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October 21, 2004

VIA FACSIMILE: 867-699-3166

Deh Cho Land Use Planning Committee
General Delivery
Fort Providence, N.W.T.
X0E 0L0

Attention: Ms. Heidi Wiebe

Dear Ms. Wiebe:

Re: Land Use Plan

I appreciated the opportunity to meet with you and your colleagues representing the Deh Cho Land Use Planning Committee on August 27, 2004 in Vancouver. It would be beneficial, prior to any final plan being proposed, that a meeting be held with attendance by members of the Deh Cho. I was disappointed that not one individual from any of the communities was in attendance to participate. It was, after all, supposed to be a key meeting with industry. I had looked forward to meeting with community members and having them participate in the enlightening discussions that transpired. Both government and industry representatives became more informed on a number of issues; however, there could have been a more meaningful dialogue if all parties had attended. Decisions should not be made in a vacuum, and it was evident at the meeting that there was a great deal of misinformation about industry and the pertinent legislation and regulations that govern how it must operate. I assume that the same lack of information and misinformation exists at a local level.

With respect to the questionnaire that was circulated, I would like to provide the following feedback:

1. Considering the size of the Deh Cho region, a minor amount of the area has been outlined on the maps for mineral potential. It is understandable that areas containing existing mineral claims or areas of historical exploration have been highlighted. However, as we discussed at the meeting, it is the nature of mineral exploration that an individual or group can not "circle missing areas" of potential interest due to the highly competitive nature of the business. It is not beneficial to the mineral exploration companies or the Deh Cho, to accept that this approach will provide any meaningful feedback. If forced to delineate an area, I would

have to circle virtually the entire Deh Cho Region due to the lack of scientific data pertaining to mineral exploration.

2. The resource potential of the Deh Cho region has not been appropriately represented. There are vast areas of the region that are virtually unexplored which potentially have mineral resources contained therein. The existence of active claims only reflects general current knowledge. Government rarely has the funding resources available to be able to make a detailed and conclusive assessment of such a broad area. It is private financing, or funds raised in the public markets, that are necessary to properly assess the potential of these regions. Adequate information does not exist for the Deh Cho Land Use Planning Committee to conclude that a complete and comprehensive assessment has been conducted. The maps present a nice façade; the data on which they are based is lacking the necessary scientific information to allow the maps to be used for the intended purpose.
3. As outlined in number one above, the nature of exploration makes it unrealistic to expect that companies will reveal specific areas of interest other than for known showings or resources. To do so would compromise their very existence. During the meeting, company representatives pointed out that even where known mineral occurrences exist and claims are active, the areas around those discoveries may hold potential for further development. It is imperative that opportunities for exploration remain open beyond currently delineated showings or areas of interest. In the context of regional potential, the Deh Cho is relatively unexplored and removing large areas into Protected Areas or Interim Land Withdrawals runs counterproductive to the best interests of the Deh Cho, industry and government alike; the Deh Cho have stated that their objective is to foster resource development within their region.
4. I would be willing to participate in discussions relating to research conducted for development within the Deh Cho. An integrated land use management strategy would be a beneficial approach for all parties to consider. Cumulative Effects management must be carefully analyzed before using it as a tool to dictate when activities can be carried out. I am not convinced that it is either beneficial or necessary to have it included in the Deh Cho Land Use Plan Terms and Conditions. Development proposals must be allowed to respond to market conditions at a given time. An opportunity that exists today may disappear quickly if market conditions change and the lost opportunity costs can be extremely high. Legislated guidelines that dictate which projects may or may not proceed, and controls the timeframe thereof, may undermine the stated objectives of the Deh Cho and hinder industry's ability to finance otherwise viable projects. Such guidelines have the potential to become outdated quickly and usually can not be changed as rapidly as market conditions require.
5. I would hope that the people of the Deh Cho region allow responsible development to enhance and maximize the resource potential contained in the

region for their benefit and society as a whole. The people of the Deh Cho, as Canadian citizens, can benefit from the market economies that flourish in our country. Mutually beneficial relationships can be developed with industry and government. Greater opportunities can be realized when an inclusive, team approach is embraced as opposed to an exclusive, all or nothing mandate. The exploration industry strives to work with parties who have vested interests in an area. It adheres to guidelines for environmental and social conduct. The Deh Cho region could experience great things and enjoy new benefits and development of its regional potential if the people work with industry and welcome new opportunities. In order to foster this potential, those at the community level must be given complete and unbiased information concerning the mineral exploration and development industries.

6. Considering the Deh Cho's stated objective, to foster resource development within the Deh Cho, the best option for the Deh Cho would be to leave all areas open for exploration and development opportunities. Neither industry, government, nor the Deh Cho, can control where development opportunities will be discovered *if* they even exist to be discovered. The Deh Cho region remains virtually unexplored. It is likely that even if it were to be fully explored, most of it would remain in its original state with no development. Restrictions should not be introduced to deal with the unknown...they may unknowingly hamper unforeseen opportunities that arise in the future. Different interests can coexist to be mutually inclusive, not exclusive. The goal should be to embrace new opportunities that may lead to benefits arising from unfettered but responsible developments.
7. As pointed out previously, I was very disappointed that there was no local representation from the Deh Cho with whom to exchange ideas. I assumed that there would be someone there given the importance placed on the meeting by the Deh Cho Land Use Planning Committee. If industry input is valued, I expected participation from those affected, not just government and the Executive Director. The Executive Director and the government representatives presented the plan well. It was difficult particularly for the Executive Director, to be able to provide answers to the more esoteric questions. It was beneficial to be able to explain matters, such as Flow Through Financing, so that the Executive Director was able to have a better understanding of some of the limitations and challenges facing industry. There needs to be further "bridging of the chasm"; it is incumbent upon the Deh Cho Land Use Planning Committee to understand industry. To not do so would amount to a dereliction of its duties. Resource potential and the development thereof, is a very important asset of the region.

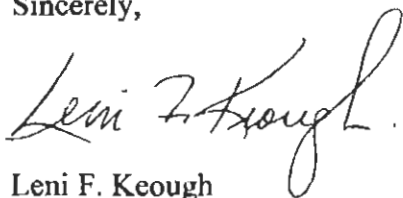
It is essential that more meetings be held in a location that is accessible (Vancouver again?) with some local representation before any thought is given to finalizing a plan. The local representation should not just be restricted to members of the Planning Committee.

In conclusion, the Land Use Planning process may be a worthwhile undertaking; however, as presented it lacks substance, arising from the fact that conclusions are being drawn without an adequate scientific database to do so. The full picture has not been provided and this is to the detriment of the Deh Cho and will not lead to responsible and sustainable growth for the betterment of all.

I hope that just consideration is given to my points, as well as to all those expressed by industry over the course of this process.

I look forward to continued involvement in the process and I offer my assistance to help improve the potential for the Deh Cho. Please keep me informed as to the progress of this matter and call should you desire my input on any related matter.

Sincerely,

A handwritten signature in cursive script that reads "Leni F. Keough". The signature is written in black ink and is positioned above the printed name.

Leni F. Keough