEU  
MLA, TU NEDHÉ-WIILIDEH

APR - 4 2019

**Oral Question 502-18(3) Avalon Nechalacho Rare Earth Elements Project**

This letter is in follow up to the Oral Question you raised in the Legislative Assembly on February 5, 2019, regarding Avalon's Nechalacho Rare Earth Elements Project. During our exchange, I committed to check into whether Cheetah Resources has had any discussions or any engagements with the Indigenous groups in the area, specifically, Łutselk'e, Yellowknives Dene First Nation and Fort Resolution regarding the Nechalacho Project.

Furthermore, I committed to work very closely with Avalon and its new partner, Cheetah Resources to try to move the small-scale mining operation project forward and have collaboration and meaningful input from Northwest Territories (NWT) residents.

The Department of Industry, Tourism and Investment (ITI), Minerals and Petroleum Resources Division, along with other Government of the Northwest Territories (GNWT) departments recently met with both Avalon and Cheetah Resources to discuss next steps moving forward to advance the small-scale mining operation of the Nechalacho project through any necessary regulatory aspects. This regulatory process provides anyone in the NWT the opportunity to constructively comment on the project.

Cheetah Resources Pty Ltd., along with Avalon Advanced Minerals Inc., met with NWT Indigenous leaders at both the Annual Mineral Exploration Roundup Conference in January 2019, as well as its recent NWT Engagement Tour in March 2019. Given that these meetings are confidential in nature, I am not privy to the information disclosed at these meetings. However, it is my understanding that you, as the MLA for Tu Nedhé-Wiilideh recently met with both companies, as well as representatives from the Yellowknives Dene First Nation, the Lutsel K'e Dene First Nation and the North Slave Metis Alliance with respect to the Nechalacho Project.

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Thank you for your interest in this matter. I trust this response addresses your questions.



Wally Schumann  
Minister  
Industry, Tourism and Investment

- c. Clerk of the Legislative Assembly  
Deputy Minister, ITI  
Legislative Coordinator